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The Effect of Knitting Employees Perception of Performance Appraisal on their Work Outcomes

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Abstract: ***The aim of the study is to assess the perception of performance appraisal practice of knitting units and its effect on employees' work outcomes, in the form of work performance, affective commitment and turn over intention as well. To undertake these general objective six specific objectives with their underling hypothesis were designed and assessed by quantitative& qualitative research design. To set background information on the proposed hypothesis the theoretical, conceptual and empirical related literatures were reviewed and most of the literatures finding implies that perception of employees on performance appraisal system had a significant influence on their work out comes.***

In conducting this study, the required data is obtained through structured questionnaires and interview. The structured questionnaire was adopted from four prior related studies. To check the reliability and validity of the adopted instruments the Cranach's coefficient alpha test and the construct and content validity test was carried out. To determine the sample from the total population of 202 employees, first, the target population was stratified in to seven stratums (based on business processes) and then to select respondents from each stratum simple random sampling technique was applied; having this, the researcher uses formula based-sample size determination. Basically, a total of 134 questionnaires were distributed to the sampled employee, among these 119 were returned, of which, 9 responses are uncompleted. Thus, 110 returned questionnaires (i.e. representing 82% of response rate) are analyzed using statistical package for social science (SPSS version 16). In the analysis descriptive statistics, correlation analysis and simple regression analysis was performed.

The descriptive finding of the study shows that in knitting units employees had low level of perception towards the existing performance appraisal practice. Employees of knitting units have high level of work performance, low level of affective organizational commitment and moderate level of turn over intention.

The correlation analysis result also indicates employees' perception of performance appraisal practice had positive and significant relationship with work performance and affective organizational commitment; negative and significant relationship with employees' turnover intention. Whereas the finding of simple regression analysis indicates employees' perception of performance appraisal practice had positively and significantly influence work performance and affective organizational commitment whereas, negatively and significantly influence employees' turnover intention. Therefore, it is recommended that, the organization should have to implement performance appraisal practice in the best possible way; there is the need to develop a good feedback system, appropriate and adequately filing, discussing appraisal results, design ways to communicate appraisal results, review appraisal on due attention, participatory appraisal rating system and have to design procedure to make aware of every employee about the appeal process. In doing so, human resource department should play a vital role in the overall process of performance appraisal. Finally, it is forwarded that further research has to be done in more completed and comprehensive way.

Keywords: Emloyees Perception; performance appraisal; Knitting units.

I. INTRODUCTION

A. Back ground of the study

In this world of competition as organizations effort to remain competitive and sustainable, human resource (HR) professionals and strategic planners should collaborate strongly in designing strategies, which are more productive and useful. Based on many researches, the most winning organizations in the 21st century will be those to focus on integrated HR processes and systems. So the role of human resource becomes more and more vital which includes personnel related areas such as job design resource planning, performance appraisal system, recruitment, selection, compensations and employee relations. Among these functions, one of the most critical ones that bring global success is performance appraisal[3].

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An organization implements the performance appraisal system to allocate rewards for the employee, provide development advice as well as to obtain their perspectives, and justice perception about their jobs, department, managers, and organization. Prior studies reveal that employee perception of fairness of performance appraisal is a significant factor in employee acceptance and satisfaction of performance appraisal. A good perception will create a positive working environment in the organization, while a negative perception will affect the company performance. These perceptions depend on the manager or supervisor's actions and behaviors toward the employee. If performance appraisals are perceived as unfair, therefore, the benefits can diminish rather than enhance employee's positive attitudes and performance.

Specifically, the perceptions of procedural unfairness can adversely affect employee's organizational commitment, job satisfaction, trust in management, performance as well as their work related stress, organization citizenship behavior, theft, and inclination to litigate against their employer. During the last ten years, the number of studies which examined the effect of performance appraisal system on employee had increased. In another study by Brown 2010, revealed that there was a direct relationship between performance appraisal satisfaction and employee outcomes, which is mostly job satisfaction among employees.

Moreover, a number of studies have provided support for the argument that performance appraisal has remained a problem which is vague and perhaps unsolvable in human resource management. Besides the study conducted by Poon (2004), very little is known about the relationship between performance appraisal quality and employee out comes, especially in identifying the effect of performance appraisal quality towards the job satisfaction. This study is conducted with the aim to explore the relationship that exists between employee's perception of PA and their work outcomes, in the form of work performance affective commitment and turnover intention, which is specifically conducted to address the problems faced by working individuals in (knitting) because one of the factors that affect employees' work outcomes is their perception towards the performance appraisal practice of the organization. Therefore, Knitting employees can realize the current state of the employee outcomes and create strategies to improve work performance and affective organizational commitment, thus reducing employees' turnover.

Thus, the present study attempts to examine the perception of the employees of Knitting employees towards the various aspects of the current performance appraisal system and its impact on their work outcomes. Opinions of employees could have important implications in the design and implementation of performance appraisal system in organizations.

B. Statement of the Problem

Performance appraisal helps to success of the organization in realizing of strategic purpose and increasing of effective working process through continuous improvement of individuals' performance and process along with focusing on weak improvable points Divandari (2008). With due attention to the fact that performance appraisal is one of the main parts of organizational life and could be consisted of several organizational processes such as measuring of work performance, establishing of purposes and reward management. In comparison with the numerous benefits attained from implementing performance appraisal system, as research findings, many scholars indicated that, performance appraisal practice generally suffer from so many problems in relation to the subjective nature of the performance appraisal criteria, the irrelevant of the criteria used to appraise the performance of the employees like: shortage of skills and knowledge of the raters, the subjectivity, favoritism and bias of the raters, lack of continuous documentation and inability to provide on time feedback are some of the problems most employees raise. As a result, employees' perception towards the PA system is adversely affected and they express dissatisfaction about the implementation of PA practice. Such situations are also significantly influenced the overall job dissatisfaction of employees' and decrease the expected work outcomes in the form of work performance, affective commitment and turnover intention as well.

Whereas, if employees are satisfied on the implementation of PA, they will perceive well and exert every possible effort to carry out their responsibilities and duties assigned to them efficiently and effectively thus will make the organization to which they belong more productive and successful . For instance, in order to positively influence employee behavior & future development it has been frequently argued that, employee must experience positive reactions in the practice of performance appraisal; if not any appraisal system will be doomed to failure15. Having these; differences in perceptions of employee about the existing performance appraisal practice based on their perception of fairness is a big question in Knitting employees. Currently, most employees of the organization are discussing about the issue informally, but a due attention was not taken to examine the perception of employees toward the appraisal process as well as appraisers, and their reactions (positive or negative) to the appraisal; due to this problem employees of the organization will not satisfied and their contribution throughout their employment will be reduced. This study is therefore, seeks to investigate the employee perception toward the existing PA practice and the resulting work outcomes by analyzing; What potential consequences will be happened in the area of work performance, affective commitment and turn over intentions as result of employees' different perception of performance appraisal practice in Knitting employees.

