

**THE RELATIONSHIP OF PERFORMANCE APPRAISAL WITH
ORGANIZATIONAL COMMITMENT OF EMPLOYEES (THE CASE OF OYA AND
COB ADMINISTRATIVE STAFF IN UUM)**

FATIMA ABDULLAHI MOHAMED

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OTHMAN YEOP ABDULLAH

GRADUATE SCHOOL OF BUSINESS

UNIVERSITI UTARA MALAYSIA

SINTOK 06010, KEDAH DARUL AMAN

Abstract

This study investigates the relationship of performance appraisal with organizational commitment of administrative employees of Othman Yeop Abdullah Graduate School of Business and College of Business, University Utara Malaysia. Thirty questionnaires were returned to which ANOVA one way test was used to verify the demographic profiles of the participants with organizational commitment. The result found that 45% of administrative employees of OYA and COB have lower level of organizational commitment. Pearson correlation was conducted on the independent variable which is (HRM practice of performance appraisal), dependent variable (organizational commitment) and mediating variable (perceived organizational support). This study revealed that there is moderate non-directional neither positive nor negative correlation between performance appraisal with organizational commitment of employees, performance appraisal with perceived organizational support and between organizational commitment with perceived organizational support. The result of the study contributed to a need for developing adequate training programs and offer opportunity for academic programs which aims on improving the knowledge and skills of the employees.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

Since the concept of organizational commitment was introduced in early 1960s, many researchers considered that the concept of human resource management (HRM) on organizational commitment still remained an important part to the field of human resource management in the organization Eisenberger et al. (1990) ; Wayne et al., (1997). There are a lot of scholars specifying that if organizational commitment is managed properly, it can lead to helpful consequences such as improved performance of individuals and the organization as well as it reduced turnover and absenteeism Cohen (2001).

Although several literatures about organizational commitment has been written, how the factors can be managed and connected to its development of organizational commitment is still indistinct and was not yet clearly established to date. In any organization HRM practices is the organizational component that have been linked to influence the level of organizational commitment of employees Mayer and Allen (1997).

Nowadays organizations are operating in environment where changes occur very rapidly and competition is high as indicated by a diverse labour market, the growth of technologies, nonstop customer needs and globalization. To be successful in this environment, organizations need to be able to perk up their performance by dropping costs, creating new ideas to increase the productivity of the organization Luthans &Sommers (2005). In this view, organizations have to concentrate onthe capabilities of their employees.

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