

**THE RELATIONSHIP BETWEEN THE EMPLOYEES' PERCEPTION
TOWARDS PERFORMANCE APPRAISAL SYSTEM
AND WORK PERFORMANCE IN A
TELECOMMUNICATION COMPANY
IN KUCHING, SARAWAK.**

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ABSTRACT

The purpose of this study is to look into the relationship between the employees' perception towards the performance appraisal system in Celcom Sdn. Bhd. related to their perception towards work performance in the organization. Two factors between the dependent and independent variable were investigated to identify the differences and its effect towards the organization's achievement, goals, and mission. The dependent variable in this study is the employees' perception towards work performance while the independent variable comprises of the demographic characteristics and the factors of employees' perception towards performance appraisal system, which includes general perception, benefit, value, effectiveness, needs, and evaluation of performance appraisal. This study was carried out in Celcom Sdn. Bhd. Kuching Branch. A total of 85 respondents were taken as samples out of the total population of 225 staffs of all level in Celcom. The data was collected through the distribution of questionnaire.

The data of this study was analyzed by using the SPSS version 10.0 where three methods of descriptive statistics, Pearson's Product Moment Coefficient of Correlation, *t*-test, and One-way ANOVA was used. The results of the Pearson Correlation Coefficient revealed that there is no significant difference between the employees' demographic characteristics and their perception towards work performance.

The result of the Pearson 'r' correlation on the employees' perception towards work performance and the 6 factors of employees' perception towards performance appraisal system are; general perception ($r = 0.8049$, $p > 0.05$), benefit ($r = -0.033$, $p > 0.05$), value ($r = -0.111$, $p > 0.05$), effectiveness ($r = -0.115$, $p > 0.05$), needs ($r = -0.094$, $p > 0.05$), and evaluation ($r = 0.000$, $p > 0.05$). The result also shows that there is no significance differences between the employees perception factors towards performance appraisal system and their perception towards work performance.

ABSTRAK

Kajian ini bertujuan untuk mengenal pasti perhubungan di antara persepsi pekerja terhadap sistem penilaian prestasi kerja pekerja dengan persepsi terhadap prestasi kerja di Celcom Sdn. Bhd. Faktor demografi pekerja yang merangkumi jantina, umur, tempoh perkhidmatan, jenis tugas, dan kelayakan akan dikaji sama ada ianya mempunyai perhubungan dengan persepsi prestasi pekerja dalam organisasi ini. Faktor persepsi umum, faedah, nilai, keberkesanan, keperluan, dan penilaian juga akan diukur untuk mengenal pasti perhubungannya terhadap persepsi prestasi kerja pekerja. Kajian ini dijalankan di Celcom Sdn. Bhd. Cawangan Kuching dimana seramai 85 responden akan dikaji daripada jumlah populasi seramai 225 orang. Pengumpulan data adalah diperolehi melalui borang soal selidik.

Data kajian ini kemudiannya dianalisis dengan menggunakan SPSS versi 10.0 dengan menggunakan kaedah-kaedah termasuk gambaran statistik, 'Korelasi Pearson', 't-Test' dan 'One-way ANOVA'. Keputusan korelasi pearson menunjukkan bahawa tiada sebarang perhubungan diantara faktor demografi pekerja dengan persepsi prestasi kerja pekerja. Keputusan analisis juga menunjukkan bahawa tiada sebarang perhubungan di antara tanggapan pekerja terhadap persepsi umum, faedah, nilai, keberkesanan, keperluan, dan penilaian terhadap tahap persepsi prestasi kerja pekerja.

Keputusan korelasi Pearson ke atas persepsi prestasi kerja pekerja adalah seperti berikut; Persepsi umum ($r = 0.8049$, $p > 0.05$), faedah ($r = -0.033$, $p > 0.05$), nilai ($r = -0.111$, $p > 0.05$), keberkesanan ($r = -0.115$, $p > 0.05$), keperluan ($r = -0.094$, $p > 0.05$), dan penilaian ($r = 0.000$, $p > 0.05$). Ini menunjukkan bahawa tiada sebarang perhubungan di antara 6 faktor tersebut di atas dengan persepsi prestasi kerja pekerja. Oleh yang demikian hipotesis yang menyatakan tiada perhubungan di antara persepsi prestasi kerja pekerja dengan persepsi pekerja terhadap 6 faktor tersebut adalah diterima.

CHAPTER 1

INTRODUCTION

1.0. Introduction.

This study attempts to look into the relationship between the employees' perception towards performance appraisal system related to their perception towards work performance in Celcom (M) Sdn.Bhd. Celcom Sdn.Bhd. is an organization dealing with the telecommunication industry, which is competitively among the most challenging company in the country. Employees' perception towards the performance appraisal system plays an important role as it can influence the employees' perception towards work performance and could lead to the low productivity to the company.

Celcom Sdn. Bhd., as it was first established since 1998 was the second largest communication organization after the Telekom Sdn. Bhd. Thus, employees innovative work performance is very much needed in the organization to meet the needs and customers wants especially in the telecommunication industry so much so that they can develop and designed the high technology demanded by telecommunication users throughout the country.

The performance appraisal system used by the company was developed ever since the company begins its operation in January 5, 1988. The Celcom Performance Management System is implemented in three phases;

- (i) Establishing Direction – At the start of the performance cycle, performance is *mutually planned and agreed upon*.
- (ii) Ensuring Success – Throughout the circle, performance is monitored, and adjustments are made to keep it on track.
- (iii) Encouraging Progress – At the end of the circle, performance is compared to the plan, with an emphasis on successes and continuous improvement.

The Celcom's Performance Cycle concentrates on the skills and behaviors needed for success. Stresses the benefits of coaching people to demonstrate these behaviors. Addresses process improvement by emphasizing how objectives must be achieved. Functions all the time, it's not a one-time goal-setting and appraisal process. Thus, quality of product and services is the most important factors to consider. Therefore, an effective appraisal system should be seriously considered. The company should from time to time ensure that the appraisal process is being done openly but following the most appropriate methods.

Harry Levinson (1991) in "Appraising Performance Appraisal", pointed out that; It may be stretching it a bit to argue that the epigram "Its not the winning or losing that counts, but how you play the game" ought to be strictly followed in designing performance appraisal systems. In business, results are important, and a few would disagree. What the epigram point out, however, is that some result are not worth the means some take to achieve them. Nonetheless, most performance appraisal systems in most companies focus on results of behavior while in reality people are judged just as much on how they get things done. Harry Levinson argue that in order for a company to have a performance appraisal system that accounts for the "how" as well as the "what", it will need to establish; job descriptions that are behavior as well as results-oriented; a critical incident program in which managers write reports regularly on the behavior of their employees, and support mechanisms to help managers honestly appraise the behavior of their employees as well as of their bosses.

Performance appraisal has three basic functions: to provide adequate feedback to each person on his or her performance; to serve as a basis for modifying or changing behavior towards more effective working habits; and to provide data to managers with which they may judge future job assignments and compensation. The performance appraisal concept is central to effective management. Much hard and imaginative work has gone into developing and refining it.

In most organizations, the human resource department is responsible for co-coordinating the design and implementation of performance appraisal programs. However, an essential element is that line managers play a key role from beginning to end. These individuals will likely have responsibility for actually conducting the appraisals, and they must directly participate in the program if it is to succeed.

Celcom Sdn. Bhd. had focus on the key principles by building effective performance. The key principles are a set of generic communication skills that address these needs which include; maintain or enhance self-esteem, listen and respond with empathy, ask for help and encourage involvement, share thoughts, feelings, and rationale. The company believes that key principles are powerful tools. When used effectively, they send an important message that are committed to building confidence, instilling trust, and providing whatever it takes for people to do their jobs as competently as possible.

A good organization runs itself. That's not as far fetched as it sounds. People in this kind of organization actually take charge and manage their own performance; they participate in making decisions about their jobs and in setting and achieving performance objectives. They form a solid foundation for getting that kind of participation at the beginning and throughout the performance cycle. People do better job when they believe in themselves and their abilities. They take personal satisfaction in their work, they're more committed to achieving their objectives, and they demonstrate dimensions with greater confidence. They're also likely to have the confidence they need to be innovative and independent. A basic rule for managers is, *"Pass the pride down", people like to create when they can earn recognition for their ideas. When a good idea surface, the creator's immediate supervisor should show prompt appreciation."*

Reviewing performance in Celcom has to go through the establishing direction and ensuring success phases, so the review discussion in the *Encouraging Progress phase* held to;

- (a) Summarize how actual performance compared to the level of performance to which the employee agreed.
- (b) Recognize major strengths.
- (c) Agree on ways to improve performance that fell short of objectives.
- (d) Approach the coming performance cycle with an emphasis on continued improvement and development.

The company had implement their most effective ways in ensuring their employees to adopt positively the performance appraisal system. The senior management officer as well as the appraisee who evaluate directly upon the employees from time to time played their important roles to ensure that they had sufficient information about their employees performance by monitoring and guiding them based on their job assignment.

Celcom Sdn. Bhd. had adopted the Key Principles as describe below;

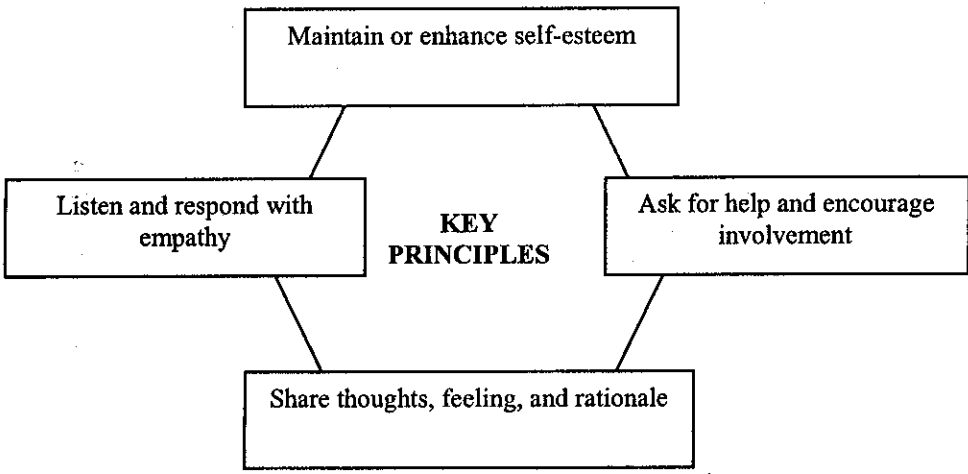


Figure 1.1. Key Principles – Celcom Strategies for Productive Interactions.
Source: Celcom Key Principles and Discussion Guidelines.

When using this Key Principle, it’s important to know the difference between ‘maintaining’ and ‘enhancing’ self-esteem. Maintaining self-esteem means not destroying people’s self confidence. This is especially important when you coach to improve performance or evaluate less-than-acceptable performance during a review discussion.

1.1. Background of the Study.

Performance appraisal within management ranks has become standard practice in many companies and is currently being adopted by many organizations. In Malaysia for example, the introduction of the new performance appraisal approach known as *The New Matrix System* introduced in 1992 has its new format in appraising employees’ performance. A performance appraisal provides an opportunity for communication between the person who assigns the work and the person who performs it, to discuss what they expect from the other and how well those expectations are being met. In order to be effective, organizations need to have a clear mission and good management of performance to ensure that the mission is achieved. The concept of the performance cycle and an understanding of the supporting policies and processes which make the cycle work effectively is a way of helping managers and organizations achieve their mission by good performance management. According to John Lockett (1992) in his book ‘*Effective Performance Management*’ stresses that; Management of performance is the key task for organizations and individuals today; a critical factor if the organization is to compete in today’s turbulent market place.

The Celcom Sdn. Bhd. performance appraisal system provides employees with recognition for their work efforts. The power of social recognition as an incentive has been long noted. This alone can have positive influence on the individual’s sense of worth, commitment and belonging. The Celcom employee evaluation task, though often understated or even denied, evaluation is a legitimate and major objective of performance appraisal.

The need to evaluate is also an ongoing source of tension, since evaluative and developmental priorities appear to frequently clash. Though the organization has a clear right, some would say a duty to conduct such evaluations of performance, many still recoil from the idea. To them explicit process of judgment can be dehumanizing and demoralizing and a source of anxiety and distress to employees.

As stated by Mondy (1999), through his article on *'A Global Perspective'* on Global Performance Appraisal; factoring in appropriate employee behaviors discuss that, A performance appraisal system mandates a formal periodic review and evaluation of an employee's job performance. A general management survey on perceptions of national management style was given to 707 managers representing diverse industries from the United States, Indonesia, Malaysia and Thailand. Result from the survey items relating to the design of performance appraisal systems revealed significant differences in the management styles of these countries. Such differences may translate into distinct differences in the optimal management of performance appraisal, thus suggesting important reservations about the transferability of traditional performance appraisal principles across cultural boundaries.

The development of an appropriate global performance appraisal system will undoubtedly be a complex process, but an effective global system is essential for credible employee evaluations. What usually works in one culture might be considered weak in another. A unique aspect of global performance appraisal is the need to factor in how to properly develop appropriate employee behaviors that accomplish global objectives. Sprint's appraisal system faced this challenge when the company's managers were determining how to keep 48,000 worldwide employees focused on the bottom line in the rapidly changing, intensely competitive telecommunications industry.

In Sprint's performance appraisal system, raters look at the importance of employee behavior in achieving objectives. Appraisals measure and reward employees both on what they achieve and how they achieve it. Basically, to achieve a satisfactory performance appraisal, an employee must meet established objectives and demonstrate expected behaviors in accomplishing these objectives. If an employee meet his objectives but does not demonstrate the expected behaviors he may not receive a salary increase or incentive compensation.

According to Archer North's & Association (1998), performance appraisal may be defined as a structured formal interaction between a subordinate and supervisor, that usually takes the form of a periodic interview annual or semi-annual, in which the work performance of the subordinate is examined and discussed, with a view to identifying weaknesses and strengths as well as opportunities for improvement and skills development. In many organizations, but not all, appraisal results are used, either directly or indirectly, to help determine reward outcomes. That is, the appraisal results were used to identify the better performing employees who should get the majority of available merit pay increases, bonuses, and promotions.

By the same token, appraisal results are used to identify the poorer performers who may require some form of counseling, or in extreme cases, demotion, dismissal or decreases in pay. Whether this is an appropriate use of performance appraisal, the assignment and justification of rewards and penalties is very uncertain and contentious matter. Few issues in management stir up more controversy than performance appraisal. There are many respected sources, researchers, management commentators, psychometricians, who have expressed doubts about the validity and reliability of the performance appraisal. Some have even suggested that the process is so inherently flawed that it may be impossible to perfect it, Derven (1990).

At the other extreme, there are many strong advocates of performance appraisal. Some view it as potentially, "...the most crucial aspect of organizational life" (Lawrie, 1990). Between this two extremes lie various school of belief, while all endorse use the use of appraisal, there are many different opinions on how and when to apply it. This group believes that the linkage to reward outcomes reduces or eliminates the developmental value of appraisals. Rather than an opportunity for constructive review and encouragement, the reward-linked process is perceived as judgmental, punitive and harrowing.

1.2. Problem Statement.

Every organization needs an efficient means for managing performance appraisals. Most of the organization consider the importance of performance appraisal as a tools and instrument to evaluate their employees' perception towards work performance and their contribution to the organization as a whole. Different organization has different performance appraisal system and processes. In Malaysia for example the public sector had implemented the New Matrix System (SSB) in the year 1992. Since then, the private sectors too, had their own new approach in performance appraisal system where they stresses more on their *Key Result Areas*. Celcom (M) Sdn.Bhd., is one of the telecommunication company who regards the performance appraisal as an important tool to evaluate and to improve employees' work performance. Besides that, Celcom had spent so much money in developing the most appropriate performance appraisal system for the company.

Although the performance appraisal system had been designed to develop the most appropriate instrument in measuring perceived work performance, nevertheless, they had been problems of unsatisfied employees towards the implementation of the system. Employees had difference perception towards the performance appraisal system. Those employees who had a high score of performance appraisal considered the system as efficient and effective and perceive it positively. Employees who had a positive perception are more motivated to perform their work whereas employees who had a negative perception consider the system as bias, not properly implemented, and not an appropriate ways to evaluate employees' perception towards work performance (Gabris & Mitchell, 1989).

Employees' negative perception towards the performance appraisal system will affect their perception towards work performance, demotivated, and cause poor performance. Lawrie (1990) considered performance appraisal as the most difficult and critical aspect in an organization. According to Derven (1990), there's so many sources as an evidence such as researchers, managers, and psychometric experts who are not confident on the effectiveness and efficiency of the performance appraisal system. Some considered that the system are bias, not fairly implemented, and develop a negative perception towards the system.