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C. Objectives Of The Study

1) *General Objective:* The general objective of this study is to investigate the effect of employees' perception of performance appraisal on their work outcomes in Knitting employees.
2) *Specific Objectives:* Based on the general objective of the study the following specific objectives are developed.

a) To assess employees' perception about the existing performance appraisal practice of the organization.
b) To assess the level of employees' work performance, affective organizational commitment and their intention to leave.
c) To examine the relationship between employees perception of performance appraisal and work performance.
d) To examine the relationship between employees perception of performance appraisal and affective organizational commitment,
e) To examine the relationship between employees' perception of performance appraisal and turnover intention.
f) To assess the level of employees' work outcomes in the form of work performance, affective commitment and turnover intention in associated with their perception of the current performance appraisal system.

D. Hypothesis of the study

The following are the hypotheses tested based on data to achieve the objective of the study:

1) *H1*. Employees are not perceived well (dissatisfied) about the existing performance appraisal practice of the organization.
2) *H2*. Employee's level of work performance and affective organizational commitment is low whereas, their intention to Leave is high.
3) *H3*. There is significant and positive relation between employees' perception of performance appraisal and their work performance.

E. Scope of the Study

The research is conducted at knitting units employees .This study emphasized on one independent variable employees' perception of performance appraisal and three dependent variables work performance, affective organizational commitment, and turn over intention. Other variables being affecting and affected by the perception of employees on performance appraisal did not addressed.

F. Significance of the Study

The result of this study is significant in various aspects. Firstly, on the basis of the findings of the study, the paper has drawn some conclusions and identifies the current perception of employees towards the performance appraisal and has given signal to the human resource management of the organization to take remedial actions on the overall practice of performance appraisal in order to minimize those factors leading to negative perception of employees. Secondly, it is a piece of contribution to the current knowledge in the practice of performance appraisal in Knitting employees and invites for further research to bring behavioral change in the area of performance appraisal both in the mind of the appraiser, appraises and those parties responsible in the design of the instruments of PA forms. Thirdly, it gives the researcher the opportunity to gain deep knowledge in the practice of performance appraisal.

G. Limitation of the Study

Since human beings are tending to hide what they really feel from within due to different reasons, respondents might reluctant to provide their true feelings as a result conclusions of the findings might be affected. Some participants may tease whiling responding. Lack of experience was also affected the research work. Absence of empirical studies conducted in the context of Ethiopia is the other limitation. In addition since the organization does not have branches at zonal or Woreda level, it is limited only to Knitting employees as a result the generalization to the whole public organization is difficult.

H. Operational Definitions

Affective commitment: The tendency of employee to stay with an organization that is based on an emotional attachment.

1) *Appraise:* Individual being evaluated on job performance.
2) *Appraiser:* Individual responsible for evaluating an individual's job performance.
3) *Perception:* The process by which an individual gives meaning to the environment.
4) *Performance Appraisal:* The process of an organization that is used to identify, observe, measure, and develop human
5) Performance in organizations.
6) *Turn over Intention:* is a measurement of whether an organization's employees plan to leave their positions.
7) *Work Performance:* an accomplishment of assigned tasks to achieving an organization's goal.

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a) Organization of the Study: The study includes five major chapters.

The first chapter is introductory part which consists of back ground of the study, statement of the problem, objectives of the study, Hypothesis of the study, significance of the study, scope of the study, operational definitions, limitation and organization of the study.

The second chapter contains literature review, in this section, theoretical and empirical finding of previous studies related to the topic are reviewed.

The third chapter includes the research design& Methodology, Source of data, sampling design, method of data analysis tools employed are included under this section.

The fourth chapter deals with data analysis and discussion.

The fifth chapter deals with summary, conclusion & recommendation.

II. REVIEW OF RELATED LITRATURE

This chapter served as the foundation for the development of this study .An overview of the extensive historical research related to performance appraisal is presented to examine the existing knowledge base regarding employees' perception of PA and its effect on work outcomes. Furthermore, Literatures were reviewed and based on the reviews, the hypothesis were developed. Finally, the theoretical framework for this research was shown.

A. Theoretical Literature Review

Performance appraisal is considered one of the most important activities of human resource management in both private and public sector organizations.

The existence of performance appraisal principles has been observed since early 1900s (Vance et al., 1992). At that point of time, it was designed to support a top-down, control oriented style of management. Vance (1992) noted that performance appraisal is a control system that is used by almost all organizations to specify the behavior that employees must perform in accordance with the organizational objectives. Furthermore, performance appraisal served as a tool for managing the effectiveness and efficiency of employees.

1) Definition of Performance Appraisal: Performance appraisal has been defined as the process of identifying ,evaluating and developing the work performance of employees in the organization, so that the organizational goals and objectives are more affectively achieved, while at the same time benefiting employees in terms of recognition ,receiving feedback, catering for work needs and offering career guidance19.There are various authors, leaders, managers and gurus who have defined PA according to their knowledge in the following ways:

a) According to Erdogan (2002) performance appraisal is the formal process of observing and evaluating an employee's performance.

b) According to DeNisi and Pritchard (2006) performance appraisal" is a discrete, formal, organizationally sanctioned event, usually not occurring more than frequently than once or twice a year.

c) According to Lansbury (1998) PA has been defined as the process of identifying, evaluating, and developing the work performance of employees in the organization.

d) According to Arbaiy&Suradi (2007) performance appraisal is defined as "structured formal interaction between a subordinate and his/her superior.

e) Nzuve (2007) defines performance appraisal as a means of evaluating employees work performance over a given period of time.

Thus; though there are various definitions of PA which exist, it leads to a very similar meaning. Performance appraisal is defined as a tool used to achieve the following objectives with an organization:-

i) To retain control over their employees

ii) To involve the employee in setting goals for the organization.

iii) To evaluate the extent to which each employee's day to day performance is linked to the goals established by the organization.

iv) To improve the employees performance by continuous communication and feedback between both the employee and the organization.

v) To specify the behaviour that employees must perform in accordance with the organizational objectives.

