

“The Impact of Performance Appraisal System on Employees” Job Involvement” With Special Reference to Employees in Rainco Private Limited

Sareena UMA Gaffoor^{1*} and MI Fathima Rizana²

ABSTRACT. This paper investigates to determine the impact of performance appraisal system on employees’ job involvement of an organization. Performance appraisal provides a lot of information not only to solve the managerial problems, but also to help in taking the decisions regarding to evaluate employees’ performance level, identify the relevant training needs, compensation management and promotion etc.. For this purpose the researcher has selected two branches of Rainco Private Limited such as Mawanella and Mountlavaniya branch with head office, the data were collected from employees through the questionnaire and intensive interview. A simple regression analysis was used to test the research questions. Analysis of the data indicated the following findings.

The results revealed that, most of the employees agreed that, their employees’ job involvement level is high and also there is a significant positive relationship between performance appraisal system and employees’ job involvement. The simple regression analysis indicates the employees’ job involvement is explained by performance appraisal system. These results implying that, though employees performance appraisal system in high level, should adopt a more systematic system of PA namely in the dimensions of; policies of PAS, methods of PAS, forms and procedure of PAS, and PAS review and renewal in order to improve employees’ job involvement.

Key Words: Performance Appraisal System, Job Involvement.

* To whom correspondence should be addressed : agsareen@seu.ac.lk

¹ Department of Management, Faculty of Mananagement & Commerce, South Eastern University of Sri Lanka

² South Eastern University of Sri Lanka