Performance appraisals can be productive, threatening, dreaded, and reassuring. They may be given to achieve various organizational goals. Performance appraisal are most certainly delivered by those supervisor or appraisers with diverse management experienced and skills. Evaluation of employee performance, which may be objectively or subjectively perceptual based, is many times perceived as a necessary event in today's public sector organizations.

Therefore, the study will focus on the following general research questions;

- (i) what are the employees' general perception towards performance appraisal system implemented by their superior in their organization?
- (ii) What are their perception towards the benefit of performance appraisal system to their perceived work performance?
- (iii) Do employees' perception towards the value of performance appraisal system affect their perception towards work performance?
- (iv) How do they perceive the effectiveness of the performance appraisal to their perception towards work performance?
- (v) What are the employees' perception towards the performance appraisal needs and their relationship of their perceived work performance.
- (vi) Do their perception towards the evaluation of performance appraisal influence their perception towards work performance in the organization?

1.3. Objectives of the Study.

- i. To identify the employee's general perception towards the performance appraisal system in the organization.
- ii. To determine the employees' perception towards the benefit of performance appraisal system with their perception towards work performance in the organization.
- iii. To identify the employees' perception towards the value of the performance appraisal system with the employees' perception towards work performance.
- iv. To identify the employees' perception towards the effectiveness of the performance appraisal system related to the employees' perception towards work performance.
- v. To identify the employees' perception towards the performance appraisal needs with their perception on work performance.
- vi. To determine the employees' perception towards the evaluation of performance appraisal system with the employees' perception towards work performance.
- vii. To identify the relationship between the demographic factors and employees' perception towards work performance.

1.4. Conceptual Framework.

This study attempt to identify the variables between the factors of employees' perception on the performance appraisal system that may influence their perception towards work performance in the organization. The independent variables include six factors of employees' perception towards performance appraisal system in Celcom Sdn. Bhd., and the employees' demographic characteristics are to be analyzed.

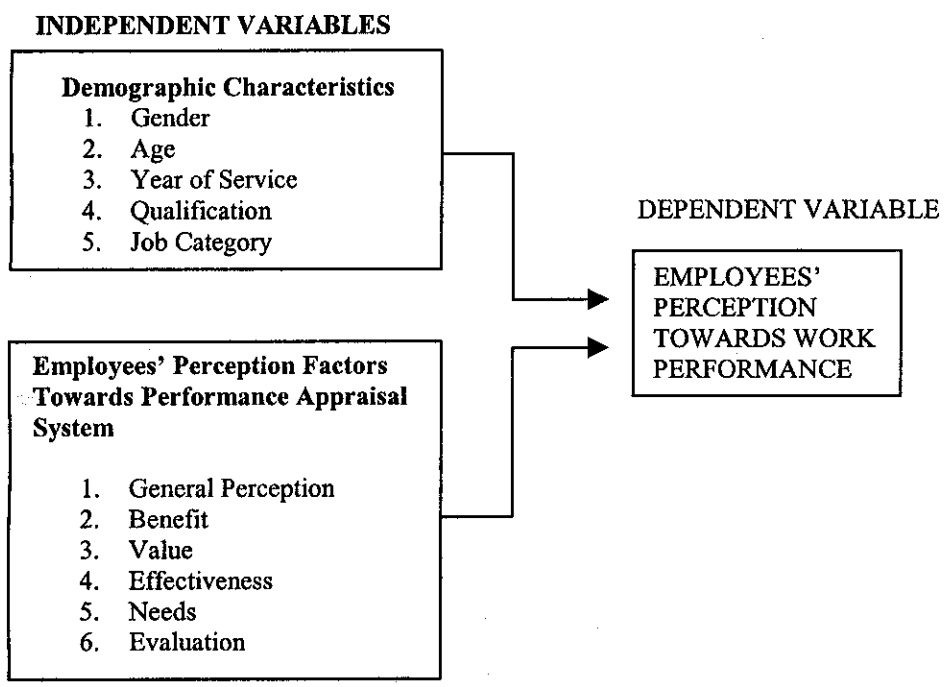


Figure 1.2: Research Framework Model.

As shown in Figure 1.2, all the six factors which form the independent variables of the performance appraisal system, which includes general perception, effectiveness, benefit, value, evaluation and needs will be tested against the dependent variable. The employees demographic characteristics which includes gender, age, job category, qualification, and experience which also form the independent variables in this study, will also be tested against the dependent variables, that is the employees' perception towards work performance. The scores on the independent variables will be ranked to determine the levels of employees' performance as low, moderate or high.

Therefore, this study attempt to look into the relationship between the employees' perceived work performance related to their perception towards performance appraisal system. The perception factors in the study will analyze the relationship and its influences towards the dependent variable. The employees perception's towards performance appraisal will be judge at a negative or positive perception. Negative perception could lead to a poor work performance while positive perception can develop a better work performance.

Perception of employees towards performance appraisal system plays important roles in contributing performance at work place. Employees with a positive attitude can create a conducive work place environment thus, achieved better results. The employees' perception on the benefit of performance appraisal system in the organization can also influence their perception towards work performance. If the employees consider that the system is of less benefit, it can influence their perceived work performance. Employees' perception towards the value and the effectiveness of the performance appraisal system implemented by the employer can lead to a better work performance while the needs and evaluation of performance appraisal are very important. These factors usually influence employees' perception towards work performance in any organization.

1.5. Research Hypotheses.

- Ho1: There is no difference between male and female employees in terms of their perception towards work performance.
- Ho2: There is no difference between the employees' age and their perception towards work performance.
- Ho3: There is no difference between their year of service and their perception towards work performance.
- Ho4: There is no difference between the employees qualification to their perception towards work performance..
- Ho5: There is no difference between the employees' job category to their perception towards work performance.
- Ho6: There is no relationship between employees' perception towards work performance and their general perception towards performance appraisal system
- Ho7: There is no relationship between the employees' perception towards work performance and their perception towards the benefit of performance appraisal.
- Ho8: There is no relationship between the employees' perception towards work performance and their perception towards the value of performance appraisal system.
- Ho9: There is no relationship between the Employees' perception towards work performance and their perception towards performance appraisal effectiveness.
- Ho10: There is no relationship between employees' perception towards work performance and their perception towards the needs of performance appraisal system.
- Ho11: There is no relationship between employees' perception towards work performance and their perception towards the evaluation of performance appraisal system.
- Ho12: None of the six independent variables have a significant influence to the dependent variables of employees' perception towards work performance.

1.6. Significance of the Study.

This study attempts to look into the factors that affect the employees' perception towards work performance in related to their perception towards performance appraisal system in Celcom (M) Sdn. Bhd. Thus it serves as an important source of information to the organization in improving their human resources management practice especially in appraising their employees. The performance appraisal system in Celcom like any other organization faced the problems of unsatisfaction of employees towards the performance appraisal system.

The findings of this study therefore, will provide fair information, as they are based on the views and perception of the employees themselves on their opinion towards appraisal system and how they are related to their perception towards work performance.

Through this study it attempts to identify the truth and reality on factors that influence employees' perception towards work performance in the organization. This should then revealed to the organization's appraisers of what they are lacked and what they should have practiced to perform an effective performance appraisal for both the system and the process to enhance effective evaluation based on the organization's objectives.

The research will look through what, where, when, why and how the techniques and methods in the performance appraisal system affect their employees' perception towards work performance. The study also keens to look onto several alternatives to the present key result areas by Celcom where the problems can be solved. This study will help the HRM manager of the company to look into the best solution that could improve the performance appraisal process in order to achieve outstanding and a high quality product and services.

1.7. Operational Definition of Terms.

The operational definition of terms in this study is defined based on related references and the entire study that is the Celcom Sdn. Bhd.

1.7.1. Perception.

In this study '*perception*' refers to employees' interpretation and impression towards the performance appraisal system within their organization. This perception is constructed based on the employees, background knowledge and several other factors relating to their perception towards performance appraisal system. This study is based on the perception of employees towards the performance appraisal system in Celcom Sdn. Bhd.

The perception of the employees towards performance appraisal system in Celcom is classified as either positive or negative which will determine whether it influenced their perception on work performance in the organization. This is a very important factor to be considered in the organization especially in Celcom because they are dealing with consumers' needs and expectation so much that they have to develop a positive perception in order to contribute quality work performance to produce quality products and services.

1.7.2. General Perception.

The general perception in this study refers to the employees' perception of Celcom Sdn. Bhd. as a whole towards the performance appraisal system implemented in the company, and how they react to the performance appraisal system in the organization. General perception of the employees in Celcom plays an important roles in developing the organization's goals and objectives. Employees' perception towards the performance appraisal system can determine positive perception towards work performance.

It is important that the employees of the organization have a positive perception towards the performance appraisal system and work performance as to achieve the organization's goals and objectives. Since the company is competitively marketing their services in the telecommunication industry, therefore every employee in the organization have to contribute and play their roles in achieving the organization's goals.

1.7.3. Perception towards the Benefit of Performance Appraisal System.

Perception towards the benefit of performance appraisal system in this study refers to either the additional financial rewards or non-financial rewards the employees of Celcom gained from the performance appraisal system and which generally are not paid directly. Thus, the study on the employees' perception towards benefit of performance appraisal system is analyzed through the employees' feedback on how they perceive the system in terms of financial and non financial rewards such as giving of bonuses, leave, holiday tours, recognition, career development, and other form of rewards.

Most organizations recognize their responsibility to provide their employees with insurance and other programs for their health, safety, security, and general welfare. These benefits include all financial rewards that generally are not paid directly to the employee.

1.7.4. Perception towards the Value of Performance appraisal system.

Perception towards the value of performance appraisal system in this study refers to the performance appraisal value includes, employees' responsibility, recognition, salary increment, job security, promotion, and training opportunity. Thus, the value is related to the employee's perception towards value of the performance appraisal system that is related to their perception towards work performance. Those employees who positively valued the performance appraisal system could create a positive working environment and those employees who had a negative perception towards the value of performance appraisal system could resulted to a negative perception towards work performance. According to Peters and Austin (1985), another way to encourage continued effective performance is through *value shaping*. They argue that values can serve as guides for behavior that help employees know what is expected and how to behave.

1.7.5. Perception towards the Effectiveness of Performance Appraisal System.

Perception towards the Effectiveness of performance appraisal system in this study refers to the appraisers' effectiveness and efficiency in implementing their performance appraisal evaluation in Celcom. The effectiveness of performance appraisal system was based on the employees' perception towards the evaluation made such as their participation with their supervisor, employees' relationship in the organization, accountability and other aspects, which develop positive results. Effectiveness of performance appraisal in this study attempts to look into the overall results of the findings based on the respondents' feedback. The effectiveness was judge by the degree of satisfaction of employees towards the performance appraisal system in the organization.

Effectiveness, according to John Lockett (1992), is a comparison of outcomes against strategic objectives, in other words, does the organization achieve what it set out to achieve. Efficiency is not important if the organization is not achieving the expected outcomes; quality is not important if the organization cannot achieve quality within cost constraints; cost effectiveness may lack an effective set of strategic objectives to drive long-term effectiveness. To be effective, organizations need to balance inputs, outputs and outcomes in order to ensure that they remain effective.

Organizational performance is affected by efficiency, quality, responsiveness, cost effectiveness and overall effectiveness. The aim of efficiency is to get more output for the same input. Quality is a measure of both output and process while responsiveness refers to effective feedback mechanism from the external environment that enables the organization to react quickly. Cost effectiveness is a comparison between outcomes and their relation to inputs.

1.7.6. Perception towards the Performance Appraisal System Needs.

Perception towards the performance appraisal system needs in this study refers to the employees' needs towards the performance appraisal system in Celcom. Therefore, this study analyzed the employees' perception towards performance appraisal system needs related to their perception towards work performance in the organization. Chris Argyris, (1964), sees a fundamental dichotomy between individual and organizational needs, and because individuals by nature tend to place their own needs before those of the organization, neither their needs nor of the organization are optimally fulfilled. Kirkpatrick (1977) listed four "simple approaches" to needs analysis which include performance appraisal, survey of needs, testing, and advisory committees.

1.7.7. Perception towards the Evaluation of Performance Appraisal.

The perception towards the evaluation of the performance appraisal in this study refers to how the employees of the company perceive the evaluation made by the appraisers of Celcom during the performance appraisal evaluation period. This study attempts to identify whether the evaluation instrument used is appropriate or whether the evaluation methods imposed by the appraisers were fairly implemented or not. System for evaluation and appraising performance are important elements in many systems for managing human resources and organizational control. Human Resource Development evaluation is defined as "the systematic collection of descriptive and judgmental information necessary to make effective training decisions related to the selection, adoption, value and modification of various instructional activities. Better and more informed decision-making is an important benefit of conducting an HRD evaluation. Building credibility is a key aspect of conducting an evaluation.

1.7.8. Perception towards Work Performance

Perception towards work performance in this study refers to how the employees of the organization interpret and impressed the work performance in Celcom (M) Sdn.Bhd. Kuching, Sarawak. The company consider employees' perception towards work performance as their main key areas to achieved continuous excellent results, thus, obtained high output for the organization, the employees' perceived work performance was rated based on the following rating scale;

1 - Unacceptable Performance.

Well below requirements for acceptable performance. Substantial improvements must be shown to remain employed.

2 - Towards Competency.

Performs most accountabilities acceptably. Some significant areas still need consistency in meeting all requirements.

3 - Fully Competent.

Completely acceptable performance of an experienced person in this position.

4 - High Performance.

Performance is above expectation for the position. Exceeds expectations in some areas.

5 - Outstanding.

Way above accepted performance. Has significant impact on Celcom's goals.

The organization are from time to time keeping performance reviews positive. The organizational key themes are continuous improvement and development. The employees' work performance were reviewed through discussion which depends on the quality of coaching, reinforcing, feedback, and data collecting that has taken place throughout the year.

1.7.9. Performance Appraisal System.

In this study the *performance appraisal system* refers to the performance appraisal system designed by Celcom Sdn.Bhd where the organization stresses more on the KRAs (Key Result Areas). The organization has set up their key to effective performance measurement where all clearly defined objectives which meets five criteria; measurable, time bound, within influence, realistic, and understandable. Using these guidelines leads the appraisers to fair, clear, and equitable objectives.

According to Mondy, (1999), Identification of specific goals is the starting point for the performance appraisal process. An appraisal system probably will not able to serve every desired purpose effectively. Therefore, management should select the specific appraisal goals it believes are most important and can be realistically achieved.

For example, some firms may want to stress employee development, other organizations may want to focus on administrative decisions, such as pay adjustments. Too many performance appraisal systems fail because management expects too much from one method and does not determine specifically what it wants the system to accomplish.

1.7.10. Supervisor.

Supervisors in this study are the immediate supervisor who plays an important role in the employee's work life, delegating tasks and responsibilities, setting expectations, evaluating performance, and providing feedback, rewards, and discipline. In Celcom Sdn.Bhd., the supervisors are those who had been appointed based on their experiences and knowledge which includes the head of departments.

As stated by Mondy (1999), an employee's immediate supervisor has traditionally been the most common choice for evaluating performance. The supervisor is usually in an excellent position to observe the employee's job performance. The supervisor has the responsibility for managing a particular unit. When the task of evaluating subordinates is given to someone else, the supervisor's authority may be undermined. Finally, subordinate training and development is an important element in every manager's job, and appraisal programs and employee development are most often closely related.

It is important that the supervisor be well-informed and credible. Supervisor who appraise employee should feel comfortable with the techniques of appraisal, and should be knowledgeable about the employee's job and performance. When this condition exist, employees are more likely to view the appraisal process as accurate and fair. They also express more acceptance of the appraiser's feedback and a greater willingness to change. (Bannister, 1986).

It is the supervisor's responsibility to ensure that his or her unit meets its goals, and that means ensuring that employees perform their task effectively. The supervisor delegates assignments, establishes standards, and monitors performance, and is therefore uniquely equipped with sufficient information, opportunity, and authority to carry out coaching effectively.

Although team members may have the information and opportunity to function as coaches, they may lack the authority to do so. One of the challenges of using self-managed teams is to define the role for the manager or supervisor to whom the team reports. Often, one of the primary roles of managers and supervisors in team-based organizations is that of coach (Geber, 1992; Wellins, Byham, & Wilson, 1991).