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2) *Why Performance Appraisal Is Needed?:* Appraisal is the analysis of the success and failures of an employee and the assessment of their suitability for training and promotion in the future. According to Maund (2001), appraisal is a key component of performance management of employees. When effective, the appraisal process reinforces the individual's sense of personal worth and assists in developing his/her aspirations. Accurate appraisals are crucial for the evaluation of recruitment, selection and training procedures. It can also increase employee motivation through the feedback process and may provide an evaluation of working conditions and it can improve employee productivity, by encouraging the strong areas and modifying the weak ones .Further, employee evaluation can improve managerial effectiveness by making supervisors more interested in and observant of individual employees. Objectives for performance appraisal policy can thus, best be understood in terms of potential benefits. Mohr man et al (1989) identified the following:

a) Increase motivation to perform effectively.
b) Increase staff self-esteem.
c) Gain new insight into staff and supervisors.
d) Distribute rewards on a fair and credible basis.
e) Develop valuable communication among appraisal participants.

3) *Perception of Performance Appraisal in Organization:* It revolves if performance appraisal gives a positive impact or a negative impact to the employees. It shows whether the employees get motivated to perform better, if they receive a good feedback or do they get de-motivated and loose interest in their job. So far, we have come across the purpose, uses of PA in the organization, but the perception i.e. the understanding of PA is not taken into consideration in most cases which is important for the employee as well as the organization26. If the employees don't recognize this, then they would suffer unnecessarily in the organization the reason being that, an employee has a certain level of expectation from his company when he joins it; he expects some kind of growth from it, also the organization expects a lot from him. But, a negative feedback of performance would largely hamper him mentally and make him loose his interest in his job. There would be change in his attitude, which would be problematic for him as well as the organization. He would be de motivated to achieve the organizational objectives. Many employees have a kind of view that, their promotion or salary increments largely depends on their performance. Employees therefore are in a dilemma and consider this situation as 'survival of the fittest' .They know for a fact that, their performance is only taken into consideration at the end of the day, and in order to grow in the company they need to be proactive towards their work. The feedback the employee receives from his superior, may simply describe the level of performance achieved (Evans, 1986)27. Hence, it is important for the managers to conduct the appraisal process properly. Employees can only accept criticism if it is useful and relevant to them. Managers should know how to provide information regarding improvement in performance and how to present criticism as well. Managers feel that whenever they have to provide a negative feedback, the employee is most likely be dejected and de-motivated. Employees who believe that the appraisal system is under any kind of bias and misunderstanding between them and the managers are, most likely to be dissatisfied by their work and can also leave their jobs.

4) *Outcomes of Effective Performance Appraisal:* Common outcomes of an effective performance appraisal process are employees' learning about themselves, employees' knowledge about how they are doing, employees' learning about 'what management values' Beer (1981). According to Stephan and Dorfman (1989) outcomes of effective performance appraisal are improvement in the accuracy of employee performance and establishing relationship between performance on tasks and a clear potential for reward. Thomas (1990) told five outcomes i.e. use of evaluations as feedback to improve performance, reduced employee turnover, increased motivation, existence of feelings of equity among employees, linkage between performance and rewards.Teratanavat, Raitano and Kleiner (2006) found outcomes like reduced employee stress, review of overall progress, linkage between current performance and employee's goals, and development of specific action plans for future.

5) *Problems in Performance Appraisal:* Ideally, rating supervisors should be completely objective in their appraisals of employees. Each appraisal should directly reflect an employee's performance, not any biases of a supervisor. Of course, this is impossible to do perfectly as most raters either intentionally or unintentionally commit errors. Raters need to be aware of these biases, so that their effect on the appraisals can be limited or eliminated. According to Abu-Musa (2008) some of these errors are:

a) *Unclear Standards:* Different supervisors would probably define good performance, fair performance, and so on, differently. The same is true of such traits as quality of work or creativity. There are several ways to rectify this problem .The best way is to develop and include descriptive phrases That define each trait, for example, by specifying on the evaluation form what is meant

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by such things as outstanding, superior, and good quality of work. This specificity results in appraisals that are more consistent and more easily explained Sims, (2007).

b) *Lack of Objectivity:* A potential weakness of traditional performance appraisal method is that they lack objectivity.In the rating scale method, for example, commonly used factors such as attitudes, loyalty, and personality are difficult to measure. In addition, these factors may have little to do with an employees' job performance. Some subjectivity will always exist in appraisal methods. However, employee appraisal based primarily on personal characteristics may place the evaluator and the organization in untenable positions with the employee an equal employment opportunity guidelines. The firm may be hard pressed to show that these factors are job-related Mondy et al, (2002).

c) *Bias:* Rater bias occurs when a rater's value or prejudices distort the rating. Rater bias may be unconscious or quite intentional. If a manager has strong dislike of certain ethnic group, this bias is likely to result in distorted appraisal information for some people. Hallo error occurs when a manager generalizes one positive performance features or incident to all aspects of employee performance resulting in a higher rating (Mondy and Noe, 2005as cited in Abu-Musa, 2008).

d) *Leniency Strictness:* Giving undeserved high rating is referred to as leniency. The behavior is often motivated by a desire to avoid controversy over the appraisal.Some managers may rate their subordinates very high either because they want to show that the work under their responsibilities is proceeding very well or because they do not have the ability to convince their subordinates that their performances deserve this rating. Another problem which is closely connected to leniency is strictness. Strictness is rating subordinates on the lower level of the rating system. Some managers went to show the chief or head of the organization that they care for the organization that they work at. In addition ,it is also a good excuse before the higher level management that the subordinates under their supervision are not performing their tasks as well as they should thus the overall performance of the department is unsatisfactory due to the existence of these subordinates.

e) *Central Tendency:* Central tendency is a common error that occurs when employees are incorrectly rated near the average or middle of the scale. This practice may be encouraged by some rating scale systems that require the evaluator to justify in writing extremely high and extremely low rating .with such system; the rater may avoid possible criticism by giving only average ratings. However, since this ratings tend to cluster in the fully satisfactory range, employees do not often complain about this Monday and Noe (2005).

f) *Recent Behavior Bias:* When rating is not based on the entire appraisal period and just on the last month of the appraisal this is called recent behavior bias. The performances of the subordinate may be outstanding during the year (if the appraisal is done annually) and on the last month the performance of the subordinate worsen. The rater evaluates the subordinate based on the last month and forgets the eleven –month outstanding performance. It is only natural for a rater to remember recent behavior more clearly than action from the more distant past. However, formal performance appraisals generally cover a specified time, and an individual's performance over the entire period should be considered. Maintaining records of performance throughout the appraisal period helps avoid this problem Monday and Noe, (2005).

g) *Personal Bias:* This pitfall occurs when supervisors allow individuals differences such as age, religion, seniority, sex, appearance or other arbitrary classification to affect the rating they give to appraise. If the performance appraisal is examined by higher level managers, this problem will be overcome. This pitfall is not only detrimental to employee morale, but it is also blatantly illegal and can result in costly litigation40.In conducting performance appraisals, managers must be careful to avoid making rating errors. Four of the more common rating errors are strictness or leniency, central tendency, halo effect and recency of events (Deblieux, 2003: Roth well, 2012).

