



Faculty of Cognitive Science and Human Development

**THE PERCEPTION OF EMPLOYEES TOWARD THE USER -
FRIENDLINESS OF PERFORMANCE APPRAISAL BASED ON
SISTEM SARAAN MALAYSIA (SSM)**

Caroline Hwang

Bachelor of Science with Honours
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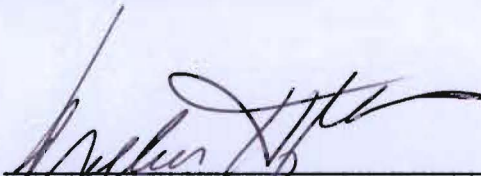
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OF PERFORMANCE APPRAISAL BASED ON SISTEM SARAAAN MALAYSIA
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CAROLINE HWANG

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This project is submitted in partial fulfillment of requirements for the
Bachelor of Science with Honours Human Resource Development

Faculty of Cognitive Science and Human Development
UNIVERSITI MALAYSIA SARAWAK
2005

**PERSEPSI PEKERJA TERHADAP KEMESRAAN PENGGUNA PENILAIAN
PRESTASI BERDASARKAN SISTEM SARAN MALAYSIA (SSM)**

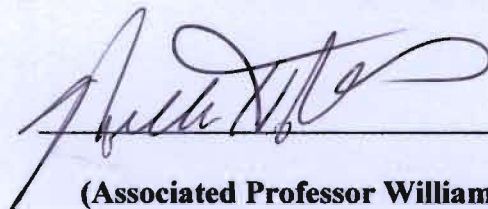
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**Projek ini merupakan salah satu keperluan untuk
Ijazah Sarjana Muda Sains dengan Kepujian Pembangunan Sumber Manusia**

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ABSTRACT

THE PERCEPTION OF EMPLOYEES TOWARD THE USER-FRIENDLINESS OF PERFORMANCE APPRAISAL BASED ON SISTEM SARAAAN MALAYSIA (SSM)

Caroline Hwang

This study aims to identify the perception of employees toward the user-friendliness of performance appraisal based on Sistem Saraan Malaysia (SSM). This study also determines the difference in the perception of employees toward the user-friendliness of the performance appraisal based on the SSM according to the chosen demographic characteristics. Apart from that the study also focusing on factors, that is the format, process and procedure and its relationship with the employee perception. Questionnaires have been used in collecting the data. The sample of the study is the employee in Universiti Malaysia Sarawak (Unimas). The finding of this study shows that there is a significant difference in the perception according to the chosen demographic characteristics. The study also found that 93.55 percents of employees have a positive perception towards the user-friendliness of the performance appraisal based onSSM. 3 factors that influence the perception of employees also show a positive relationship the user-friendliness of the performance appraisal. Emphasis should be given to this 3 factor in determining the user-friendliness of the performance appraisal. As conclusion, there are many aspects that can influence the perception of employee towards the user-friendliness of the performance appraisal. Therefore the government, organization and supervisor should take a necessary action and adopt with the needs of employee to make the performance appraisal user-friendly.

ABSTRAK

PERSEPSI PEKERJA TERHADAP KEMESRAAN PENGGUNA PENILAIAN PRESTASI BERDASARKAN SISTEM SARAN MALAYSIA (SSM)

Caroline Hwang

Kajian ini bertujuan untuk mengenalpasti persepsi pekerja terhadap kemesraan pengguna penilaian prestasi berdasarkan Sistem Saran Malaysia (SSM). Kajian ini turut mengenalpasti perbezaan dalam persepsi pekerja terhadap kemesraan pengguna penilaian prestasi berdasarkan SSM mengikut ciri- ciri demografi yang terpilih. Kajian juga memfokus kepada penentuan perkaitan faktor seperti format, proses and prosedur penilaian prestasi ke atas kemesraan pengguna penilaian prestasi. Soal selidik telah digunakan untuk mengumpul data. Sampel kajian ini ialah pekerja di Universiti Malaysia Sarawak (Unimas). Dapatan kajian ini menunjukkan bahawa terdapat perbezaan yang signifikan di dalam persepsi pekerja berdasarkan ciri-ciri demografi terpilih. Kajian turut menunjukkan bahawa 93.55 peratus pekerja mempunyai persepsi yang positif terhadap kemesraan pengguna penilaian prestasi berdasarkan SSM. 3 faktor yang mempengaruhi persepsi turut menunjukkan perhubungan yang positif terhadap kemesraan pengguna penilaian prestasi. Penekanan harus diberikan kepada ketiga-tiga faktor ini dalam menentukan kemesraan pengguna penilaian prestasi. Kesimpulannya, terdapat banyak aspek yang boleh mempengaruhi persepsi pekerja terhadap kemesraan pengguna penilaian prestasi berdasarkan SSM. Oleh itu pihak kerajaan, Organisasi dan juga penyelia perlu mengambil tindakan sewajarnya dan membuat penyesuaian mengikut keperluan pekerja supaya penilaian prestasi berdasarkan SSM mesra pengguna.