1.8. Limitation of Study.

This study focuses only on the staff of Celcom Sdn. Bhd. a well established telecommunication company. Thus, the findings will only reflect the employees' perception. The samples taken are from five main department of the company which comprises the Human Resource Department, the Marketing Department, Customer Service, Finance Department, and the Technical Department. The respondents of these five department of Celcom Sdn.Bhd. were obtained from their four outlets in Kuching. There are from the Satok Branch, Jalan Daar Branch (Crown Tower), Pending Branch, and Twin Tower Branch. Celcom (M) Sdn.Bhd. is a very competitive business organization dealing with telecommunication. Thus, there's several limitations which is a constrain to the researcher. The limitation of study includes;

1.8.1. Restricted information and References.

The company cannot reveal their employees' personal particulars in which it is sometimes important to study the problems. The company also does not allow the researcher to look into employee's records of work. This means the researcher will not be able to study their past records.

1.8.2. Respondents and Population .

The population of the study is confined to employees within the Kuching branch and the state headquarters only. Thus, a more detail feedback would be very difficult.

1.9. Summary.

This study is an attempt to consolidate observations and to determine the relationship between the employees' perception towards the performance appraisal system of Celcom Sdn.Bhd. Kuching, Sarawak and their work performance. Dealing with telecommunication, the company need to motivate every workers so to achieve the company's goals.

CHAPTER 2

LITERATURE REVIEW

2.0. Introduction.

There are several literature review that is most appropriate to this study which stress on the factors that lead to the dissatisfaction of employees with the Celcom. These literature review will be used to make a comparison in this study as they are a similar research.

2.1. Performance Appraisal.

Performance Appraisal is a system of review and evaluation of an individual's or team's job performance. Performance appraisal has three basic functions which include; to provide adequate feedback to each person on his or her performance, to serve as a basis for modifying or changing behavior toward more effective working habits, and to provide data to managers with which they may judge future job assignments and compensation. The performance appraisal concept is central to effective management. Much hard and imaginative work has gone into developing and refining it. In fact, there is a great deal of evidence to indicate how useful and effective performance appraisal is. Yet present systems of performance appraisal do not serve any of these functions well.

There is, says Dulewicz, (1989), "... a basic human tendency to make judgments about those one is working with, as well as about oneself." Appraisal, it seems, is both inevitable and universal. In the absence of a carefully structured system of appraisal, people will tend to judge the work performance of others, including subordinates, naturally, informally and arbitrarily.

The human inclination to judge can create serious motivational, ethical and legal problems in work place. Without a structured appraisal system, there is little chance of ensuring that the judgments made will be lawful, fair, defensible and accurate. Performance appraisal systems began as simple methods of income justification. That is, appraisal was used to decide whether or not the salary or wage of an individual employee was justified. The process was firmly linked to material outcomes. If an employee's performance were found to be less than ideal, a cut in pay would follow. On the hand, if their performance was better than the supervisor expected, a pay rise was in order.

Little consideration, if any, was given to the developmental possibilities of appraisal. It was felt that a cut in pay, or a rise, should provide the only required impetus for an employee to either improve or continue to perform well. Sometimes this basic system succeeded in getting the results that were intended, but more often than not, it failed. For example, early motivational researchers were aware that different people with roughly equal work abilities could be paid the same amount of money and yet have quite different levels of motivation and performance.

Modern Appraisal – Performance appraisal may be defined as a structured formal interaction between a subordinate and supervisor, that usually takes the form of a periodic interview in which the work performance of the subordinate is examined and discussed, with a view to identifying weaknesses and strengths as well as opportunities for improvement and skills development.

2.2. Performance Appraisal Methods.

In a landmark study, Locher & Teel (1977) found that the three most common appraisal methods in general use are rating scales (56%), essay methods (25%) and results-oriented or MBO methods (13%). Certain techniques in performance appraisal have been thoroughly investigated, and some have been found to yield better results than others. *Encourage Discussion* – Research studies show that employees are likely to feel more satisfied with their appraisal result if they have the chance to talk freely and discuss their performance. It is also more likely that such employees will be better able to meet future performance goals. (Nemeroff & Wexley, 1979)

Constructive Intention – It is very important that employees recognize that negative appraisal feedback is provided with a constructive intention, i.e., to help them overcome present difficulties and to improve their future performance. Employees will be less anxious about criticism, and more likely to find it useful, when they believe that the appraiser's intentions are helpful and constructive. (Fedor, 1989)

In contrast, other studies (Baron, 1988) have reported that "destructive criticism" which is vague, ill-informed, unfair or harshly presented – will lead to problems such as anger, resentment, tension and workplace conflict, as well as increased resistance to improvement, denial of problems, and poorer performance.

It has shown in numerous studies that goal-setting is an important element in employee motivation. Goals can stimulate employee effort, focus attention, increase persistence, and encourage employees to find new and better ways to work. (Locke, 1981). It is also quite clear that goals which are "...specific, difficult and accepted by employees will lead to higher levels of performance than easy, vague goals (such as do your best) or no goals at all." (Harris & DiSimone, 1994)

2.3. Motivation Theory.

Familiarity with motivation theory is another useful knowledge area for appraisers. According to Molander & Winterton, (1994), motivation is a general term describing the willingness of employees to exhaust effort and exhibit desired patterns of work behavior in terms of levels of performance and commitment to the organization. Abraham Maslow's needs hierarchy proposes that people have varying levels of needs and must satisfy the more basic needs for food, shelter, safety, and belonging before they can focus on self-esteem and growth. Fournies (1988) argues that trying to determine what needs level is motivating an employee places coaches to know, however, that "when an environment enables people to meet their needs for esteem and growth, people become connected to that environment". Creating the right environment can build commitment and perform better work performance.

In *coaching for improved work performance*, Fournies (1978), also discuss the motivation theories of McGregor and Herzberg (1960), McGregor classified management approaches as Theory X and Theory Y. Fournies suggest that the important knowledge for coaches is realizing that we treat employees according to what we believed about employees. Frederick Herzberg looked at factors which satisfy or dissatisfy workers. He learned that the absence of a dissatisfier such as low pay or dirty working conditions does not create a satisfier or motivator. According to Herzberg (1966), the top two motivators for employees are achievement and recognition. Coaches understand the need for employees to achieve work performance. Coaches also recognize the need for recognition and offer frequent praise.

2.4. The Impact of Behavioral Traits on Performance Appraisal.

This article by Rollie O. Waters, from The Waters Consulting Group, Inc. investigates the effects of supervisor and subordinate measurable behavior on overall subjective performance evaluation ratings. The behavior operationalized as predictors are *Dominance (D)*, *Inducement (I)*, *Steadiness (S)*, and *Compliance (C)*. Correlation and hierarchical regression analyses establish positive effects on behavioral scales measuring. This study examines the behavioral characteristics of the individual team members, both managers and subordinates, and the impact behavioral traits have on the success of a carefully designed performance appraisal system.

2.5. The Link to Rewards.

Banister and Balkin(1990), in their research has reported that appraisee seems to have greater acceptance of the appraisal process, and feel more satisfied with it, when the process is directly linked to rewards. Such findings are a serious challenge to those feel that appraisal results and reward outcomes must be strictly isolated from each other. There is also a group who argues that the evaluation of employees for reward purposes, and frank communication with them about their performance, are part of the basic responsibilities of management. The practice of not discussing reward issues while appraising performance is, say critics, based on inconsistent and muddled ideas of motivation. In many organizations, this inconsistency is aggravated by the practice of having separate wage and salary reviews, in which merit rises and bonuses are decided arbitrarily, and often secretly, by supervisors and managers.

2.6. Conflict and Confrontation.

The 'self-auditing' method of appraisal was expressed by Krein (1990), stated that appraisers should not confront employees directly with criticism. rather they should aim to let the evidence of poor performance emerge "naturally" during the course of the appraisal interview. This is done by way of open-ended questioning techniques that encourage the employee to identify their performance problem. This study is best refers to the problem solving in the Celcom. This article suggested that instead of blunt statements or accusations, the appraisers should encourage an employee to talk freely about their own impressions of their performance.

The technique is to calmly present the evidence and then invite the employee to comment. In many cases, with just a gentle nudge from the appraiser here and there, an employee with problems will admit that weaknesses do exist. If an appraiser can get an employee. To the stage of voluntary admission, half the battle is won. The technique describe by Krein is a type of self-auditing, since it encourages the employee to confront themselves with their own work and performance issues.

2.7. Performance Appraisal "Bias effects".

This study is written by Gabris and Mitchell (1996), who have reported a disruptive bias in performance appraisal known as the Mathew effect. It is named after the Mathew of biblical fame who wrote, "To him who has shall be given, and he shall have abundance; but from him who does not have, even that which he has shall be taken away". The Mathew Effect suggests that no matter how hard an employee strives, their past appraisal records will prejudice their future attempts to improve. In performance appraisal the Mathew Effect is said to occur where employees tend to keep receiving the same appraisal results, year in year out.

That is their appraisal results become self-fulfilling: if they have done well, they will continue to do well, if they have done poorly, they will continue to do poorly. The Mathew Effect suggests that no matter how hard an employee strive, their past appraisal records will prejudice their future attempts to improve. There is other research to support the theory that poor performers might not be given a fair chance to improve. A study of supervisors in nearly 40 different organizations found that subordinates tend to be divided into two groups; in-groupers and out-groupers.

This study, by Heneman, Greenberger & Anonyou (1989) reported that in-groupers are subordinates who seem to be favored by their supervisors. In their relationship with the boss, they enjoy "a high degree of trust, interaction, support and rewards." On the other hand, out-groupers don't do so well. They appear to be permanently out of favor and are likely to bear the brunt of supervisory distrust and criticism. The effect is therefore similar to the horns and halo effect; supervisors tend to judge employees as either good or bad, and then seek evidence that supports that opinion.

It is found that when an in-grouper did poorly on a task, supervisors tended to overlook the failure or attribute to causes such as bad luck or bad timing. When they did well, their success was attributed to effort and ability. But when an out-grouper performed well, it was rarely attributed to their effort or ability. And when an out-grouper performed poorly, there was little hesitation it citing the cause as laziness or incompetence. This bias must inevitably lead to a distortion of the appraisal process. It must also be a source of frustration for those employees who are discriminated against. The extent of this frustration was explored by Gabris & Mitchell (1995). They studied an organization with a quarterly performance appraisal system.

2.8. Effective Performance Appraisal System.

The basic purpose of a performance appraisal system is to improve performance of individuals, teams, and the entire organization. The system may also serve to assist in making administrative decisions such as pay increases. An accurate assessment of performance should be sought that permits developing a plan to improve individual and group performance. The following factors are the characteristics of an effective appraisal system;

(a) Job Related Criteria.

The criteria used for appraising employee performance must be job related. More specifically, job information should be determined through job analysis. Subjective factors, such as initiative, enthusiasm, loyalty, and cooperation, are obviously important.

(b) Performance Expectations.

Managers and subordinates must agree on performance expectations in advance of the appraisal period. Evaluating employees using criteria that they know nothing about is not reasonable.

- (c) **Standardization.**
Employees in the same job category under the same supervisor should be appraised using the same evaluation instrument. Feedback sessions and appraisal interviews should be regularly scheduled for all employees.
- (d) **Trained Appraisers.**
Responsibility for evaluating employees performance should be assigned to the individual or individuals who directly observe at least a representative sample of the worker's job performance.
- (e) **Open Communication.**
A good appraisal system provides highly desired feedback on a continuing basis. A worthwhile goal is to avoid surprises during the appraisal interview.
- (f) **Employee Access to Results and due process.**

2.9. Maintaining Effective Performance and Encouraging Superior Performance.

Supervisors and managers should be interested not only in eliminating poor performance but also in ensuring that good performers remain effective or become even better. This means they should reward effective performance and provide employees who want to become superior performers with the necessary support and opportunity. Motivational approaches, including goal setting, job design, employee participation programs, and the like, are ways of increasing employees' sense of ownership of their performance, thereby encouraging them to remain successful.

Coaching can also be an effective way to encourage and enhance effective performance. Evered and Selman (1990) suggest that managers must create an environment that acknowledges employee contributions to the organization and empowers them to move forward. Managerial supportiveness, availability, and willingness to work with employees will create an environment where employee will demand coaching from their managers because they will be energized to improve. This is important because if the employee does not have the desire to improve, the coaching discussion will likely be perceived negatively, and the employee will resist the manager's efforts.

The manager-coach can provide employees with a unique perspective on performance (Evered & Selman, 1990). The manager-coach can observe the employee, describe specifically what the employee is doing and how he or she is doing it, and then make suggestions for improvement. This approach to coaching effective employees is similar to Peters and Austin's (1985) idea of "skill stretching" and is an essential element of achieving expert level performance (Ericsson & Charness, 1994).

2.10. Appraisal of Appraisers.

Every management by objectives and appraisal program should include regular appraisals of the manager by his subordinates, and be reviewed by the manager's superior. Every manager should be specifically compensated for how well he develops people, based on such appraisals. The very phrase "reporting to" reflects the fact that although a manager has a responsibility, his superior also has a responsibility for what he does and how he does it.

Therefore, objectives should include not only the individual manager's personal and occupational goals, but also the corporate goals he and his superior share in common. They should together appraise their relationship vis-à-vis both the manager's individual goals and their joint objectives, review what they have done together, and discuss its implications for their next joint steps.

A manager rarely is in a position to judge his superior's overall performance, but he can appraise him on the basis of how well the superior has helped him to do his job, how well he is helping him to increase his proficiency and visibility.

Most important, it offers the superior some guidance on his own managerial performance. In addition, and particularly when the manager is protected by higher level review of his appraisal, it provides the supervisor with direct feedback on his own behavior. This is much more constructive than behind-his-back complaint and vituperative terminal interviews, in which cases he has no opportunity either to defend himself or correct his behavior. Every professional counselor has had recently fired executive clients who did not know why they had been discharged for being poor superiors when, according to their information, their subordinates thought so much of them. In his own self-interest, every manager should want appraisal by his subordinates.

2.11. High Performance Work Systems.

According to Desimone and Harris (1998) the high-performance work system (HPWS) is another approach that has emerged from the experiences of companies involved in continuous improvement. Today, there is no universal description of what constitutes a high-performance workplace. Typically, HPWS are multifaceted, involving different combinations of intervention strategies. According to Gephart (1995), there are some common characteristics of a HPWS intervention strategy, which include "self-managed teams, quality circles, flatter organizational structures, new flexible technologies, innovative compensation schemes, increase training, and continuous improvement

However, these elements do not exist as separate initiatives. Rather than they are tight together as a system with a strategic focus and results-oriented work and management processes. According to Gephart (1995), high-performance work systems are organized around eight core principles. There are:

- a. They are aligned to an organization's competitive strategy.
- b. Clear goals and outcomes are customer driven; individual, team, and organizational goals and outcomes are aligned.
- c. Work is organized around processes that create products and services.
- d. They include process-oriented tracking and management of results.
- e. Organization is by work unit that are linked to processes-which enhance ownership, problem solving, and learning.
- f. Workplace structures and system facilitate focus, accountability, cycle time, and responsiveness.
- g. They are characterized by collaboration, trust, and mutual support.
- h. Strategic change management is the key to success.

2.12. The Effectiveness of Coaching to Improve Work Performance.

Research on the performance appraisal interview, which has much in common with coaching, clearly demonstrates the effectiveness of many aspects of the coaching discussion. The performance appraisal interview is a meeting between a supervisor and subordinate in which the supervisor reviews the evaluation of an employee's performance and seeks to help the employee maintain and improve work performance. While some aspect of the appraisal discussion are not relevant to coaching. Employee participation in discussion is very much needed to develop a two-side feedback and approaches. Employees are more likely to participate when they are more closely to their supervisor.

Supportiveness is one of the recurring themes of coaching. The extent to which the supervisor is helpful and supportive has been shown to affect employee acceptance of the performance evaluation and satisfaction with the manager. Using constructive criticism, advocates of coaching urge managers to adopt a descriptive, non-judgmental approach had offer feedback that is specific and factual. Setting performance goals during discussion leads to positive outcomes, such as satisfaction with the discussion.

Taken together research on the performance appraisal interview supports the effectiveness of many of the components used in coaching. Finally, while these findings from research on the performance appraisal interview give us some confidence in the effectiveness of coaching, further research devoted specifically to coaching can help to establish this conclusion more firmly.

2.13. Performance Measurement and Appraisal.

This article is written by Kevin J. Murphy which is related to this study about employees' work performance in work place. The key to any successful incentive compensation program is the system that defines performance and identifies high and low performers. Divisional or corporate level profitability may serve as suitable performance measures for individual managers or top level executives. The success of company-wide incentive compensation programs therefore depends on managers' effectiveness in monitoring and appraising their subordinates' performance.

A common malady in performance appraisal system is managers' tendency to assign uniform rating to employees regardless of performance. Medoff and Abraham (1980), for example, examined the distribution of performance ratings for more than 7,000 managerial and professional employees in two large manufacturing firms and found that 95% of the employees in each firm were crowded into two rating categories. Forced-distribution rating systems in which managers are forced to adhere to a specified distribution of performance ratings-mitigate managerial tendencies to assign uniform ratings but may generate important counter productive side effects.