6) *Performance Appraisal and Feedback System:* In the processes of formal performance evaluation, feedback refers to the reaction among the members of an organization about how the feedback is created, accepted and used. This is the direct communication between supervisor and employee. The information reflecting past performance and results and given by the manager to the employee is called feedback. It improves the effectiveness and helps in decision making within the organization. The feedback directs the individual to the organization missions and objectives. In the ideal situation the employee receives information about how they are performing and where they could improve. Managers identify the weaknesses of the employees and together they make a plan for the employee's development. The success of the feedback depends on the acceptance of the process. The source of the feedback must be perceived by the recipient as being trustworthy, credible, reliable, objective and properly motivated. Feedback reactions are usually very different. The satisfaction with the performance appraisal is an indication of the degree to which subordinates are satisfied with the process and the feedback they have received. It serves as a report of the accuracy and fair evaluations of the performance. The outcome is that satisfied individuals after the performance appraisal will improve further working relationships with supervisors and colleagues. The feedback can also bring negative

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reactions from employees. If perceived unfair, the feedback can cause behavioral changes such as absenteeism, lack of cooperation, lack of focus on priorities, unhealthy competition and even can cause staff turnover.

7) *Factors That Affect Performance Appraisal System*

a) *Satisfaction:* One of the most frequently measured appraisal reaction is Satisfaction (Giles & Moss holder, 1990)44. Appraisal satisfaction has been mainly viewed in three ways: Satisfaction with the appraisal interview or session, Satisfaction with the appraisal system, Satisfaction with performance ratings. Satisfaction of performance appraisal is an indication of the degree to which subordinates are satisfied, serves as a report of the accuracy and fair evaluations of performance, and the feel that they will improve their working relations with their supervisors45

b) *Fairness:* Assessing the appraisal fairness is a more complicated phenomenon compared to other reactions from performance appraisal. This is due to the influence the organization justice has recently on measuring employee's reaction to performance appraisal. This argument is in line with Smither's (1998) that a good appraisal system is of great sensitivity to issues of justice or fairness. To this effect, appraisal fairness has been interpreted in four different ways: Fairness with performance ratings, Fairness with the appraisal system, Procedural justice, and Distributive justice.

c) *Perceived Utility:* One of the popular reactions to performance appraisal is the utility of the appraisal .In comparison with satisfaction and fairness, the measurement of perceived utility has been relatively consistent and uncompounded. The most typical idea of perceived utility has focused on the usefulness of the appraisal system. Greller (1978) conceptualized utility in terms of the appraisal session and operationalized this with items such as "The appraisal helped me learn how I can do my job better" and "I learned a lot from the appraisal".

d) *Perceived Accuracy:* In reviewing any performance appraisal, perceived accuracy has to be used as a criterion because it presents an unusual case when compared to other typical reactions that are measured. Cawley et al. (1998) reported that the vast majority of studies appear to confound accuracy with other reactions, most notably fairness.

B. Conceptual Literature Review

In this section the researcher review the basic concepts of employees perception of performance appraisal and their work outcomes in order to develop the overall conceptual framework of the study and to make ease for designing the measurement of variables and then to create bases for comparisons of the basic findings of the study with previous related study. Thus, the conceptual background of previous studies were reviewed and summarized from the view point of employees' perception of performance appraisal with their work out comes. Employee perception of fairness of performance appraisal has been studied as a significant factor in employing acceptance and satisfaction of performance appraisal .In discussing the performance appraisal process inside any organization, it is very important for the success of the PA, to determine how those employees who are responsible for conducting the appraisals (appraisers) as well as those being appraised (appraises) generally perceive the PA process48.Boswell& Boudreau (1997) argued that PA purpose affects rating processes and outcomes, and they conceived that employee attitudes may vary depending on perceptions of how the PA is used.Attitudes and perceptions towards various aspects of performance appraisal system and process (e.g. perception of fairness and accuracy, appraisal items, appraisal interview behavior, appraisal satisfaction) have long been recognized. The study conducted by Levey and William (1998)51 there is a perceived knowledge in predicting appraisal reaction in terms of job satisfaction and organizational commitment. The conclusion on the studies was drawn as: The employees who believe they understand the appraisal systems used in the organization are most likely to favor important organizational variables in the future and also have the following characteristics:

a) They are more accepting and largely favor the appraisal system and its feedback
b) They have more satisfaction on their job
c) They are highly committed to the organization
d) They are most likely to rate the PA as fair.

According to Awosanya & Ademola (2012) employees to have positive attitude towards performance appraisal, the following should be taken into consideration:-

i) There should be a system of formal Appraisal
ii) It should be conducted frequently \
iii) Supervisors should have more knowledge about the appraisal process.
iv) Employees should have an opportunity to appeal their ratings.
v) The organizational environment should be cooperative rather than competitive

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vi) The plan of the organization should also deal with weakness rather than only acknowledge strength. Moreover; the performance reward contingency may moderate the relationship between perceived evaluative use and feelings about the appraisal such that those employees who receive positive outcomes will be pleased with evaluative PA use and those that receive negative outcomes will not

1) *Employees' Perception of Performance Appraisal and Work Outcomes:* The relationship of employee and manager is strengthened the exchange of ideas while evaluating the performance of employees.In the study of Kuvaas (2010),the perceived effectiveness of performance appraisal is found to have a positive relationship with work performance and organizational commitment. Further, employees' perceptions about the politics of performance appraisal are negatively related to job performance and positively related to turnover intention. This is the major reason employees resist in implementing the performance management systems. Thus, this research deals with the replacing relation between employees' perception of performance appraisal satisfaction and results of employees in the shape of work performance, affective organizational commitment and tendency to quite job position. The underling conceptual background of these three dependent variable are reviewed as follows

a) *Work Performance:* Work performance can be defined in two ways. The first definition views work performance as a result or consequences of action. In this instance, work performance can be defined as the accomplishment of assigned tasks. According to Aguinis (2007), performance is about employee's specific behavior. It means something what employees do and not about what employees produce or the outcomes of their work. Honiball (2008) noted that work performance is the action or behavior that is relevant to achieving organizations goals (what is actually done).Those employees who believe that the organization is trying to supply their needs may have a sense of responsibility with regard to render to the organization through high work performance .While, one of the most important purpose of employees 'participation in activities related to identification of purpose and feedback is increasing of employees' performance, it is possible to expect that performance appraisal satisfaction has a positive relation with work performance (PettiJohn et al.,2001 as cited in Vignaswaran,2005).When employees feel that organizational feedback is directed to support them, their commitment towards organization will be enhanced. Also those employees that receive a better feedback from the environment are more committed than employees who receive less feedback.The feeling that is given to the employee in conjunction with performance appraisal has sever effects on the kind of respect that he grants for himself and affects his future performance extremely .