1961) according to Herz (1977), 'appraisal system should concentrate the individual and the organization'. Performance appraisal was used to identify employee strengths and weaknesses and set plans to improve the employee performance.

Systematic Performance Appraisal System early this century was designed under Civil Right (1966) and Equal Employment Opportunity Commission (INTRODUCTION issued by United State Company (Gross and Tompkins, 1991). This system has come out with more objectives and systematic performance appraisal.

Confucius (1700), Chinese philosopher, wrote that men are always being rated according to their merits. Thus, effective performance appraisal should not contain bias element. 'Performance appraisal should be

1.1 Introduction This chapter elaborates and explains the importance of the research such as the background of the study; problem statement, research objectives, definitions and research limitations.

Performance appraisal could look simple on the surface (Lewicki, **1.2 Background of the Study** is involving two people that are the observer and the worker. But the big question here is, how well the performance appraisal can be. Performance appraisal is a systematic process of observing, identifying, measuring and developing human performance in organization (Carrol and Scheir,

1982). According to Hunt (1997), **'appraisal system should communicate the needs of both the individual and the organization'**. Performance appraisal was to identify the employee strengths and weaknesses and set plans to improve the employee's performance.

A systematic Performance Appraisal System early this century was design based on the Civil Right Act (1964 and 1966) and Equal Employment Opportunity Commission (EEOC) (1970) introduced by United State Company (Swan and Margulies, 1991). This system has come out with more objectives and systematic performance appraisal.

Sin Yuk (1700), Chinese philosopher, wrote that men are always being rated according to their likes and the dislikes of The Imperial Rater of Nine Grades and seldom rated according to their merits. Thus, effective performance appraisal should not contain bias element. **'Performance appraisal should be more than simply the assessment in the past'**. After the performance appraisal took place, there should be a development in the worker's performance (Cardy and Dobbins, 1994).

Performance appraisal could look simple on the surface (Lawler, Mohrman and Resnick, 1990). It is involving two people that are the observer and the employee. But, the big question here is, how well the performance appraisal can be done and what is the impact toward the employee performance. Therefore,

the design of performance appraisal should be suitable and effective to the employee.

1.3 Organization Background

Universiti Malaysia Sarawak (Unimas) was incorporate in 1992. Unimas temporary campus was located at Kota Samarahan. It was the eighth public university in Malaysia and was established after the declaration of Vision 2020.

Unimas has developed with the existence of eight Faculty, three Institutes and seven Centers. The aims of Unimas are to educate students and provide them with knowledge and skills in their respective field. Unimas also wanted to produce students with positive values and cultures.

Apart from that, Unimas also enhancing the quality of teaching and learning to ensure that they give the best education to its students. This effort was supported by the quality management processes related to teaching and learning. Unimas has been awarded ISO 9001:2000 by SIRIM as recognition for the high quality in the management activities

As an organization in the government sector, the performance appraisal in Unimas is carried out based on the guidelines in SSM circular. The steps are as follow:

- a) Every department, including faculty set the target early of the year (December and January) in terms of the department's strategy, projects, programs and activities based on the available resources.
- b) The department divided the target that been set up to each section in the department. The section head will ensure that the staff prepares the work target for the year. This target was called *Sasaran Kerja Tahunan* (SKT).
- c) The preparation of SKT should be discussed between the officer and his/her immediate supervisor. The will set the activities and the standard of what to achieve based on the activities in terms of cost, quantity, quality and time
- d) The officer will implement the SKT that has been set for that particular year from January to June.
- e) In June to July, the management will conduct Mid Term Review the officer to determine whether there is a need to revise the existing SKT if there is a change in the job specifications of the officer concerned. If there are any changes, the SKT will be revised accordingly. If there are no changes, the officer will perform the SKT as usual.

- f) The officer will continue to perform the SKT from July to December.
- g) The committee for the Human Resource Development Panel or *Panel Pembangunan Sumber Manusia* (PPSM) will distribute the performance appraisal form to the staff in December.
- h) The staff will fill in the form and submit to the committee for distribution the relevant First Assessor.
- i) The form will be distributed next to the Second Assessor and the assessment is to be done within two to three weeks.
- j) The committee will collect all the forms and compile the results. The committee will set the meeting date for the PPSM. PPSM will meet to discuss on the following:
 - i) Decided on the salary movement of staff and the award on excellence service.
 - ii) Requirement for training and counseling based on performance.
- k) The committee will act on the decisions made by the PPSM and inform the staff on the result through official correspondence.