Employees generally agreed that rewards for excellent performance were not adequate, outstanding performers received salary increases, many of which were just marginally better than those given to average performers. This study, therefore, look into a better rewards and compensation should be impose by managers to their subordinate who had a high score of work performance. This is necessary to maintained their hard work and to enrich them to perform better work performance in future.

2.14. Employees' Perception towards Performance Appraisal System.

There are several studies that had been done on the employees' perception towards performance appraisal system in an organization. A study by Nemeroff and Wexley (1979) revealed that employees are more satisfied with their performance appraisal when they are given the freedom to discuss and view their opinion towards their work performance in their work place. This can help employees to achieve a better goals and help them to improve in their performance within the organization. This is supported by Greenberg(1986), where employees who are free to voice up and appeal against their weaknesses.

A similar study by Gabris and Mitchell (1989), on the employees' perception towards performance appraisal system that evaluate a quarterly performance appraisal system. Sample are divided into two group which comprises of employees who often obtained low performance and those employees who always achieve high performance appraisal. The findings revealed that 63 percent of the employees in the high performance group perceive that the performance appraisal system are fairly implemented while only 5 percent of the low performance group perceive the system as fair and balance.

When the two groups were ask on their appraisers' readiness to hear their opinion, 69 percent of the high performance group agree while 95 percent of the low performance group agreed. At the end of the study, almost half of the samples from the first group (high performance) agrees that their supervisor giving them support while non from the low performance group agreed to their supervisor support.

Bannister and Balkin (1990) says that an employees are more flexible on the performance appraisal system when they are given rewards upon high performance. This study revealed that rewards are parts and parcels of the employees' performance appraisal. Rewards can be of any form of financial or non-financial.

Several reason which proof that employees' negative perception towards performance appraisal system is that the existing of negative relationship between the accountability and the development goals in the performance appraisal system (Duckett, 1991; Peel & Inkson, 1993; Robinson, 1994). In this study majority of the respondents perceive and agrees that performance appraisal system is an important tool which can benefit every individual in the organization to achieve their personal development as well as the organizational development.

2.15. Summary.

The literature review in this study that focuses on the employees' perception towards work performance and employees' perception towards the performance appraisal system are very much important to Celcom (M) Sdn.Bhd. where they review all the necessary steps that the employer can look into to maintain their good relationship with their subordinates. A positive perception towards the performance appraisal means that the company can achieve positive output especially high and quality products.

CHAPTER 3 METHODOLOGY

3.0. Introduction.

The methodology selected in this study are more towards getting information, feedback, and data from respondents which can revealed their perception towards the performance appraisal system implemented by the appraisers in Celcom. This chapter will explain the research design, location of study, population and sample, instrument, data collection, and data analysis.

3.1. Research Design.

This study will be design by using the survey technique. This survey technique is chosen because it is the most appropriate research to obtain information about the characteristic of a population, to find out how the members of a population distribute themselves on one or more variables for example, attitude, believes, opinion, or other characteristic about the population. (Babbie 1973: Rosenfield, Edwards & Thomas, 1995).

A set of questionnaires was distributed to collect information from a sample that has been drawn from a predetermined population of the Celcom staffs. The information is collected at just one point in time, although the time taken to collect all of the data desired may take from a day to a week or more. Questionnaires will be used to identify different groups of employees in Celcom which will later being compared and analyzed to evaluate their general perception, value, benefit, effectiveness, needs, and evaluation towards the performance appraisal system which influence their perceived work performance in Celcom Sdn.Bhd.

3.2. Population and Sample.

The population of this study was all the 225 staffs of Celcom Sdn. Bhd., Kuching Branch (Sarawak Regional Office). The samples are from the five main departments of the organization which comprises of the Human Resource Department, the Administrative Support, Financial Department, Technical Department, and the Clerical Department. A total number of 140 set of questionnaire was distributed to the five department where 30 sets for the Human Resource Department, 30 set for the Administrative Support Department, 30 set for Technician Department, 30 set for the Clerical Department and 20 set for the Finance Department. The Finance Department was given only 20 set because the department has the least number of staff compared to the other department. This would enable a more accurate and representative data to be gathered. Every staffs of the company had the chance to be chosen as the sample through the randomly distributed questionnaires. Every respondent participated by answering a questionnaire each. From the total number of 140 sets of questionnaires distributed, 93 sets were collected back and 8 sets was found to be invalid which is either not completed or wrongly answered. Therefore, the total number of 85 sample or 60.7 percent were analyzed.

3.3. Instrument.

The researcher developed the questionnaire supported by previous studies on related factors found through the literature review. Some part of the questionnaire was adapted and modified from Mendes' Commitment Factor Profile (Mendes, 1996). Article from "Effective Performance Appraisals (Robert, 1993) and "The Performance Measurement Management, and Appraisal Sourcebook, (Douglas G. Shaw,) had been referred to in designing the questionnaire. The questionnaire was also adapted from several journal which include an article "Performance appraisal: Principals' perspectives and some implication's (Timberly, 1998) from the Journal of Educational Administration.

Suggestions, comments, and opinion from the researcher's advisor of Faculty Cognitive Science and Human Development were sought and taken into consideration in the development of this questionnaire. The questionnaire items were written in both English and Bahasa Melayu so that the respondents will not encounter difficulties in understanding its contents. After the first draft of the questionnaire is finalized, a pilot study was carried out to test the reliability and validity of the items in the questionnaire.

The questionnaire is divided into three section where Section A obtained information regarding the respondents' demographic characteristics, whereas Section B contained statements relating to employees work performance and the performance appraisal factors that influence their levels of work performance. Section C comprises of factors of employees' perception towards performance appraisal system related to their work performance.

3.3.1. Section A. Demographic Characteristics.

Section A contained 6 items on the demographic characteristics of respondents, namely;

- (i) Gender
- (ii) Age
- (iii) Job Category
- (iv) Year of Service
- (v) Qualification

This demographic characteristics of the respondents will then be analyzed by using SPSS through *t*-test and ANOVA to identify the differences between the employees' demographic characteristics to their work performance.

3.3.2. Section B: Employees' Perception towards Work Performance.

Employees' perception towards work performance in this study is the dependent variable. This section contained 8 statements relating to their perception towards work performance factors that measured the employees' level of perceived work performance in the organization. A five-point Likert scale was used as the response format to these statements as shown below:

Table 3.1. Degree of Response.

| Strongly disagree | Disagree | Not Sure | Agree | Strongly Agree |
|-------------------|----------|----------|-------|----------------|
| 1 | 2 | 3 | 4 | 5 |

A five-point Likert scale was used because it allowed accurate assessment of beliefs or opinions, which are often thought in terms of gradation. The first two degree of response that is strongly disagree and disagree indicate the employees negative response or negative perception towards work performance, not sure means the employees had a neutral or moderate perception towards work performance. The term ‘not sure’ had been explain to the respondents before they fill in the questionnaire where the term refers to their moderate or neutral perception towards the factors concern. The definition of strongly disagree, disagree, not sure, agree, and strongly agree had been explain to the Human Resource Manager of Celcom and was briefly explain to the respondents.

For the level of perceived work performance, there are 8 statements to be answered; thus the minimum possible total score was 8, whereas the maximum total score was 40. Within this score range, the researcher divided the level of commitment into three categories as shown in the table below. The procedures for the ranging of scores for each level of perceived work performance was obtained by assigning scores to classes as describe by Runyon and Haber (1991) in the following steps;

- Step 1:

The difference between the highest and lowest score values contained in the ordinal data is obtained ($40 - 8 = 32$). 1 is added to obtain the total number of scores ($1+32=33$).
- Step 2:

The number of classes of scores required is three. The total number of scores is then divided by the number of classes of scores to obtain the number of scores in each class ($33 \div 3 = 11$, subsequently 11 is taken as the number of scores in each class).
- Step 3:

The lowest score in the original data is taken as the minimum values in the lowest class (8). The maximum score for the lowest class is obtained by adding (8-1) to the number ($11 + (8-1) = 18$).
- Step 4:

The next higher class begins at the integer following the maximum score of the lowest class (19). Step 3 is repeated to obtain the maximum score for the moderate class (29).
- Step 5:

The next integer following the maximum score of the previous class will be used as the minimum score for the third class (30) The maximum score for the third class is the highest score in the original data (40).

Table 3.2: Interpretation of Scores for Level of Perceived Work Performance.

| Level of Employees' Perception towards Work Performance | Score Range |
|---|-------------|
| Negative Perception towards Work Performance | 8 – 18 |
| Neutral Perception towards Work Performance | 19 – 29 |
| Positive Perception towards Work Performance | 30 – 40 |

The level of the employees' perception towards work performance of negative, neutral and positive is explain in the definition of scores for level of work performance.

3.3.3. Definition of Scores for Level of Perception towards Work Performance.

The definition of scores for level of employees' perception towards work performance in this study refers to their perceived performance rating scale of Celcom Sdn. Bhd. The definition of negative perception towards work performance, neutral perception, and positive perception towards work performance are defined below;

(a) Negative Perception towards Work Performance.

In this study the negative perception towards work performance scores are from 8 to 18. Negative perception towards work performance refers to employees who perceived work performance as a less worthy aspects in the key result areas of Celcom which comprises customer satisfaction, professional development, quality, staff development, internal communications, cost management, and reorganization. Another area which employees are evaluated is the key competencies. Low competencies are employees with negative perception on customer service orientation, inaccuracy, weak planning with low achievement, low integrity, and poor teamwork performance.

(b) Neutral Perception towards Work Performance.

Neutral perception towards work performance level can be defined as employees who perceived moderately in the key result areas and the key competencies. This includes the factors mentioned in the low perceived work performance as above. The score rate for moderate are from 19 to 29. Employees of this level had meets their requirement as set according to the organizations' objectives but does not achieve their target goals.

(c) Positive Perception towards Work Performance.

The score for this level is from 30 to 40 as stated in table 3.2. Employees who achieve far exceeds requirement in both the key result areas and the key competencies are defined as high level of work performance. Usually those employees with an outstanding effort and achieved target goals will be evaluated highly.

3.3.4. Section C: Employees' Perception factors towards the Performance Appraisal System

This section contained 36 statements relating to the 6 factors of independent variables which comprises of 7 statements on general perception, 4 statements on benefit, 6 statements on value, 4 statements on effectiveness, 7 statements on needs, and 8 statements on evaluation of performance appraisal.

3.3.4.1. General Perception Towards Performance Appraisal System.

Items measuring the general perception of employees towards performance appraisal as a whole were represented by three statements. These statements gathered information on the employees' perceptions towards the performance appraisal system in Celcom Sdn.Bhd. The seven items are;

1. Accuracy of the performance appraisal system
2. The contribution of performance appraisal to the organization
3. Performance appraisal's influence on personnel action in the organization.
4. Assessing strengths and weaknesses in performing job
5. Setting clear goals for work achievement
6. Improving employees' performance
7. Increasing job satisfaction

A five-likert scale as shown in Table 3.3 was used as the response format to these statements, giving negative perception towards performance appraisal system, neutral perception towards performance appraisal system, and positive perception towards performance appraisal system in the organization. These are the general perception of the employees of Celcom (M) Sdn, Bhd. Kuching towards the performance appraisal system generally.

Table 3.3. Interpretation of Scores for Level of General Perception.

| Level of General Perception | Score Range |
|-----------------------------|-------------|
| Negative Perception | 7 – 15 |
| Neutral Perception | 16 – 25 |
| Positive Perception | 26 - 35 |

Perception is defined as the process by which an individual selects, organizes, and interprets stimuli into a meaningful and coherent picture of the world. The study of perception is largely the study of what we subconsciously add to or subtract from raw sensory inputs to produce our own private picture of the real world.

3.3.4.2. Employees' Perception towards the Benefit of Performance Appraisal System.

There are four items measuring the benefits of performance appraisal system in the Celcom Sdn. Bhd., There are;

1. as an incentive to better performance
2. improve career development
3. means to a higher salary
4. means to increase individual status

Table 3.4. Interpretation of Scores for Level of Benefit.

| Level of Benefit | Score Range |
|------------------|-------------|
| Low Benefit | 4 – 8 |
| Moderate Benefit | 9 – 14 |
| High Benefit | 15 - 20 |

3.3.4.3. Employees’ Perception towards the Value of Performance Appraisal System.

There are six items that measured employees’ perception towards the value of performance appraisal system. A five-point Likert scale was used as the response format to these statements giving low, Moderate and high value. The six items are;

- 1. responsibility
- 2. recognition
- 3. salary increment
- 4. job security
- 5. promotion
- 6. training opportunity

Table 3.5. Interpretation of Scores for level of Value.

| Level of Value | Score Range |
|----------------|-------------|
| Low value | 6 – 13 |
| Moderate value | 14 – 21 |
| High value | 22 - 30 |

Appraisal offers a valuable opportunity to focus on work activities and goals, to identify and correct existing problems, and to encourage better future performance. Thus the performance of the whole organization is enhanced. The value of this intense and purposeful interaction between a supervisors and subordinate should not be underestimated. In this study the value of performance appraisal could help both the employees and employer of their career development apart from their organization’s goal, mission and vision.

3.3.4.4. Employees’ Perception towards the Effectiveness of Performance Appraisal.

There are four items measuring the employees’ perception towards the effectiveness of performance appraisal system in Celcom Sdn.Bhd. There are;

- 1. supervisor information about staff performance
- 2. enhancing collegiality
- 3. determines staff promotion
- 4. determine staff accountability

Table 3.6. Interpretation of Scores for Level of Effectiveness.

| Level of Effectiveness | Score Range |
|------------------------|-------------|
| Low Effectiveness | 4 – 8 |
| Moderate Effectiveness | 9 – 14 |
| High Effectiveness | 15 – 20 |

3.3.4.5. The Performance Appraisal Needs.

There are seven items on the employees' perception towards the performance appraisal needs. There are;

1. necessary to evaluate perceived work performance
2. to motivate work improvement
3. evaluating employees' behavior
4. improve relationship between employees and employer
5. develop a healthy work competition
6. improve future performance
7. clear guideline on how to handle job efficiently

Table 3.7. Interpretation of Scores for Level of Needs.

| Level of Needs | Score Range |
|----------------|-------------|
| Low Needs | 7 – 15 |
| Moderate Needs | 16 – 25 |
| High Needs | 26 – 35 |

3.3.4.6. Employees Perception Towards Evaluation of Performance Appraisal.

Eight items was measured on the employee's perception towards the evaluation of performance appraisal in this organization. There are;

1. employees' perception towards evaluation of performance appraisal system
2. Whether evaluation made based on employees performance
3. employees' perception on the instrument used during evaluation
4. the procedures, goals and direction given before the evaluation
5. discussion and explanation made by employer regarding employees performance after the evaluation
6. whether appraiser evaluate fairly to every staff
7. performance appraisal system and procedures
8. whether evaluation made was influence by other unrelated factors.

Table 3.8. Interpretation of Scores for Employees' perception on Evaluation

| Level of Evaluation | Score Range |
|---------------------|-------------|
| Low | 8 – 18 |
| Moderate | 19 – 29 |
| High | 30 – 40 |

System for evaluating and appraising performance are important elements in many system for managing human resources and organizational control. When a performance evaluation scheme is used to communicate expectations about job context and goals of performance, we can assume that objective will be an explicit part of the expectations against which managerial performance will be measured (Latham and Wexley, 1981; Latham, 1986; Locke and Latham, 1990).

3.4. Pilot Study.

A pilot study was carried out successfully and questionnaire forms was distributed to various department of Celcom Sdn. Bhd. This pilot study was to test the reliability and validity of the items in the questionnaire. The format of the pilot study of questionnaire is divided into three section;

- (i) **Section A: Demographic Characteristics.**
This section contained gender, age, year of service, qualification, and job category.
- (ii) **Section B: Employees' Perception towards Work Performance.**
This section contains eight items on employees' perceived work performance.
- (iii) **Section C: Employees' Perception towards Performance Appraisal System.**
This section contained general perception, benefit, value, effectiveness, needs, and evaluation towards the performance appraisal system.

A total number of 25 questionnaires were distributed in this pilot study to various departments. The questionnaire was then collected back and the respond for every item was summed up to get the total score based on the 5-point Likert Scale. The data gathered was keyed in the SPSS version 10.0 to test on the coefficient Cronbach's Alpha value. The Alpha (Cronbach) reliability Model is a model of internal consistency, based on the average inter-item correlation. From the pilot test, forty-four (44) items from section B and section C that had the highest coefficient correlation were chosen as final items in the questionnaire.