b) *Affective Organizational Commitment:* Porto et al (1978) have defined organizational commitment as a partial degree of an individual's identification with the organization and his participation and involvement in the organization. Organizational commitment is conceptualized by Allen and Meyer, (1990)60 in to three dimensions: the first one is attitudinal or affective commitment, which is drawn from positive work experience, the second one is continuance commitment, which is derived from prior investment and possible cost of leaving the organization, and the third one also normative commitment, which is loyalty, or sense of obligation to remain attached to the organization. As per the above classification of organizational commitment by Meyer & Allen (1991) even though the three measurements of organizational commitment are important, in this study the researcher focuses on affective organizational commitment (AOC), in which commitment is considered as an affective or emotional attachment to the organization and it is more related with perception of employee. Affective commitment refers to feeling of belonging and sense of attachment to the organization and it has been related to personal characteristics, organizational structure, and work experience, for example; pay, supervision, role clarity and skill variety Hartman, (2002).This form of commitment is the most influential one because employees with high AOC stays in an organization because they want to and not because they have to Moreover performance appraisal causes to increase employees' understanding of the sense of being valuable and know themselves as part of the organizational team that is the main understanding for being committed to the organization. Levy and Williams (2004) noted that PA activities have potential to increases employees' perception of being valued by the organization, apperception which is central to affective organizational commitment. Furthermore, Lee and Bruvold (2001) noted that employees will probably show higher affective commitment to the organization if they perceive that PA activities reflects employee's development. Roberts and Reed (1996) noted that PA satisfaction may be positively related to affective commitment due to the enhance employee participation and perceived clarity of goals within the PA process.

c) *Turnover Intention:* Turnover intention (TOI) is defined as the reflection of employee intention either to stay or leave the organization they worked for due to dissatisfaction or searching new job opportunity. Turnover intention is an attitudinal factor affecting employee intent to quit and actually quitting an organization Glissmeyer, Bishop, & Fass, (2008). TOI and turn over were measured separately, but TOI has generally been recognized as the final and most important cognitive variable having an immediate causal effect on actual turnover. Employee turnover is the rotation of workers around the labor market.

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Some other definitions of turn over intentions are as stated below:

i) Turnover intentions are the thoughts of the employees regarding voluntarily leaving the organization

ii) Turn over intention is an individual own estimated(subjective) probability that they are permanently leaving the organization at some point in the near future Vandenberg& Nelson(1999).

iii) Turns over intentions are conceived as a conscious and deliberate decision to leave the organization Tett& Meyer (1993).

In empirical studies, supervisor-employee exchange was negatively related to turnover intention.Therefore; there could possibly be a negative relationship between PA satisfaction and employee turnover intentions

One factor which affects PA satisfaction is the perceived fairness of the PA evaluation process. An important element affecting fairness perceptions is judgment based on evidence raters must be seen to apply performance standards consistently across employees without distortion by external pressure, corruption, or personal biases .Subsequently, Vigoda (2000) noted that when employees feel unfairly treated, they are likely to react by initially changing their job attitudes, followed in the longer term by responses that are more retaliatory such as quitting.

2) Conceptual Frame Work: Based on the above conceptual literature reviewed the graphical relationship of the independent and dependent variables are represented as the conceptual framework of this study as follows:

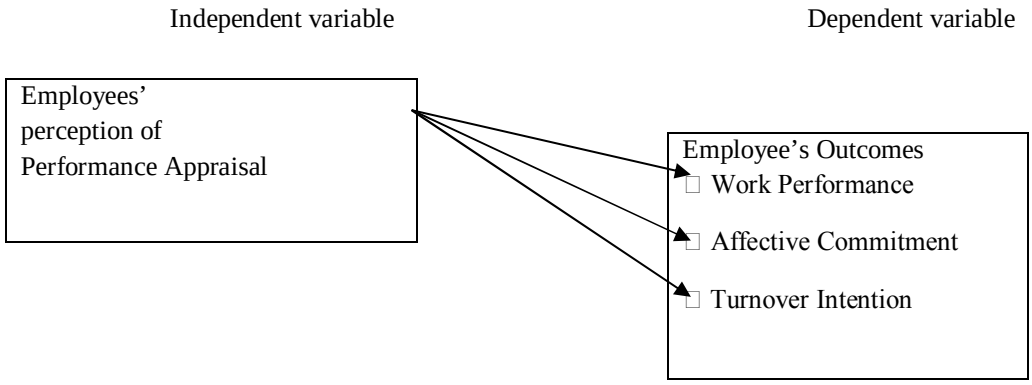


Figure 2.1 Conceptual Framework of the study

C. Empirical Literature Review

Even though there are extensive empirical studies in relation to employees' perception of performance appraisal system and its consequence work outcomes, in the form of work performance, affective organizational commitment and turnover intention. Therefore, in this section the most selected and related empirical finding of related literatures were presented.

Abdulkadir (2012) conducts a study on the effect of strategic appraisal, career planning& employee participation on organizational commitment at 24 Mega banks in Nigeria. A total of 57 questionnaires were distributed to the sampled 19 banks. The study finding indicates that there is a significant positive relationship between performance appraisal system and organizational commitment with correlation coefficient of 0.57.

Ahmed (2010) conducts an empirical study on Performance appraisal impact on attitudinal outcomes& organizational performance. The sample consisted of 250 of which 123 returned. The finding of the study indicates that there is statistically negative and significant relationship (r=-811) indicating a clear correlation between the respondents perception of performance appraisal satisfaction and employee turnover intention.

The study conducted by Fakharyan et al., (2012) on the effect of performance appraisal satisfaction on employees outcomes employing on the moderating role of motivation in work place of Tehran, Iran. In this study out of 404 total populations 77 samples was selected using accidental sampling technique. The finding of the study indicates that there is relationship between performance appraisal satisfaction and work performance of employees on the significance level of $p \leq .05$(r=.15,sig=.001, there is also a positive and meaningful relation between perception of performance evaluation and affective organizational commitment on the significance level of $P \leq .05$(r= .85and sig= .001) whereas performance appraisal satisfaction and turn over intention has been significant on the level of $p \leq .05$(r= -.77,sig= .001). So, there is a negative and meaningful relationship between performance appraisal and quitting of job position. However, the regression analysis result show that performance appraisal satisfaction has a direct but little (beta = .08)