1.4 Problem Statement

In this information age, employees are urged to be competence. Therefore, the performance appraisal system has to be updated according to its current needs. In Malaysia, several changes are made in the appraisal system. Now, the performance appraisal system is ongoing a change again based on Sistem Saraan Malaysia (SSM).

This system has been implemented since November 2002. Before this, the performance appraisal system in Malaysia was based on Sistem Saraan Baru (SSB). Since the system experienced modification, it was uncertain if the appraisal system is user-friendly enough for the employee of the public sector in term of the format of the form, flow of the performance appraisal process and the procedure.

Some of performance appraisal form and guidelines are not user-friendly and cause difficulty to the employees who are using it. If design is too complicated, the user might face a problem in term of understanding on how to use the form or filling up the form.

Apart from that, a complex performance appraisal process and procedure can make the appraisal very hard to be carried out. According to Oberg (1991) the performance appraisal demand too much for supervisor and difficult for the employee. This is because the process obviously requires at least periodic time to

be accomplished. The employee has to undergo some complex process and procedure which sometimes they are uncertain about what it is for. These problems have attracted the attention of researchers to conduct a scientific research to determine if the same problems occur in the appraisal system based on SSM.

1.5 Research Objectives

1.5.1 General Objective

The general objective of this research is to examine if the performance appraisal system based on SSM is user-friendly for the employees in the government sector in term of the categories of age, length of service, academic qualification, format, process, and procedure.

1.5.2 Specific Objective

The specific objective of this research is:

- a) To determine the difference between categories of age and the user-friendliness of performance appraisal based on SSM.
- b) To determine the difference between seniority and the user-friendliness of performance appraisal based on SSM.

c) To determine the difference between academic qualification and the user-friendliness of performance appraisal based on SSM.

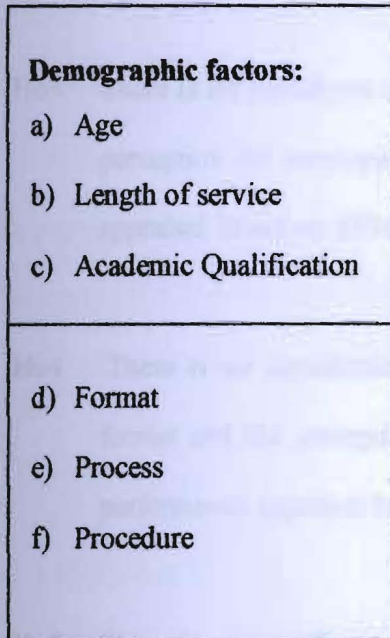
d) To elaborate the respondent perception about the relationship between the user-friendliness of performance appraisal based on SSM in term of the appraisal format.

e) To elaborate the respondent perception about the relationship between the user-friendliness of performance appraisal based on SSM in term of the appraisal process.

f) To elaborate the respondent perception about the relationship between the user-friendliness of performance appraisal based on SSM in term of the appraisal procedure.

1.6 Conceptual Framework

Independent Variable



Dependent Variable

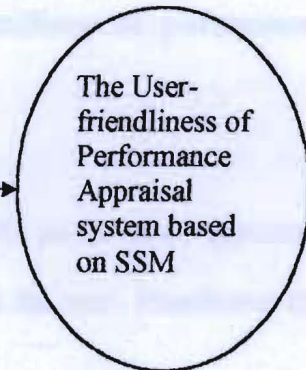


Figure 1.1: Conceptual Framework of the Study

1.7 Hypotheses

H₀₁ There is no significant difference between categories of age and the perception of employee toward the user-friendliness of performance appraisal based on SSM.

Ho2 There is no significant difference between length of service and the perception of employees toward the user-friendliness of performance appraisal based on SSM.

Ho3 There is no significant difference between academic qualification and the perception of employees toward the user-friendliness of performance appraisal based on SSM.

Ho4 There is no significant relationship between the performance appraisal format and the perception of employees toward the user- friendliness of performance appraisal based on SSM.

Ho5 There is no significant relationship between the performance appraisal's process and the perception of employees toward the user- friendliness of performance appraisal based on SSM.

Ho6 There is no significant relationship between the performance appraisal procedure and the perception of employees toward the user- friendliness of performance appraisal based on SSM.