Table 3.9. Alpha Value.

| Variables | Cronbach's Alpha |
|--|-------------------------|
| Dependent Variable | |
| Employees' Perception towards Work Performance | 0.6321 |
| Independent Variables: | |
| Perception | 0.8049 |
| Benefit | 0.7384 |
| Value | 0.7286 |
| Effectiveness | 0.7649 |
| Needs | 0.6653 |
| Evaluation | 0.6712 |
| Overall Reliability | 0.8270 |

The overall value of the Cronbach's Alpha is 0.8270, which was considered of high reliability and validity (Sekaran, 1992; Crowl, 1996). Forty-four items which had a highest coefficient correlation had been chosen in the final questionnaire.

3.5. Data Collection.

Information obtained from this study was gathered from the questionnaire that was distributed to the five department of Celcom Sdn.Bhd. which comprises of the;

1. Human Resource Department.
2. Marketing Department
3. Technical Department
4. Finance Department
5. Sales and Customer service Department.

In this study the actual data collection, the researcher made appointment to meet the human resource manager to explain to him about the objectives of the study and the ethical aspects of this research which is solely for academic purposes before distributing the questionnaire to the five department. The researcher's main intention of doing so was to gain their fully co-operation to ensure that all questionnaires be completed as honestly as possible by employees of the organization.

A total number of 140 sets of questionnaires were distributed to the total population of 225. This is 62.22 percent of the total population of the study. From the total number of 140 sets distributed, 93 sets were collected back but 8 sets were found to be invalid. From the total number of questionnaires collected, 85 sets were valid and tested using the SPSS in this study. This is 60.7 percent from the total sample.

3.5. Data Analysis.

The Questionnaires that had been collected were numbered and items were coded to enable systematic analysis of data. The data was analyzed using the Statistical Packages for the Social Sciences (SPSS for Windows) Version 10.0. Data on the perception of the employees towards performance appraisal system were presented in such a way that all the respondents were treated as a group. The data analysis and interpretations were carried out by using the following methods;

(i) Descriptive Statistics.

Descriptive statistic such as frequency tables and percentages were used to describe the respondents' profile that is gender, age, job category, qualification, year of services that is their experience.

(ii) Pearson's Product Moment Coefficient of Correlation.

Pearson's Product Moment Coefficient of Correlation was used to find out the relationship between employees' perception towards work performance and the different variables of performance appraisal system. The correlation coefficient, symbolized as 'r' is produced in decimal, between 0.00 and -1.00 or +1.00. The closer the coefficient is to -1.00 or +1.00, the stronger the relationship is. The relationship is positive if the sign is positive; indicating those high scores on the one variable tends to go with high scores on the other variable. If the sign is negative, the relationship is negative; indicating those high scores on the one variable tends to go with low score on the other variable. However, if the coefficients are near or at 0.00, this is an indication that there is no relationship exists between the variables involved.

The prediction of strength of relationship between variables by Borg and Gall (1983) is shown in the table below:

Table 3.10: Interpretation of 'r' value.

| Pearson's 'r' | Strength of relationship |
|----------------|--------------------------|
| 0.91 and above | Very Strong |
| 0.72 – 0.90 | Strong |
| 0.41 – 0.70 | Moderately Strong |
| 0.21 – 0.40 | Low |
| 0.20 and below | Weak |

(iii) t-test

t-test was used to determine the significant differences in employees' perception towards work performance and their gender. The independent t-test equal variance not assumed was used to test for the significant in employees' perceived work performance for gender. Otherwise, the independent t-test equal variance assumed was used. Significant level for the t-test was set at 0.05.

(iv) One-way ANOVA.

One-way ANOVA was used to determine the difference in employees' perception towards work performance based on employees' age, job category, qualification, and year of services (experience).

(v) **Multiple regression Analysis (Stepwise Method)**

Multiple regression analysis is a statistical technique that allows the analysis of the relationship between the dependent variable and a set of independent (predictor) variables. It is used to find out the variables that influenced employees' perception towards their work performance. It can be defined as using two or more variables to predict another (Dowson, Klass, Guy & Edgley, 1991). The multiple correlation coefficient (R) is the correlation between the actual scores and the scores predicted by two or more independent variables. The squared multiple correlation coefficient (R^2) represents the proportion or percentage of variance in the dependent variable that is being explained by the regression equation, that is, by the independent variables acting together. Conversely, $(1 - R^2)$ is the percent of the variance of the predicted variable that is due to factors other than the predictor variable (Best & Kahn, 1989). The adjustable multiple correlation coefficient (R^2 adj.) is an estimate of R^2 for the population (rather than from the sample) and includes a correction for shrinkage. The significant level was set at 0.05. The multiple regression equation is shown in Table 3.11 below;

Table 3.11: Multiple Regression Equation.

| | |
|-------|---|
| | $Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + b_5X_5 + b_6X_6$ |
| Where | Y = Employees' perception towards work performance |
| | A = the constant |
| | X_1 = the score on general perception (predictor variable) |
| | X_2 = the score on perception towards the benefit of performance appraisal system |
| | X_3 = the score on perception towards the value of performance appraisal system |
| | X_4 = the score on perception towards the effectiveness of performance appraisal system |
| | X_5 = the score on perception towards the needs of performance appraisal system |
| | X_6 = the score on perception towards the evaluation of performance appraisal system. |
| | $b_1 - b_6$ = regression coefficient of the predictor variable. |

The dependent variables for this analysis were the employees' perception towards the general perception, benefit, value, effectiveness, needs, and evaluation towards performance appraisal system. Multiple correlation analysis included the following outputs;

- (a) unstandardized coefficients;
- (b) standardized coefficients (Beta Weights);
- (c) t -test significance level for every predictor (independent) variable;
- (d) squared multiple correlation coefficient (R^2); and
- (e) F value for identifying the multiple significance.

The findings of this study was presented in tabulated forms in the next chapter.

3.6. Summary.

In this chapter, the research methodology, design and framework, subjects, the instrument, administration of questionnaire and data analysis were discussed in details. The analysis of the data and the results will be discussed thoroughly in the following chapter.

CHAPTER 4 FINDINGS

4.0. Introduction.

This chapter describes and discusses the findings of the study regarding the employees' perception towards performance appraisal system associated with employees' perception towards work performance. It begins with discussion pertaining to respondents' demographic characteristics. Frequency distribution is used to describe the demographic characteristics of respondents. Findings from *t*-test and One-way ANOVA tests, which determine whether any differences exist among respondents, based on certain demographic characteristics are also discussed. Then relationship of each independent variables and dependent variables are revealed. The strength of these relationships is indicated by the 'r' value of Pearson Product Moment Correlation Coefficient test. Finally, the independent variables with the strongest association with the dependent variable is determined using the Multiple Regression Analysis/Stepwise Method.

4.1. The Demographic Characteristics of the Respondents.

The demographic characteristics in this study are gender, age, job category, qualification, and years of service.

4.1.1. Gender.

Table 4.1. Distribution of Respondents by Gender.

| Gender | Frequency | Percentage |
|--------|-----------|------------|
| Male | 48 | 56.5 |
| Female | 37 | 43.5 |
| Total | 85 | 100 |

Table 4.1 shows the frequency and percentage of the respondents according to gender. Majority are male comprises of 56.5 percent or 48 respondents. Thirty-seven of the respondents are female or 43.5 percent form the total respondents.

4.1.2. Age Group.

Table 4.2. Distribution of Respondents by Age Group.

| Age Group | Frequency | Percentage (%) |
|--------------|-----------|----------------|
| 25 and below | 8 | 9.4 |
| 26 – 30 | 33 | 38.8 |
| 31 – 35 | 29 | 34.1 |
| 36 – 40 | 15 | 17.7 |
| 41 and above | 0 | 0 |
| Total | 85 | 100 |

Table 4.2 shows the frequency and the percentage of the respondents based on age. 9.4 percent of the respondents were below 25 years of age, while 38.8 percent were between 26 to 30 years of age. From the total respondents, 29 or 34.1 percent were 31 to 35 years of age while 15 of the respondents or 17.7 percent were between 36 to 40 years old.

4.1.3. Year of Service.

Table 4.3. Distribution of Respondents by Year of Service.

| Year of Service | Frequency | Percentage (%) |
|-----------------|-----------|----------------|
| 1 – 5 years | 46 | 54.1 % |
| 6 – 10 years | 39 | 45.9 % |
| 11 and above | - | - |
| Total | 85 | 100 |

Table 4.3 shows that majority of the respondents that is 54.1 percent had serve in Celcom. Sdn. Bhd from 1 to 5 years of service. Respondents who had serve from 6 to 10 years were 45.9 percent out of 85 samples. This shows that majority of the respondents had serve less than 10 years with the organization.

4.1.4. Job Category

Table 4.4. Distribution of Respondents by Job Category.

| Job Category | Frequency | Percentage |
|------------------------|-----------|------------|
| Manager/Supervisor | 23 | 27.1 |
| Administrative Support | 8 | 9.4 |
| Technician | 24 | 28.2 |
| Financial Officer | 11 | 12.9 |
| Clerical | 19 | 22.4 |
| Total | 85 | 100 |

Table 4.4 above shows that majority of the respondents are the technician comprises of 28.2 percent while the second largest group were the head of department either the manager or supervisor which made up of 27.1 percent The third largest respondents' group was that of the clerical employee which were 22.4 percent. The finance officer made up of 12.9 percent of the total sample of eighty-five. Only eight respondents or 9.4 percent from the total group are from the administrative support.

4.1.5. Qualification.

Table 4.5. Distribution of Respondents by Qualification.

| Qualification | Frequency | Percentage (%) |
|-----------------|-----------|----------------|
| SPM/MCE/SPVM | 22 | 25.9 |
| STPM/DIPLOMA | 56 | 65.9 |
| Bachelor Degree | 7 | 8.2 |
| Master Degree | - | - |
| Total | 85 | 100 |

Table 4.5 shows that majority of the respondents had a STPM or Diploma which is 65.9 percent of the total respondents. Another 25.9 percent possessed Secondary School education level with SPM/MCE/SPVM. Respondents with a Bachelor Degree were 8.2 percent out of the total sample.

4.2. Employees' Overall Result on Level of Perceived Work Performance.

Table 4.6 Overall Level of Employees' Perceived Work Performance.

| Work Performance | Range of Scores | Frequency | Percentage |
|------------------|-----------------|-----------|------------|
| Low | 8 – 18 | 1 | 1.2 |
| Moderate | 19 – 29 | 53 | 62.3 |
| High | 30 – 40 | 31 | 36.5 |
| Total | | 85 | 100 |

The result above shows the overall employees' perception towards work performance where 1.2 percent had a low perceived work performance level while majority of the employees had a moderate level of perceived work performance made up of 63.3 percent from the total sample. 36.5 percent of the employees in this study had a high level of perceived work performance. This revealed that the employee in the organization are satisfied with the performance appraisal system implemented by their managers and supervisors.

Based on the result from Table 4.6, the overall result shows that the performance appraisal system that focuses on the Celcom's Key Result Areas had satisfied the employee in the organization. Only a small number of respondents who negatively perceived towards the performance appraisal system and their work performance.

4.3 Analysis of employees' Perception towards Work Performance based on Demographic Characteristics.

4.3.1. Perceived Work Performance Level based on Gender.

Table 4.7. Percentage of Employees' Perception towards Work Performance Based on Gender.

| Gender | Low (8 – 18) | Moderate (19 – 29) | High 30- 40 | Total |
|--------|-----------------|-----------------------|----------------|-----------|
| Male | 1.2% (1) | 34.1% (29) | 21.1%(18) | 56.4%(48) |
| Female | 0% (0) | 28.2% (24) | 15.3%(13) | 43.6%(37) |
| Total | 1 | 53 | 31 | 85 |

From the table above both male and female employees had a moderate level of employees' perception towards work performance, which is 34.1 percent and 28.2 percent respectively. One male employee had a low score of perceived work performance. 21.1 percent of the male employees had a high level of perceived work performance while the female had 15.3 percent of high level of employees' perception towards work performance.

Table 4.8. Analysis of *t-test* on employees' perception towards work performance based on Gender.

Group Statistics

| Dependent Variable | Gender | N | Mean | SD | t | df | p |
|----------------------------|--------|----|-------|------|-------|----|-------|
| Perceived Work Performance | Male | 48 | 27.98 | 3.73 | 0.958 | 83 | 0.341 |
| | Female | 37 | 28.70 | 3.04 | | | |

D = Standard Deviation df=degree of freedom

MD=Mean Difference

Research Hypothesis.

H₀₁: There is no difference between male and female employees in terms of their perception towards work performance.

The *t-test* result shown in Table 4.8 above shows the *F* value for Levene's test for equality of variance was 0.545 with *p*=0.341, this means that the variance for these two groups was equal variance.

Thus, the *t-test* results have showed no significant difference in employees' level of employees' perception towards work performance and their gender. Therefore, the null hypothesis that there is no difference between male and female employees in term of their perception towards work performance is accepted.

4.3.2. Work Performance Level based on Age Group.

Table 4.9. Percentage of Work Performance Based on Age Group

| Age Group | Low (8 – 18) | Moderate (19 – 29) | High (30- 40) | Total |
|---------------|-----------------|-----------------------|------------------|------------|
| 25 and below | 1.2% (1) | 3.5% (3) | 4.7% (4) | 9.4% (8) |
| 26 – 30 years | - | 24.7% (21) | 14.1% (12) | 38.8% (33) |
| 31 – 35 years | - | 23.5% (20) | 10.6% (9) | 34.1%(29) |
| 36 – 40 years | - | 10.6% (9) | 7.1% (6) | 17.7%(15) |
| 41 and above | - | - | - | - |
| Total | 1.2% (1) | 62.3% (53) | 36.5% (31) | 100% (85) |

Table 4.9 shows the employees work performance level based to the age group of the respondents. The result revealed that majority of the respondents who are of 26 to 30 years of age which comprises of 24.7 percent had a moderate level of work performance. Respondent age group between 31 to 35 years of age which comprises of 23.5 percent had also a moderate level of work performance. One respondent had a low level of work performance who are 25 years and below . The highest level of work performance are from the age group between 26 to 30 years of age with 14.1 percent. The second largest age group who are of high level work performance are the age group between 31 to 35 years of age with 10.6 percent, followed by the age group between 36 to 40 years of age with 7.1 percent and the least respondent of high level work performance are the age group below 25 years.

Table 4.10. One-way ANOVA on Employees' perception towards work performance based on Age Group.

| Age Group | Sum of Squares | Degree of FreedomSquare | Mean | F | Significance P |
|----------------|-------------------|----------------------------|--------|-------|-------------------|
| Between Groups | 18.971 | 3 | 6.324 | 0.522 | 0.668 |
| Within Groups | 980.676 | 81 | 12.107 | | |
| Total | 999.647 | 84 | | | |

Research Hypothesis:

Ho2: There is no difference between the employees' age and their perception towards work performance.

Table 4.10 shows the results of the One-way ANOVA on the employees' perceived work performance based on their age group. The result revealed that there is no significant: $F=0.522$, $p>0.05$ among the four age group with relevance to respondents' work performance. Thus, the null hypothesis that there is no difference between employees' age group and their perception towards work performance is accepted.

Several studies had support the findings where Mondy and Noe (1996) believe that employees may need career development throughout their working life. This is related to the findings that whether an individual is well into their later years of work or not, they still need development and still need to perform in their work. The findings by Steers (1977) reported that as age and length of service increases, the work performance level also increase. At the same time they are more satisfied with their jobs.

4.3.3. Perceived Work Performance Level based on Years of Service.

Table 4.11. Percentage of Perceived Work Performance Based on Year of Service

| Year of Service | Low (8 – 18) | Moderate (19 – 29) | High (30- 40) | Total |
|-----------------|--------------|--------------------|---------------|------------|
| 1 – 5 years | 1.2% (1) | 29.4% (25) | 23.6%(20) | 54.2% (46) |
| 6 – 10 years | 0 | 2.9% (28) | 12.9%(11) | 45.8%(39) |
| 11 and above | | | | |
| Total | 1.2 % | 62.3% | 36.5% | 100% |

Table 4.11 shows the percentage of respondents perceived work performance level according to years of service. 1.2 percent of the respondents' group between 1 – 5 years of service had a low level of perceived work performance. Majority of the respondents who had serve between 1 to 5 years had a moderate level of work performance with 29.4 percent while 23.6 percent had a high level of perceived work performance. Respondents group of 6 to 10 years of service had a majority with moderate level of perceived work performance with 32.9 percent and 12.9 percent of the respondents of 6 to 10 years of service had a high level of perceived work performance.

In this study majority of the respondents had work experience of 5 years and below which comprises of 54.1 percent. The findings revealed that there is no difference between the employees' year of service and their work performance in Celcom. The findings support Wells' (1994) report that length of service had no influence on organizational commitment and work performance.