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impact on work performance, beta=.73 and beta= -.66 impact on affective organizational commitment and turn over intentions respectively. The study conducted by Saeed & Shahbaz (2011) on employees' perceptions about the effectiveness of performance appraisal in the case of Pakistan. In the study a total of 150 questioners were distributed of which 137 completed responses (representing 91.33% of response rate) were used for data analysis. The finding of the study indicates that employees perception about the effectiveness of performance appraisal is high with mean= 4.02 and SD= .515 and the level of work performance and affective organizational commitment is also high with mean of 4.12 & 4.36 and standard deviation of 0.846 & 0.791 respectively. Whereas, turnover intention is low with mean= 3.15 and SD= 1.205. This finding indicates the sampled employees are satisfied with the existing performance appraisal system; in turn, work performance and affective organizational commitment is increased, whereas, turnover intention is minimized. The study conducted by Sreedhara (2010) on the correlation of employee satisfaction with performance appraisal system in India. In this study a total of 163 questionnaire was distributed of them 129 completed response (representing 79.14% of response rate) were used for data analysis. The finding of the study indicates that satisfaction of respondents to performance appraisal system is moderate with mean = 3.50 and SD= 1.141

Vignaswaran (2005) a study conducted in Peninsular Malaysia on the relationship between performance appraisal satisfaction and employee outcomes. A total of 900 questionnaires were distributed, of which 311 returned and used for data analysis (representing 33% of response rate). The descriptive finding of the study indicates that the level of employees' satisfaction with performance appraisal is low with mean= 3.35 and SD= 0.69, the level of work performance is higher with mean= 3.85 and SD= 0.49, the level of affective organizational commitment is low with mean=3.11and SD=0.61 and the level of turn over intention is also low with mean =3.16 and SD=0.96. The correlation analysis also shows that performance appraisal satisfaction is positive yet weakly correlated($r=.162$, $p<0.01$) with work performance, highly correlated with affective organizational commitment($r=.580$, $p<0.01$) whereas, negatively correlated($r=-0.504$, $p<0.01$) with turnover intention. The regression analysis also indicates that performance appraisal is positively influenced work performance (beta= .116, $p<.001$), and affective organizational commitment (beta=.518, $p<.001$) whereas negatively influence turn over intention (beta=-.703, $p<.001$).

Warokka et al., (2012) carried out a study on organizational justice in performance appraisal system and work performance. In this analysis data were collected from 151 sampled respondents. The descriptive finding of the study indicates that performance appraisal satisfaction is moderate with mean= 3.49 and SD= 0.76 and the level of work performance is also moderate with mean=3.70 and SD=0.46.

Alwadael (2010) carried out a study on employees' perception of, satisfaction with performance appraisal of electricity and water authority in kingdom of Bahrain and data were collected from 258 sample respondent. The descriptive finding of the study indicates that performance appraisal satisfaction is low with mean= 2.66 and SD= 1.14. This finding indicates that employees are dissatisfied in the existing performance appraisal system.

1) *Summary:* To sum up, in this chapter the theoretical, conceptual and the empirical finding of previous related study were reviewed in relation to employees perception of performance appraisal and its effect on employees work out comes in the form of work performance ,affective commitment and intention to leave. In fact, the majority of the conceptual and empirical literatures reviewed shows that employees' perception of performance appraisal had significant and positive relationship with work performance, and affective commitment where else significant and negative relation with turnover intention.

III. RESEARCH METHODOLOGY

This chapter presents the methodology that was used to collect and analyze the data required to describe the participants and answer the research questions. The discussion includes the research design, population/sample, source and method of data collection, variables of the study, instrumentation, measurement of variables, reliability and validity test and data analysis according to the objectives and hypothesis of the study.

A. Research Design

This study was a survey in the form of a cross-sectional study in which data was collected once across the population through sampling. According to Singh (2006), research design is essentially a statement of the object of the inquiry and the strategies for collecting the evidence, analyzing the evidences and reporting the findings. With the view to address its objectives, the study employs both qualitative and quantitative methods. According to Creswell (2003) the quantitative survey research design is vital to create quantifiable causes and effect relationship between the variables of the study. Christensen (1985) noted that quantitative survey is the most appropriate one to use if the purpose of an investigation is to describe the degree of relationship which exists between the variables.

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Therefore; the quantitative method was used by considering all employees of the organization and questionnaires have been distributed to respondents. Qualitative data was also used by conducting interview from 4 randomly selected personnel of human resource department and 5 other employees of the organization.

In this quantitative research design the statistical methods employed includes: descriptive statistics-to count the frequency of response, Reliability analysis-to test the internal consistency of the instrument, factor analysis- to test the validity of the instrument and sampling adequacy of the study, correlation analysis-to assess the relationship between variables of the study and Simple regression analysis –to assess the extent of influence of independent variable on dependent variables. After the required data were collected, it is analyzed by using statistical package for the social sciences (SPSS).

B. Population and sampling Method

1) *Study Area and Population:* The study was conducted in Tirupur Knitting units. The Knitting employees has five business processes that are Knitting business process, Fabrication, Compacting, Dyeing, Ancillary process.
2) *Sampling Method:* The sampling method that was employed in this study is both stratified and simple random sampling. To ensure that as much as possible biasness is removed or is minimized and a fair representation is obtained, the population of the study was stratified in to seven major target group based on the existing business process structure of the organization. To select respondents from each stratum simple random sampling design was employed; in doing so, the existing employee list was obtained from human resource department of the organization and then the proportional weight was assigned to each stratum in order to from the sampled data properly represent the population from which the stratified sample of existing employee is drawn.
3) *Sample Size:* It was impossible to collect data on the whole population, considering the size, as well as the time, available to the researcher. Thus, to avert such constraint the researcher forced to draw sample from the whole population. According to Field (2005), whenever it is possible to access the entire population, it is possible to collect data from sample and use the behavior within the sample to infer things about the behavior of the population. Field also states that the bigger the sample size, the likely it reflect the whole population. Accordingly, in this study to make the sample more representatives, the sample size of the study is determined using the formula adopted from kreijcie and Morgan's (1970). Thus, the formula used to calculate the sample size is

$$n = \frac{N}{1+N(e)^2}$$

Where N=is the total population
n= is the sample from the population
e= is the error term, which is 5% (i.e. at 95% confidence interval)
Using the above formula the simple size of the study is determined as

$$n = \frac{202}{1+202(0.05)^2} = 134$$

Table 3.1 Stratified Random Sampling Design form

S.no	Types of strata	Total population	Sample size
1	Knitting business process	139	92
2	Fabrication	28	19
3	Compacting	14	9
4	Dyeing	7	5
5	Ancillary process	14	9
	Total	202	134

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Therefore, based on the above formula, the sample size taken from each stratum is depicted in table 3.1 below, which is 92 respondents from the knitting business process, 19 respondents from fabrication, 9 respondents from compacting process, 5 respondents from dyeing , and 9 respondent for each remaining ancillary Process was taken. Thus, the total sample size of the study was 134, which is 66% of the total population (134/202= .663).