Table 4.12. One-way ANOVA on Employees' perception towards work performance based on Year of Service.

| Year of Service | Sum of Squares | Degree of Freedom | Mean Square | F | Significance P |
|-----------------|----------------|-------------------|-------------|-------|----------------|
| Between Groups | 9.921 | 1 | 9.921 | 0.832 | 0.364 |
| Within Groups | 989.726 | 83 | 11.924 | | |
| Total | 999.647 | 84 | | | |

Research Hypothesis.

Ho3: There is no difference between their year of service and their perception towards work performance.

Table 4.12 shows the results of the One-way ANOVA for the respondents' work performance based on their length of service. There is no significant difference ($F=0.832$, $p>0.05$) between respondents perception towards work performance and their length of service. Thus, the null hypothesis that there is no difference between the employees' years of service in term of perceived work performance is accepted. The findings above support Wells' (1994) which report that the length of service had no influence on organizational work performance.

4.3.4. Perception of Work Performance Level based on Qualification.**Table 4.13. Percentage of Perceived Work Performance Based on Qualification**

| Qualification | Low (8 – 18) | Moderate (19 – 29) | High (30- 40) | Total |
|-----------------|-----------------|-----------------------|------------------|----------|
| SPM/MCE | 0 | 16.4%(14) | 9.3%(8) | 5.7%(22) |
| STPM/DIPLOMA | 0 | 42.6%(36) | 23.5%(20) | 6.1%(56) |
| Bachelor Degree | 1.2% (1) | 3.5% (3) | 3.5%(3) | 8.2% (7) |
| Master Degree | | | | |
| Phd. | | | | |
| Total | 1.2% | 62.5% | 36.3% | 100% |

Table 4.13 shows the percentage of employees having various qualification. Majority of the respondents or 42.6 percent having STPM or Diploma have a moderate level of perceived work performance. 16.4 percent of the SPM/MCE had a moderate level of perceived work performance and 9.3 percent of the respondents had a high level of perceived work performance. Another 23.5 percent had a high level of perceived work performance. Only one percent from the Bachelor Degree holder has a low work performance level. The Bachelor Degree had 3.5 percent on a moderate and high level of perception towards work performance respectively.

Table 4.14. One-way ANOVA on Employees' perception towards work performance based on Qualification.

| Qualification | Sum of Squares | Degree of Freedom | Mean Square | F | Significance P |
|----------------|----------------|-------------------|-------------|-------|----------------|
| Between Groups | 18.020 | 3 | 6.007 | 0.496 | 0.686 |
| Within Groups | 981.627 | 81 | 12.119 | | |
| Total | 999.647 | 84 | | | |

Research Hypothesis.

Ho4: There is no difference between the employees qualification to their perception towards work performance.

Table 4.14 shows the results of One-way ANOVA for the respondents' perceived work performance based on their qualification. There is no significance difference ($F=0.496$, $p>0.05$) between respondents' qualification to their perceived work performance. Thus, the null hypothesis (Ho4) that there is no difference between the employees qualification to their perceived work performance is accepted.

4.3.5. Perceived Work Performance Level based on Job Category.**Table 4.15. Percentage of Perceived Work Performance Based Job Category**

| Job Category | Low (8 – 18) | Moderate (19 – 29) | High (30- 40) | Total |
|------------------------|-----------------|-----------------------|------------------|-----------|
| Manager/Supervisor | 0 | 18.8%(16) | 8.2%(7) | 27% (23) |
| Administrative Support | 1.2%(1) | 3.5%(3) | 4.7%(4) | 9.4%(8) |
| Technician | | 20%(7) | 8.2% (7) | 28.2%(24) |
| Clerical Officer | | 14.2%(12) | 8.2%(7) | 22.4%(19) |
| Finance Officer | | 5.9%(5) | 7.1%(6) | 13%(11) |
| Total | 1.2% | 62.4% | 36.4% | 100% |

Table 4.15 shows the percentage of respondents' perception towards work performance according to the job category. From the total sample, 18.8 percent of the supervisor or head of department had a moderate perceived work performance and 8.2 percent had a high perceived work performance level. The administrative support group had 1.2 percent of low perceived work performance level while 3.4 percent and 4.7 percent of moderate and high level of perceived work performance respectively. The technician had 20 percent of moderate perceived work performance level while 8.2 percent with a high perceived work performance level. The clerical officer had 14.2 percent of moderate perceived work performance level while 8.2 percent had a high perceived work performance level. The finance officer had 5.9 percent and 7.1 percent of moderate and high perceived work performance level respectively.

Table 4.16. One-way ANOVA on Employees' perception towards work performance based on Job Category.

| Job Category | Sum of Squares | Degree of Freedom | Mean Square | F | Significance P |
|----------------|----------------|-------------------|-------------|-------|----------------|
| Between Groups | 58.936 | 4 | 14.734 | 1.253 | 0.295 |
| Within Group | 940.711 | 80 | 11.759 | | |
| Total | 999.647 | 84 | | | |

Research Hypothesis.

Ho5: There is no difference between the employees' job category to their perception towards work performance.

Table 4.16 shows the results of a One-way ANOVA on employees' perception towards work performance based on job category. There is no significance difference ($F=1.253$, $p>0.05$) between respondents' perceived work performance in term of job category. Therefore, the null hypothesis (Ho5), that there is no difference between the employees' job category to their perceived work performance is accepted. The findings contradict the report by Lockwood and Jones (1994) that housekeeping is rated the least popular job among job applicants.

4.4. Correlation of Employees' Perception towards Work Performance and the 6 Factors of Employees Perception Towards Performance Appraisal System.

In this study Pearson 'r' correlation was used to determine whether there is a significant relationship between employees' perceived work performance and the factors of employees perception towards performance appraisal system.

Table 4.17. Correlation between employees' perception towards work performance and the factors of employees' general perception towards performance appraisal system.

| Independent Variables | (r) | p | Type of Correlation |
|-----------------------|--------|-------|---------------------|
| General Perception | -0.101 | 0.476 | not significant |
| Benefit | -0.033 | 0.763 | not significant |
| Value | -0.111 | 0.313 | not significant |
| Effectiveness | -0.115 | 0.294 | not significant |
| Needs | -0.094 | 0.390 | not significant |
| Evaluation | 0.000 | 1.000 | not significant |

Perception according to Steer (1977), the more positive the level of employees perception towards work performance, the higher is their level of commitment towards their work performance in the organization.

4.4.1 Correlation between Employees' General Perception towards Performance Appraisal System and their Perceived Work Performance.

Research Hypothesis.

Ho6: There is no relationship between employees' perception towards work performance and their general perception towards performance appraisal system

Table 4.17 shows that there is no significance relationship between employees' perception towards work performance and their general perception towards performance appraisal system. The results indicate that respondents work performance overall results related to employees' perception towards performance appraisal system ($r=0.069$, $p>0.05$). Thus, the null hypothesis of this study which states that there is no relationship between employees' perception towards work performance and their general perception towards performance appraisal system is accepted.

The findings of this study revealed that majority of the respondents in Celcom Sdn Bhd. had a positive general perception towards the performance appraisal system which stresses on the Key Result Areas (KRAs) implemented by the employer of the organization. Therefore, based on the study, respondents are satisfied with the system and instruments used by the appraisers in evaluating their perception towards work performance.

Managers and supervisors of an organization usually having problem to create a positive perception among employees. Perception towards performance appraisal system is critically important factors to consider in order to develop positive working environment. Based on the findings, it is proven that most of the employees in the organization had a positive perception towards the performance appraisal system. Therefore, it is the managers and supervisors responsibility to enrich the positive perception of their employees to a better results. The results of the findings shows that the whole organization can achieve excellent results if properly monitored.

4.2. Correlation between the Employees' perception towards work performance and their perception towards the benefit of performance appraisal system.

Research Hypothesis.

Ho7: There is no relationship between the employees' perception towards work performance and their perception towards the benefit of performance appraisal.

Table 4.17 shows that there is no significance relationship between employees' perception towards work performance and their perception towards the benefit of performance appraisal system. The correlation results ($r=-0.033$, $p>0.05$) indicates that the null hypothesis there is no relationship between employees' perception towards work performance and their perception towards the benefit of performance appraisal system is accepted. Benefits in this study refers to the opportunities the employees of Celcom Sdn.Bhd. gain from their perceived work performance evaluation which is competitively important to the organization as performance plays an important roles in the communication industry where customers are their top priority.

4.4.3. Correlation between the Employees' perception towards work performance and their perception towards the benefit of performance appraisal system.

Research Hypothesis.

Ho8: There is no relationship between the employees' perception towards work performance and their perception towards the value of performance appraisal system.

Table 4.12 shows that there is no significant relationship between the employees' perception towards work performance and their perception towards the value of performance appraisal system. The result indicates that the respondents overall work performance related to their perception towards the value of performance appraisal system is moderately low ($r=-0.111$, $p>0.05$). Therefore, the null hypothesis of there is no relationship between the employees' perception towards work performance and their perception towards the value of performance appraisal is accepted.

4.4.4. Correlation between the Employees' work performance and their perception towards the effectiveness of performance appraisal system.

Research Hypothesis.

Ho9: There is no relationship between the Employees' perception towards work performance and their perception towards performance appraisal effectiveness.

Table 4.17 shows that there is no significance relationship between the employees' perception towards work performance and their perception towards the effectiveness of performance appraisal system. Based on the correlation results which indicates ($r=-0.115$, $p>0.05$). the respondents overall results were moderately low which means that positive perception towards the effectiveness of the performance appraisal system. Thus, the null hypothesis stating that there is no relationship between the employees' perceived work performance and their perception towards the effectiveness of performance appraisal system is accepted.

4.4.5. Correlation between the Employees' perception towards work performance and their perception towards the needs of performance appraisal system.

Research Hypothesis.

Ho10: There is no relationship between employees' perception towards work performance and their perception towards the needs of performance appraisal system.

Table 4.17 indicates that there is no significance relationship between employees' perception towards work performance and their perception towards the needs of performance appraisal system. The result where ($r=-0.115$, $p>0.05$), shows that respondents overall result is moderate and thus, a positive opinion towards the needs of performance appraisal in their work place. Therefore, the null hypothesis which indicates there is no relationship between the employees' perception towards work performance and their perception towards the needs of performance appraisal is accepted.

The most important question here is that, how much is the performance appraisal needed in the organization? Performance appraisal can be a valuable tool for collecting person analysis data. While it may be tempting to believe that performance appraisal itself can be the bulk of person analysis. In reality, using performance appraisal in needs analysis requires a managers to “ have access to a variety of different pieces of information and make a number of complex decisions,” (Herbert & Doverspike, 1990). Person analysis data are also used to define developmental needs, which can be identified during the periodic performance evaluation. From a needs assessment perspective, one potentially limiting factor of much of the performance appraisal is that it has frequently focused on ratings done for administrative purposes.

4.4.6. Correlation between the Employees’ perception towards work performance and their perception towards the evaluation of performance appraisal system.

Research Hypothesis.

H011: There is no relationship between employees’ perception towards work performance and their perception towards the evaluation of performance appraisal system.

Table 4.17 shows that there is no significance relationship between employees’ perception towards work performance and their perception towards the evaluation of performance appraisal system. The result indicates the overall result has a moderate relationship with perception towards the evaluation ($r=-0.00$, $p>0.05$). Therefore, the null hypothesis of this study which states there is no relationship between employees’ perceived work performance and their perception towards the evaluation of performance appraisal system is accepted. Like other overall result on the factors of perception towards performance appraisal system, the findings shows that majority of the respondents had a positive opinion on the performance appraisal system.

4.5. Predictor Variables for the Employees’ Perception towards Work Performance

Research Hypothesis.

H012: None of the six independent variables have a dominant influence on the employees’ perception towards their work performance.

The six factors (predictor variables) affecting the employees’ perception towards their work performance in this study are employees’ general perception, benefit, value, effectiveness, needs, and evaluation towards performance appraisal system. Multiple regression “stepwise” method was used to determine which factors have the greatest influence on their perception towards work performance (the dependent variable). For this analysis, any variable with F value less than 0.05 would be entered in the multiple regression equation, while any variable with F value greater than 0.10 would be removed. The beta value, B, indicates the dominance of the variable. A higher beta value denotes a stronger influence of the variable towards the predicted value. The R^2 value indicates the contribution of the predictor variables to the employees’ perception towards work performance.

Table 4.18 shows the result of the multiple regression analysis (stepwise method). The results of multiple regression for this study are $R = 0.211$, $R^2 = 0.045$, and the Standard Error = 0.52. The value for the multiple correlation, R , represents the correlation between actual employees' perception towards work performance and the predicted perception towards work performance. For the one-way ANOVA, it yielded the values for degree of freedom ($df = 7$), sum of square ($SS = 0.950$) and mean square ($MS = 0.136$). The F value obtained was 0.507 and $p = 0.826$. From the result of the analysis, the predictor variables that had a strong influence towards the dependent variable and their "Beta weights" (Beta) are employees' perception towards value ($B = 0.142$) and employees' perception towards effectiveness ($B = 0.141$).

From the multiple regression analysis, it was revealed that the relative contribution to explaining the variance in the employees' perception towards work performance by the six factors was 4.5 percent. The two most influenced factors towards the employees perceived work performance were their perception on value and effectiveness of the performance appraisal system. The result revealed that, $(1 - R^2) = 0.955$ percent of the dependent variable that is the employees' perception towards work performance is due to other factors other than those undertaken in this study. The other factors which are likely to influence employees' perception towards work performance are motivation, rewards, social and relationship, skills and experience, salary increment, and training.

Table 4.18: Result of the Multiple Regression Analysis (Stepwise method)

Dependent variable (predicted variable) = Employees' Perception towards Work Performance.
Independent variable (predicted variable) = (1) General Perception, (2) Benefit, (3) Value, (4) Effectiveness, (5) Needs, and (6) Evaluation.

$R = 0.211$

$R^2 = 0.045$

Adj. $R^2 = 0.043$

| Analysis of Variance (ANOVA) | | | | | | |
|------------------------------|--------|----|-------|-------|-------|--|
| | SS | df | MS | F | P | |
| Regression | 0.950 | 6 | 0.136 | 0.507 | 0.826 | |
| Residual | 20.336 | 76 | 0.268 | | | |
| Total | 21.336 | 83 | | | | |

| Variable in Equation | Unstandardized Coefficients | | | Standardized Coefficients | | |
|----------------------|-----------------------------|------------|-------|---------------------------|--------|-------|
| Variable (X) | B | Std. Error | Beta | R ² | t | P |
| (Constant) | 2.786 | 0.462 | | | 6.037 | 0.000 |
| General Perception | 0.069 | 0.130 | 0.077 | 0.005 | 0.538 | 0.592 |
| Benefit | 0.045 | 0.129 | 0.059 | 0.003 | 0.346 | 0.730 |
| Value | 0.137 | 0.143 | 0.142 | 0.014 | -0.961 | 0.340 |
| Effectiveness | 0.114 | 0.113 | 0.141 | 0.015 | -1.006 | 0.318 |
| Needs | 0.095 | 0.135 | 0.083 | 0.004 | -0.704 | 0.484 |
| Evaluation | 0.06 | 0.121 | 0.066 | 0.004 | 0.499 | 0.620 |

In multiple regression (Stepwise method) the final step is to predict “Y” the predicted variable, which is the employees’ perception towards works performance. This could be done by calculating “Y” from the completed multiple regression equation as shown in Table 4.19. However, the multiple regression equation is not absolute one. Therefore, to expect an accurate prediction would be unrealistic (Best & Kahn, 1989). The multiple regression equation only gives an indication of how accurate individual predictions to be.

Table 4.19: Multiple Regression Equation.

$$Y = 2.786 + 0.0069 X_1 + 0.0045 X_2 + 0.137 X_3 + 0.114 X_4 + 0.0095 X_5 + 0.006 X_6$$

Where Y = Employees’ perception towards work performance

X₁ = the score on general perception (predictor variable)

X₂ = the score on perception towards the benefit of performance appraisal system

X₃ = the score on perception towards the value of performance appraisal system

X₄ = the score on perception towards the effectiveness of performance appraisal system

X₅ = the score on perception towards the needs of performance appraisal system

X₆ = the score on perception towards the evaluation of performance appraisal system.

4.5. Summary

Based on the findings and discussion in this chapter, a summary of hypothesis result is shown as in Table 4.20 below.

Table 4.20. Hypothesis Result

| Null Hypothesis | Statements of Hypothesis | Results |
|-----------------|--|-------------------------------|
| Ho1: | There is no difference between male and female employees in terms of their perceived work performance. | (t=0.958, p>0.05) Accepted |
| Ho2: | There is no difference between the employees’ age and their perception towards work performance. | (F=0.879, p>0.05) Accepted |
| Ho3: | There is no difference between their years of service and their perception towards work performance. | (F=1.242, p>0.05) Accepted |
| Ho4: | There is no difference between the employees’ qualification to their perceived work performance. | (F=1.009, p>0.05) Accepted |
| Ho5: | There is no difference between the employees’ job category to their perception towards work performance. | F=1.365, p>0.05) Accepted |
| Ho6: | There is no relationship between employees’ perception towards work performance and their perception towards performance appraisal system. | (r=0.069, p>0.05) Accepted |

| | | |
|-------|--|---------------------------------------|
| Ho7: | There is no relationship between the employees' perceived work performance and their perception towards the benefit of performance appraisal. | ($r=-0.033$, $p>0.05$) Accepted |
| Ho8: | There are no relationship between the employees' perception towards work performance and their perception towards the value of performance appraisal system. | ($r=-0.111$, $p>0.05$) Accepted |
| Ho9: | There is no relationship between the Employees' Perception towards work performance and their perception towards performance appraisal effectiveness. | ($r=-0.115$, $p>0.05$) Accepted |
| Ho10: | There is no relationship between employees' perception towards work performance and their perception towards the needs of performance appraisal system. | ($r=-0.094$, $p>0.05$) Accepted |
| Ho11: | There is no relationship between employees' perception towards work performance and their perception towards the evaluation of performance appraisal system. | $r=0.000$, $p>0.05$) Accepted |

The overall result of the Pearson Correlation test shows that there is no significance difference between the dependant variable and the independent variables. The employees' demographics characteristics had no significance differences with the perceived work performance, thus, there is no significance differences between the employees demographic characteristics related to their perception towards work performance. Therefore, the null hypothesis which stated there is no difference between the demographic characteristics and their perception towards work performance are accepted. This means majority of the respondents in this study had a positive perception towards the performance appraisal system implemented in Celcom.

The findings revealed that majority of the respondents had a moderate level of perception towards work performance and followed by the high perceived level of performance. The results also shows that there is no significance difference between the dependent variable with the six factors of general perception, benefit, value, effectiveness, needs, and evaluation. Therefore, the null hypothesis of there is no relationship between the employees' perception towards work performance and their perception towards the six factors are accepted.

CHAPTER 5

CONCLUSION AND RECOMMENDATION

5.0. Introduction.

This chapter summarizes the findings of the study. It includes conclusions and some recommendation which is considered most appropriate to both the researcher and the organization of the study to improve on any necessary parts of the study.

5.1. Conclusion.

Based on the findings of the study, the Celcom Sdn.Bhd Human Resource Management Department especially the organizations' appraisers who directly implementing the performance appraisal system in the organization could gain an insight into their employees' perception towards work performance. The findings of an overall result shows that the organization is going on with a very most confidence employees. This was revealed by the positive perception by the respondents in this study which indicates that majority of the respondents had a positive perception towards their work performance with the performance appraisal system implemented in the organization. Nevertheless, a group of respondents had voiced their negative perception towards the evaluation made to them. According to some respondents there are either bias or influence by some other factors unrelated during implementation of performance appraisal of employees.

This particular negative perception is referred to what W.Edwards Deming (1992), a tireless apostle of quality, blames performance appraisals for poor quality. In his typically animated fashion, he has denounced them as one of the seven deadly diseases afflicting western management. However, organizations will not abandon performance appraisals without a fight, because they have the potential to improve performance, strengthen communication, help reward employees fairly, and provide legal defensibility. There are some appraisal approaches that do not suffer from the afflictions Deming has identified. Some might even support quality efforts.

The relationship between perceived work performance and the demographic variables investigated in this study showed that there was no significance differences between the employees of various gender, age, years of service, job category, and qualification levels. The employees' demographic variables in this study were tested using the t-test, and One-way ANOVA to see if they differed in terms of their perception towards work performance. It was proven here that none of the above was significantly related with the employees' perception towards work performance.

Nevertheless, the results of the findings shows that majority of the respondents had a moderate level of perceived work performance which mean the organization need to improve to achieve a better perception level of work performance. Although the relationship between the demographic characteristics and performance appraisal factors shows that it is not significance but the overall results shows that majority of the employees in the organization had a moderate level of perception towards work

performance. Therefore, the human resource department should emphasis on a more better performance appraisal system so as to improve to a better evaluating methods.

Similarly, the reinforcement theory suggests that exemplary employees should be rewarded or reinforced. By fulfilling their needs for recognition of achievement and performance, these will further enhance their commitment to the organization. According to Posner, Hall and Harder (1986), employees development should linked to the performance appraisal system and should be rewarded, if organizations were to give meaning to view that employees are their most important resource.

The application of the equity theory is relevant to these findings. The findings showed that there was no significant differences among employees of various demographic variables as they were fairly treated in comparison with others, especially in terms of their perception towards work performance. As the equity theory suggests, an individual will weigh his or her inputs and outcomes in relation to others, and if he or she feels properly rewarded in relation to others, equity exists (Adam, 1963). This perception of equity by the employees refers to the employees' perception towards work performance in the organization.

From the findings of this study it is referred to Vroom's expectancy theory which emphasized that individuals are motivated to work when they anticipate achieving what they expect from their jobs. When an organization fails to provide such a vehicle, perceived work performance tends to diminish (Steers, 1977). The finding of this study showed that there is a need for organizations to improve the existing moderate perceived work performance level to a higher employees' perception towards work performance in order to achieve better performance and a high organizational productivity.

5.2. Recommendations.

5.2.1. Recommendation to Human Resource Manager and Appraisers.

From the findings of this study it was proven that the HRD managers and the organization's appraisers had done a most convincing system of appraising. The findings revealed that majority of the respondents are satisfied with the system, but they need to improve on certain weaknesses which include those factors which is relatively bias, unclear, and other unrelated factors which is not necessary considered during the performance appraisal evaluation. Some of the recommendation suggested are;

(a) A Performance Management- Step-By-Step Action Plan for Managers, design by Shaw, Schneier, Beatty, and Baird in their "The Performance Measurement, Management, and Appraisal Sourcebook, is one good appraisal steps appraisers of Celcom Sdn. Bhd. practices. The recommendation steps are shown in Figure 5.1.

It is suggested that Celcom should emphasis more on the fourth step of the action plan below to look into a better appraising feedback which continually monitor performance, providing ongoing feedback and assistance in the form of problems solving, coaching, counseling, developing or removing roadblocks to successful performance and taking corrective action as required. The appraisers should also observe, recall and evaluate performance against expectations or standards with a carefully planned feedback session.

5.2.2. Performance Management.

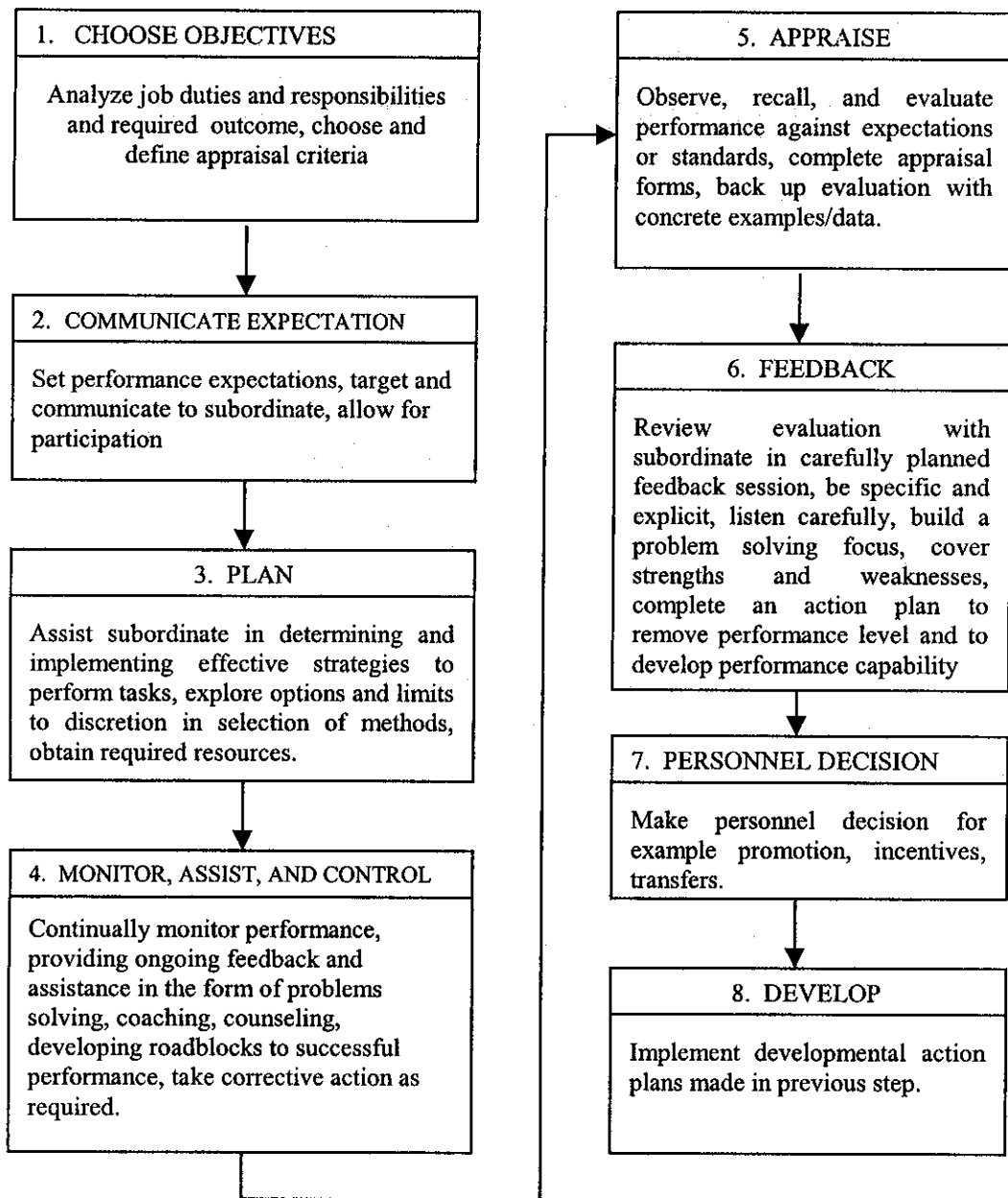


Figure 5.1. A Step-By-Step Action Plan for Managers' Performance Appraisal

Source: Shaw, Douglas G. The Performance Measurement, Management, and Appraisal Sourcebook.

(b) 360 Degrees Feedback.

The approaches which the organization should consider is the 360 degree feedback, or multirater evaluation which is an increasingly popular appraisal method that involves input from multiple levels within the firm and external sources as well. This method is used by a growing number of companies including General Electric, AT&T, Digital Equipment Corporation. 360-Degree Feedback, unlike traditional approaches, focuses on skills needed across organizational boundaries. Also, by shifting the responsibility for evaluation from one person, many of the common appraisal errors can be reduced or eliminated. Having multiple raters also makes the process more legally defensible.

An appraisal system involving numerous evaluators will naturally take more time and, therefore, be more costly. A high degree of trust among participants and training in the appraisal system are needed regardless of how it is conducted. Thus, the organization as of Celcom Sdn. Bhd. Can implement the method as a pilot test to see whether it can work or not.

5.2.3. To Policy Maker.

- (a)** From the findings of this study, it had been proven that majority of the respondents had a positive perception towards the performance appraisal system implemented by the appraisers in the organization. Nevertheless, the good implementation can be further improved by giving more focus in providing career development opportunities for the employees such as training, staffs development, and any related seminars or courses on the new technology towards telecommunications which is a fast growing technology. Thus, knowledgeable and skillful employees can help the organization achieving better work performance to enhance better quality in production and performance as an overall.
- (b)** The organizations should structure work such as to allow meaningful social interaction, empower individuals and work groups to utilize their abilities, skills and knowledge, and provide opportunities for personal career development and advancement.
- (c)** The organization must be prepared to invest in improving their human resources to produce highly work performance amongst employees. The employer should create several alternatives such as standard organizational procedures for every employees to be achieved. A formalized career development program sanctioned by the organization should be seen as a long term investment and merely as a cost.
- (d)** Policy makers must focus on the human dimension in order to gain competitive advantages over their aggressive rivals. The findings revealed that the employees work performance in the organization were positive but majority at the moderate level where so much could be improve. Loyalty and committed employees so much needed in such an organization with many aggressive competitors. Therefore, it is recommended that Celcom Sdn. Bhd. focus on the human dimension so as to maintain their employees' commitment and loyalty to the organization.

- (e) To maintain and to improve perceived work performance of employees is not an easy tasks within the organization. Bias and unfairly evaluation could so much affect their employees perception towards work performance. Thus, policy maker should look into a more better instrument and more open in evaluating their employees such as open discussion, direct participation between appraiser and appraisee. Using standardize organizational forms is far not enough to avoid bias in evaluating performance appraisal. A close discussion, direct participation and understanding every factor are among important criteria that both employer and employees should practiced.

5.2.4. Future Researchers.

- (a) Extending the study to include more respondents from various department in the organization as to gain more opinions and comments, thus, researcher can gather a more collective ideas and comments to thoroughly determine results.
- (b) Applying more effective instrument technique through qualitative study, such as interview with respondents in order to obtain more accurate information.
- (c) Employing longitudinal analysis to help in understanding fully the reciprocal nature of the relationship between employees' perception towards work performance and their perception towards the performance appraisal system in the organization.
- (d) Investigating into different level of employees and department of the organization to obtain an overall results from every level of employees.
- (e) To look into a more dominant factors that influence employees' perception towards work performance such as motivation, rewards, social and relationship, skills and experience, salary increment, and training.

5.3. Summary.

A formal appraisal system is, at the very least, a commendable attempt to make visible, and hence improvable, a set of essential organization activities. Personal judgments about employee performance are inescapable, and subjective values and fallible human perception are always involved. Formal appraisal systems, to the degree that they bring these perceptions and values into the open, make it possible for at least some of the inherent bias and error to be recognized and remedied.

By improving the probability that good performance will be recognized and rewarded and poor performance corrected, a sound appraisal system can contribute both to organizational morale and organizational performance. Employees should participate with their supervisors in the creation of their own performance goals and development plans. Mutual agreement is a key to success.

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QUESTIONNAIRE

“A STUDY ON THE RELATIONSHIP BETWEEN THE EMPLOYEES’ PERCEPTION TOWARDS THE PERFORMANCE APPRAISAL SYSTEM AND THEIR PERCEPTION TOWARDS WORK PERFORMANCE IN CELCOM SDN. BHD.”

SECTION A: PERSONAL INFORMATION (MAKLUMAT PERIBADI)

Instruction: Please tick (✓) in appropriate box and fill in the blank where necessary

Arahan: Sila tandakan (✓) dan isikan jawapan anda pada ruang yang berkaitan.

- A1. Sex (*Jantina*)
- ☐ Male (*Lelaki*)
- ☐ Female (*Perempuan*)
- A2. Years of Service (*Tahun Berkhidmat*)
- ☐ 1 – 5 years
- ☐ 6 – 10 years
- ☐ 11 and above
- A3. Age (*Umur*)
- ☐ 25 years and below (*25 ke bawah*)
- ☐ 26–30
- ☐ 31–35
- ☐ 36–40
- ☐ 41 and above (*46 ke atas*)
- A4. Job Category
- ☐ Manager/Supervisor/Head (*Pengurus/Penyelia/Ketua*)
- ☐ Administrative support (*Pentadbiran Sokongan*)
- ☐ Technician (*Teknikal*)
- ☐ Clerical (*Pekeranian*)
- ☐ Finance (*Kewangan*)
- A5. Department/Division
- ☐ Human Resource Department (*Bahagian Sumber Manusia*)
- ☐ Marketing Department (*Bahagian Pemasaran*)
- ☐ Sales and Service(customer) (*Jualan dan Perkhidmatan(Pelanggan)*)
- ☐ Technician (*Teknikal*)
- ☐ Finance (*Kewangan*)
- A6. Highest Qualification (*Kelayakan Tertinggi*)
- ☐ SPM/MCE/SPVM
- ☐ STPM/Diploma
- ☐ Bachelor Degree
- ☐ Master Degree

SECTION B: EMPLOYEES' PERCEPTION TOWARDS WORK PERFORMANCE.**TANGGAPAN PEKERJA TERHADAP PRESTASI KERJA**

Instruction: Please circle (O) the number which you think is the best in indicating your opinion on the statement given.