C. Source and Method of Data Collection

1) Source of Data: To address the research objectives both primary and secondary source of data are utilized. To organize the primary data, the researcher used structured questioners and interview techniques. Whereas, secondary data are obtained by investigation of related document from publications i.e. books, journals, Articles, and Abstracts, and from unpublished source i.e. website, annual and quarterly report of the organizations under consideration and other material found in the library.

2) Method of Data Collection: To address the research objectives the main data collection method that are employed in this study are mainly focused on the primary source of data. Basically, the data were collected through self-administrated survey questionnaires and interview with 4 randomly selected personnel of human resource department and 5 other employees of the organization.

3) Variables of the Study

a) Dependent Variable: In this study the dependent variable is employees work out comes, in the form of work performance, affective commitment and turn over intention, which is resulted due to employees' difference in perception of performance appraisal practice of the organization.

b) Independent Variable: The independent variable of this study is employees` perception of performance appraisal that can influence employees work outcomes (i.e. work performance, affective organizational commitment and turn over intention).

D. Instrument

1) The Research Instrument: The research instrument used to collect primary data was both a structured questionnaire and as a supplement to the questionnaire, the interview method was also adopted to decode some of the information that could not be accessed using the questionnaire. To assure the reliability and validity of the instruments used; the researcher adopted standardized instrument from four previous studies by: Vignaswaran (2005),Allen and Meyer (1990)74, Gallato (2012)& Yuceli (2012), which all of this study had reported an acceptable reliability and validity of the instrument. To ensure the practical applicability of the instrument in the study area, the researcher made some few wording modification for simplicity of understanding of term of the adapted instrument.

Overall, the designed instrumental questionnaire includes three main parts;

a) Part one is aimed to collect data on demographic variables

b) Part two is aimed to collect data on independent variables and,

c) Part three is aimed to collect data on the dependent variable

In the first part of the questionnaire, 6 items with different label are included and they are dealing about different demographic characteristics of the respondents such as gender, age, level of education, employment position and work experience in current position.

The second and third part of the questionnaire consists of question statement aimed to measure the variables of the study using five-point Likert Scale (1=strongly disagree, 2= Disagree, 3= Neutral, 4= agree and 5= strongly agree). Thus, the respondents were requested to select their own choice of the five point Likert scale alternatives in order to specify their level of agreement or disagreement on each statement.

Specifically, the second part of the questionnaire includes 12 closed- ended items aimed to measure the employees' perception of performance appraisal. On the other hand, the third part of the questionnaire includes 26 closed- ended items aimed to measure the employees work out comes in the form of work performance, affective commitment and turnover intention. Therefore, the instrument includes a total of 44 items.

2) Pilot Reliability Test of the Instrument: To confirm whether the adapted instrument is understood or not by the respondent a pilot reliability test were conducted. A total of 20 questionnaires were distributed to the respondents the participant for this pilot test was selected from each business process based on their easily accessibility to the researcher. Then the returned 20 pilot instrument were coded and a Cranach's Coefficient Alpha test was employed by SPSS version 16.00. Thus, the SPSS output is summarized in table 3.2.

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Table 3.2 Pilot Reliability test of Instruments

S.no	Variables of the study	No.of respondents	No. of items	Overall cronbach Alpha	Interitem cronbach Alpha
1.	Perception of PA	20	12	.882	.856 - .884
2.	Work performance	20	10	.838	.796 - .853
3	Affective organizational commitment	20	8	.770	.772 - .885
4	Turnover interim	20	8	.861	.826 -.895
Overallitem `			38	.872	.772 -.895

As it is shown in table 3.2 above; among the 12-items concerning to employees perception of performance appraisal, two components had Eigen-value (EV) greater than one and the factor loading of 61.64%. Among the 10-items of work performance, two component, which had EV>1 and factor loading of 60.30%.

Among the 8-items of affective organizational commitment, the three components, which had EV>1 and factor loading of 66.48% and among the 8 items of the turnover intention, three component, which had EV>1 and factor loading of 56.44%. Thus, the factors loading for all items of the instrument are beyond the acceptable level (i.e. 0.50 cut-off points as it is suggested by straub (1989); therefore; the instrument employed in this study is considered as valid.

a) *Content Validity:* The content validity of the study also assessed using factor analysis through KMO (Kaiser-Meyer-Olkin) and Bartlett's test of the SPPS output. According to Field (2005) KMO value indicates the sampling adequacy of the study and KOM value should be above the bare minimum of .50 for all variables. The Bartlett's test also indicates the test of sphericity and significance level of the measurement instrument at p<.50. Thus, the KMO and Bartlett's test result is

Table 3.1 Stratified Random Sampling Design form

S. no	Variables of the study	No .of respondents	No. of items	Overall cronbach Alpha	Inter item cronbach Alpha
1.	Perception of PA	110	12	.912	.898 - .921
2.	Work performance	110	10	.871	.841 - .871
3	Affective organizational commitment	110	8	.731	.654 - .839
4	Turnover interim	110	8	.710	.626 -.810
Overall item `			38	.848	.626 - .921

Therefore; since, the cronbach's alpha score for all items the instruments are above acceptable level of alpha (i.e. 0.70), the instruments employed in this study was reliable.

E. Validity Test

Validity is the extent to which data accurately reflects what they are meant to reflect. There are some factors which can affect the validity of data, for example, if a respondent is in a haste to complete the questionnaire, the validity of this response could be affected; also misinterpretation of questions by the respondents will also affect validity

According to Creswell (2003) there are three forums of validity: (1) content validity, (2) concurrent validity and (3) construct validity. Koigi (2011) states that among the three forms of validity, content and construct validity are the most sophisticated and rigorous types of validity and the most recommended types of validity for social studies. Even though the adapted instrument is valid by itself, to further re-examine, the researcher tested the construct and content validity in the following manner.

1) *Construct Validity:* To measure the construct validity of the instrument, the researcher employed the factor analysis using principal component analysis extraction method and varimaxrotation method to determine the Eigen-value and factor loading matrix of each item of the instruments. The factor loading of items are evaluated using the criteria of Eigen value. A factor having Eigen-value greater than one has been selected to assure the construct validity of the instrument. Straub(1989) also suggested that the instrument with Eigen-value greater than one and factor loading exceeded the .50 cut-off value is valid. Therefore; the SPSS output of the factor analysis of each items of the study is illustrated as follows;

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Table 3.4 Summery of Validity test

S.no	Variables of the study	Factor analysis			
		Items	component	Eigen value	Factor loading
1.	Perception of PA	12	2	1.089	61.64%
2.	Work performance	10	2	1.332	60.30%
3	Affective organizational commitment	8	3	1.009	66.48%
4	Turnover interim	8	2	1.093	56.41%

As it is shown in table 3.4 above; among the 12-items concerning to employees perception of performance appraisal, two components had Eigen-value (EV) greater than one and the factor loading of 61.64%. Among the 10-items of work performance, two component, which had EV>1 and factor loading of 60.30%.