Arahan: Bulatkan (O) pada angka yang bersesuaian dengan pendapat anda.

| Strongly Disagree (Sangat Tidak setuju) | Disagree (Tidak Setuju) | Not Sure (Tidak Pasti) | Agree (Setuju) | Strongly Agree (Sangat setuju) |
|--|----------------------------|---------------------------|-------------------|-----------------------------------|
| 1 | 2 | 3 | 4 | 5 |

- B7. My work achievement is always taken as a sample to other employee
Pencapaian kerja saya sering dijadikan contoh kepada pekerja lain 1 2 3 4 5
- B8. I always had a reward and recognition for my outstanding contribution to the organization
Saya sering menerima ganjaran dan penghargaan ke atas sumbangan saya kepada syarikat. 1 2 3 4 5
- B9. I always help my colleague to do things efficiently
Saya selalu membantu rakan sekerja membuat kerja secara efisien. 1 2 3 4 5
- B10. I'm able to finish my work on schedule
Saya dapat menyiapkan kerja yang ditetapkan tepat pada masa yang ditetapkan 1 2 3 4 5
- B11. My work satisfies my employer
Majikan saya berpuas hati dengan hasil kerja saya 1 2 3 4 5
- B12. My achievement is always far exceeds requirement as specified by my employer;
Pencapaian saya sering melebihi sasaran seperti yang telah ditetapkan. 1 2 3 4 5
- B13. I never refuse to do other work which is not related to my own job, if ask by my employer.
Saya tidak pernah membantah apabila diminta membuat kerja lain selain tugas saya 1 2 3 4 5
- B14. I am willing to work overtime without overtime allowances
Saya sanggup bekerja lebih masa tanpa elaun lebih masa 1 2 3 4 5

SECTION C: EMPLOYEES PERCEPTION TOWARDS PERFORMANCE APPRAISAL SYSTEM

Instruction: Please circle (O) the number which you think is the best in indicating your opinion on the statement given.

Arahan: Bulatkan (O) pada angka yang bersesuaian dengan pendapat anda.

| Strongly Disagree (Sangat Tidak setuju) | Disagree (Tidak Setuju) | Not Sure (Tidak Pasti) | Agree (Setuju) | Strongly Agree (Sangat setuju) |
|--|----------------------------|---------------------------|-------------------|-----------------------------------|
| 1 | 2 | 3 | 4 | 5 |

a. General Perception towards the Performance Appraisal System.
Tanggapan umum terhadap Sistem Penilaian Prestasi.

| | | | | | | |
|------|--|---|---|---|---|---|
| C15. | Always accurate <i>Selalu tepat</i> | 1 | 2 | 3 | 4 | 5 |
| C16. | Performance Appraisal contribute to improve services in this organization <i>Penilaian prestasi menolong meningkatkan produktiviti organisasi</i> | 1 | 2 | 3 | 4 | 5 |
| C17. | Performance Appraisal do influence personnel action in this organization <i>Penilaian prestasi mempengaruhi tindakan pekerja di dalam organisasi ini</i> | 1 | 2 | 3 | 4 | 5 |
| C18. | Assessing my strengths and weaknesses in performing job <i>Menilai kekuatan dan kelemahan prestasi kerja saya</i> | 1 | 2 | 3 | 4 | 5 |
| C19. | Set clear goals for my work achievement <i>Menentukan dengan jelas matlamat dan pencapaian kerja saya</i> | 1 | 2 | 3 | 4 | 5 |
| C20. | Improve my performance <i>Meningkatkan prestasi kerja saya</i> | 1 | 2 | 3 | 4 | 5 |
| C21. | Increase job satisfaction <i>Untuk Meningkatkan kepuasan kerja</i> | 1 | 2 | 3 | 4 | 5 |

b. Perception towards the benefit of performance appraisal in work place.
Tanggapan terhadap faedah system penilaian prestasi di tempat kerja.

| | | | | | | |
|------|--|---|---|---|---|---|
| C22. | As an incentive to better performance <i>Sebagai insentif untuk meningkatkan prestasi kerja</i> | 1 | 2 | 3 | 4 | 5 |
| C23. | Improve career development <i>Untuk meningkatkan perkembangan kerjaya</i> | 1 | 2 | 3 | 4 | 5 |

| | | | | | | |
|------|---|---|---|---|---|---|
| C24. | Means to a higher salary <i>Untuk meningkatkan gaji</i> | 1 | 2 | 3 | 4 | 5 |
| C25. | Means to increase individual status <i>Untuk meninggikan status individu</i> | 1 | 2 | 3 | 4 | 5 |

c: Perception towards the value of the Performance Appraisal System
Tanggapan terhadap nilai Penilaian Prestasi Kerja

In my opinion, the most valued reward I can get from performance appraisal is as;
Pada pendapat saya, ganjaran yang paling bermakna yang diperolehi daripada penilaian prestasi adalah sebagai

| | | | | | | |
|------|--|---|---|---|---|---|
| C26. | Responsibility <i>Tanggungjawab</i> | 1 | 2 | 3 | 4 | 5 |
| C27. | Recognition <i>Untuk pengiktirafan</i> | 1 | 2 | 3 | 4 | 5 |
| C28. | Salary increment <i>Kenaikan gaji</i> | 1 | 2 | 3 | 4 | 5 |
| C29. | Job security <i>Jaminan kerja</i> | 1 | 2 | 3 | 4 | 5 |
| C30. | Promotion <i>Kenaikan pangkat</i> | 1 | 2 | 3 | 4 | 5 |
| C31. | Training opportunity <i>Peluang untuk latihan</i> | 1 | 2 | 3 | 4 | 5 |

d. Perception towards the Effectiveness of Performance Appraisal (Tanggapan mengenai Keberkesanan Penilaian Prestasi)

In my opinion, performance appraisal is effective in identifying staff development needs because it provides;
Pada pendapat saya, penilaian prestasi adalah berkesan dalam mengenalpasti keperluan perkembangan staf kerana dapat;

| | | | | | | |
|------|--|---|---|---|---|---|
| C32. | The supervisor information about staff performance <i>Memberi maklumat kepada penyelia tentang prestasi kerja staf.</i> | 1 | 2 | 3 | 4 | 5 |
| C33. | Enhances collegiality <i>Menggalakkan hubungan rakan sekerja</i> | 1 | 2 | 3 | 4 | 5 |

| | | | | | | |
|------|--|---|---|---|---|---|
| C34. | Determines staff promotion <i>Menentukan kenaikan pangkat pekerja</i> | 1 | 2 | 3 | 4 | 5 |
|------|--|---|---|---|---|---|

| | | | | | | |
|------|---|---|---|---|---|---|
| C35. | Determine staff accountability <i>Memastikan pekerja boleh dipertanggungjawabkan</i> | 1 | 2 | 3 | 4 | 5 |
|------|---|---|---|---|---|---|

e. Perception toward the Performance Appraisal Need. (Tanggapan terhadap Keperluan Untuk Penilaian Prestasi)

In my opinion, performance appraisal ;
Pada pendapat saya sistem penilaian prestasi ini;

| | | | | | | |
|------|--|---|---|---|---|---|
| C36. | Is necessary to evaluate work performance <i>Perlu untuk menilai prestasi kerja</i> | 1 | 2 | 3 | 4 | 5 |
|------|--|---|---|---|---|---|

| | | | | | | |
|------|---|---|---|---|---|---|
| C37. | Is necessary to motivate work improvement <i>Perlu sebagai motivasi untuk bekerja dengan lebih cekap</i> | 1 | 2 | 3 | 4 | 5 |
|------|---|---|---|---|---|---|

| | | | | | | |
|------|--|---|---|---|---|---|
| C38. | Doesn't have to evaluate employee's behavior <i>Tidak perlu mengutamakan tingkah laku pekerja</i> | 1 | 2 | 3 | 4 | 5 |
|------|--|---|---|---|---|---|

| | | | | | | |
|------|--|---|---|---|---|---|
| C39. | Can improve the relationship between my supervisor/employer and me <i>Dapat merapatkan hubungan kerja saya dengan penyelia/majikan saya</i> | 1 | 2 | 3 | 4 | 5 |
|------|--|---|---|---|---|---|

| | | | | | | |
|------|---|---|---|---|---|---|
| C40. | Can develop a healthy work competition <i>Dapat mewujudkan satu budaya persaingan yang sihat</i> | 1 | 2 | 3 | 4 | 5 |
|------|---|---|---|---|---|---|

| | | | | | | |
|------|---|---|---|---|---|---|
| C41. | Just a waste of time <i>Membuang masa sahaja</i> | 1 | 2 | 3 | 4 | 5 |
|------|---|---|---|---|---|---|

| | | | | | | |
|------|---|---|---|---|---|---|
| C42. | Gives me a clear guideline on how to handle my job efficiently <i>Dapat memberi garis panduan yang jelas tentang bagaimana hendak menjalankan kerja saya dengan lebih berkesan</i> | 1 | 2 | 3 | 4 | 5 |
|------|---|---|---|---|---|---|

f. Employees' perception towards evaluation of performance appraisal .
Tanggapan pekerja terhadap penilaian prestasi kerja.

| | | | | | | |
|------|--|---|---|---|---|---|
| C43. | I am satisfied with the evaluation of performance appraisal as a whole <i>Saya berpuas hati dengan penilaian prestasi kerja keseluruhannya</i> | 1 | 2 | 3 | 4 | 5 |
| C44. | The evaluation made is based on my performance <i>Penilaian yang dibuat adalah berdasarkan prestasi kerja saya</i> | 1 | 2 | 3 | 4 | 5 |
| C45. | The appraiser evaluate fairly to every staff <i>Penilai membuat penilaian yang adil kepada semua pekerja</i> | 1 | 2 | 3 | 4 | 5 |
| C46. | I am satisfied with the instrument used during evaluation of performance appraisal <i>Saya berpuas hati dengan alat pengukur yang digunakan semasa penilaian</i> | 1 | 2 | 3 | 4 | 5 |
| C47. | I am satisfied with the procedure, goals and direction given before the evaluation. <i>Saya berpuas hati dengan peraturan , matlamat dan arahan yang diberi sebelum penilaian dibuat.</i> | 1 | 2 | 3 | 4 | 5 |
| C48. | I am satisfied with the discussion and explanation made by my employer regarding my performance after the evaluation of my performance. <i>Saya berpuas hati dengan perbincangan dan penjelasan yang dibuat oleh majikan saya terhadap prestasi saya setelah penilaian kerja dibuat</i> | 1 | 2 | 3 | 4 | 5 |
| C49. | I am satisfied with the performance appraisal procedure <i>Saya berpuas hati dengan tatacara penilaian prestasi</i> | 1 | 2 | 3 | 4 | 5 |
| C50. | The evaluation made was not influenced by other unrelated factors. <i>Penilaian yang dibuat tidak dipengaruhi oleh faktor-faktor yang tidak berkaitan</i> | 1 | 2 | 3 | 4 | 5 |



July 13, 2000

Ref : HR/HRS-018/05-101/2000

To Whom It May Concern

With pleasure, we would like to inform you that Encik Jimali ak Sunang bearing NRIC number 610310-13-5479, is a student of UNIMAS with registration number 99-02-0312. He is currently pursuing his Masters (Msc HRD) at the Faculty of Cognitive Sciences and Human Development.

As part of the prerequisite to complete his studies, he is preparing his thesis entitled "A Study on the Performance Appraisal in Celcom (M) Sdn Bhd." Thus, please extend your co-operation to provide necessary and accurate information if required to Encik Jimali.

UNIMAS have given their assurance to keep all information as confidential and are purely for academic purposes.

Thank you.

Yours faithfully
for **CELCOM (MALAYSIA) SDN BHD**

MOHD FADZLI ABDULLAH
Head of Human Resource Department
Sarawak Region

| | | | |
|--------------------------|---------|----------------------|---------|
| Employee | | | |
| Staff No. | | | |
| Position/Category | | | |
| Department/Branch | | | |
| Division/Region | | | |
| | | | |
| Performance Period | / | / | to / / |
| Planning Discussion Date | / | / | / / / / |
| | 1st Qtr | 2nd Qtr | 3rd Qtr |
| Year-End Review Date | / | / | |
| | | | |
| Appraiser's Signature | | Reviewer's Signature | |
| Name | | Name | |
| Staff No. | | Staff No. | |
| Designation | | Designation | |
| | | | |

- 5 Outstanding
Way above expected performance. Has significant impact on Celcom's goals.
- 4 High Performance
Performance is above expectation for the position. Exceeds expectations in some areas.
- 3 Fully Competent
Completely acceptable performance of an experienced person in this position.
- 2 Towards Competency
Performs most accountabilities acceptably. Some significant areas still need consistency in meeting all requirements.
- 1 Unacceptable Performance
Well below requirements for acceptable performance. Substantial improvements must be shown to remain employed.

Note: See formula to determine overall rating.

a. performance data

Overall Performance (Total A + Total B)

b. key result areas

| Key Result Area | Objective No. | Objectives |
|--|---------------|--|
| Customer Satisfaction | | |
| Professional Development (Please attach Appendix) | | To fulfill the requirement as per T & D Plan by December _____ (year) |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

NOTE: (1) If you are an appraiser, please include 'staff development' as one of the KRAs. (2) No point/decimal no. for rating.

c. key competencies

| Competencies | Link to Objective No. | Key Behaviours |
|------------------------------|-----------------------|----------------|
| Teamwork | | |
| Customer Service Orientation | | |
| Quality | | |
| | | |
| | | |
| | | |

Performance Rating (Key Result Areas) Defined

- | | |
|------------------------------|----------------------------|
| 5 - Far exceeds requirements | 2 - Below requirements |
| 4 - Exceeds requirements | 1 - Far below requirements |
| 3 - Meets requirements | |

d. quarterly periodic reviews coaching log

| Date | Initials: Supervisor/ Employee | Details of Discussion | Action Plan |
|------|--------------------------------------|-----------------------|-------------|
| | | | |
| | | | |
| | | | |

e. overall comments (year-end only) - summary review

| Date | Initials: Supervisor/ Employee | Details of Discussion | Action Plan |
|------|--------------------------------------|-----------------------|-------------|
| | | | |

Leave

| Annual Leave | No. of Days | Other Leave | | | | |
|---|-------------|---|-----------------|-----------------|----------------|----------------------|
| Leave Carried Forward from Previous Year | | Medical Leave | Hospitalization | Maternity Leave | Unpaid Leave | Special Paid Leave ▲ |
| Entitlement for this year | | | | | Not Applicable | |
| Leave Taken this year (including emergency leave) | | | | | | |
| Emergency leave taken this year | | ▲ Reason for SP Leave (Pls underline the respective leave) : Compassionate / Exam / Transfer / Paternity / Sport / Haj | | | | |
| Leave Balance at Dec 31 this year | | | | | | |

Attendance

Please tick where applicable :

Work Stations

- ☐ 100% Punctuality per month
☐ Average 1 to 3 times late per month
☐ Average 4 to 6 times late per month
☐ Average 7 to 9 times late per month
☐ Average more than 10 times late per month

Remarks

Training

- ☐ Full Attendance
☐ Less than 100% Attendance
☐ Absent without valid reason
☐ Never Attend Training
☐ Other (Please explain)

Remarks

Disciplinary Measures

Disciplinary related action taken on staff (if any):

Comments from appraiser / reviewer (if any):

| | | | |
|--|------------------------------|---|---|
| Verified by: (Divisional Secretary/HR Regional HR Product Houses) | Signed by: (Staff) | Endorsed by: (HOD/Immediate Superior) | Concurred by: (Human Resources Division/HQ) |
| Name : | Name : | Name : | Name : |
| Initial : | Initial : | Initial : | Initial : |
| Designation : | Designation : | Designation : | Designation : |
| Date : / / | Date : / / | Date : / / | Date : / / |

| Tracking | | Actual Results/Comments | Year |
|--|-----------|-------------------------|------|
| Source | Frequency | | |
| | | | |
| Please refer to T & D Plan | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Total Score | | | |
| Total A (Total Scores of Objectives x 3 / No. of Objectives x 5) | | | |

| Tracking | | Actual Behaviours (S/TARs) | Rating (i, ii, iii) |
|--|-----------|----------------------------|---------------------|
| Source | Frequency | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| Total Score | | | |
| Total B (Total Scores x 2 / No. of Competencies x 5) | | | |

S/TAR Rating (Key Competencies) Defined

- 5 - Far exceeds requirements (Min. 5 S/TAR collected with ii rating)
- 4 - Exceeds requirements (Min. 3 S/TAR collected with ii rating)
- 3 - Meets requirements (Min. 5 S/TAR collected with i rating)

- 2 - Below requirements (Min. 3 S/TAR collected with i rating)
- 1 - Far below requirements (No S/TAR collected. Other provide negative S/TARs)