Among the 8-items of affective organizational commitment, the three components, which had EV>1 and factor loading of 66.48% and among the 8 items of the turnover intention, three component, which had EV>1 and factor loading of 56.44%. Thus, the factors loading for all items of the instrument are beyond the acceptable level (i.e. 0.50 cut-off points as it is suggested by straub (1989); therefore; the instrument employed in this study is considered as valid.

2) *Content Validity:* The content validity of the study also assessed using factor analysis through KMO (Kaiser-Meyer-Olkin) and Bartlett's test of the SPPS output. According to Field (2005) KMO value indicates the sampling adequacy of the study and KOM value should be above the bare minimum of .50 for all variables. The Bartlett's test also indicates the test of sphericity and significance level of the measurement instrument at p<.50. Thus, the KMO and Bartlett's test result is

Table 3.5 KMO and Bartlett's test

S.no	Variables of the study	KMO(measure of sampling adequancy)	Approx. chi Square	Degree of freedom	Sig
1.	Perception of PA	.888	790.585	66	.000
2.	Work performance	.840	464.301	45	.000
3	Affective organizational commitment	.798	294.490	28	.000
4	Turnover interim	.792	248.932	28	.000

As it is shown in table 3.5 above, the KMO value of all variables is above the proposed cut-off level KMO>.50 (i.e. for PPA =0.888, WP= 0.840, AOC=.798, and TOI=.792) and the Bartlett's test of all variables of the study are .000, which are highly significant at P<.001. Therefore, it is considered as sample of the study is suitable and illustrative.

F. Method of Data Analysis

In this study, both qualitative and quantitative techniques were used in analyzing data, the qualitative data is obtained through interview, whereas, the quantitative data is obtained through structured questionnaire administered to employees of the Knitting employees. The data gathered through questionnaire were coded, entered into computer and analyzed and presented in the form of tables using SPSS version 16.1 software and Microsoft excel 2007. The data were analyzed according to the objective and hypothesis of the study. In general three type statistical analysis was performed i.e. descriptive statistics, correlation and simple regression analysis.

1) *Descriptive Analysis:* is used to summarize the demographic characteristics of the respondent and to know the level of employee perception of performance appraisal based on the response for each item and analyzed by comparing the "mean" and "standard deviation" score of each variable. According to Zaidaton & Bagheri (2009) the mean score below3.39 was considered as low, the mean score from 3.40 up to 3.79 was considered as moderate and mean score above 3.8 was considers as high as illustrated below.

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Table 3.6 Comparison bases of mean of score of five point Likert scale instrument

Mean Score	Description
<3.39	Low
3.40 -3.79	Moderate
>3.80	High

Source: Zaidatol & Bagheri (2009)

2) *Correlation Analysis:* is to show the strength of the association between the variables involved. Inter-correlations coefficients (r) were calculated by using the Pearson's Product Moment. According to Cohen (1998 as cited by Warokkaand Gallato, 2012), the correlation coefficient (r) ranging from 0.10 to 0.29 may be regarded as indicating a low degree of correlation, r ranging from 0.30 to 0.49 may be considered as a moderate degree of correlation, and r ranging from 0.50 to 1.00 may be regarded as a high degree of correlation. Field (2006) also state that the output of correlation matrix can be the correlation coefficient that lies between -1 and +1 within this framework, a correlation coefficient of +1 indicates a perfect positive relationship, and a correlation coefficient of -1 indicates a perfect negative relationship; whereas a coefficient of 0 indicates no liner relationship. While, for correlations purposes, the descriptors developed by Davis (1971, as cited by Alwadaei, 2010) the interpretation of strength of correlation coefficient is shown in table 3.7

Table 3.7 Interpretation of strength of correlation coefficient

Value of coefficient	Relation between variables
0.70 – 1.00	Very strong association
0.50 -0.69	Substantial association
0.30 - 0.49	Moderate association
0.10 – 0.29	Low association
0.09 -0.09	Negligible association

3) *Simple Regression Analysis:* was also the third statistical analysis used in this study. Regression is the determination of a statistical relationship between two or more variables. In simple regression, we have only two variables, one variable defined as independent is the cause of the behavior of another one defined as dependent variable78.Since the correlation result provides only the direction and significance of relationship between variables, simple regression analysis is done to examine the contribution of employees'perception of performance appraisal to their work outcomes and to assess the extent of relationship between independent and dependent variable of the study.

IV. DATA ANALYSIS AND DISCUSSION

This chapter is emphasis on the analysis of data and discussion on the findings of the study in relation to employee perceptions of performance appraisal and its effect on their work outcomes. The findings of the study are analyzed based on the specific objectives and hypotheses of the study in line with the empirical finding of previous related study.

A. *Descriptive analysis*

1) *Response Rate* In fact, the survey data was collected by walk in survey during Knitting employees third quarter operational plan review and short term training held at tiruput town dated from March 29,2019 to April 3, 2019. As it is indicated in table 4.1 below out of 134 questionnaires distributed to the seven sampled strata, 119 responses are returned. From the total returned responses, 9 of them are uncompleted. Thus, only the 110 complete responses are employed in the analysis, which represents the response rate 82 percent (110/134=.8209).

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Table 4.1 Response Rate

S.NO	TYPES OF STRATA	TOTAL POPULATION	SAMPLE SIZE	RETURNED	COMPLETED	NON COMPLETED	RESPONSE RATE
	Knitting business process	139	92	86	83	3	90.21%
	Fabrication	28	19	14	11	3	58%
	Compacting	14	9	8	5	3	55.56%
	Dyeing	7	5	4	4	-	80%
	Ancillary process	14	9	7	7	-	77.77%
	Total	202	134	110	110	9	82.09%

2) *Demographic Characteristics of Respondents:* As it is shown in table 4.2 below, 83.6 percent (n= 92) of the respondents were male. The remaining 16.40percent (n = 18) of the respondents were female. Regarding to the age composition of the respondents, the largest number of the respondent 76 (69.10percent) was in the age group of 25 to 34 years; the second largest group 19 (17.30percent) those aged between 35 to 44 years, of the total respondents 13 (11.80percent) indicated that they were in the age group of under 25 years and a very small proportion of the respondents 2 (1.80percent) were between 45 to 54 years. Thus, the majority respondents of this study were male and their ages ranging between 25 to 34 years old. The educational background of respondents as shown in table 4.2, the largest group of respondents 97(88.20percent) are bachelor degree holders, the next largest group 6(5.5percent) are master's degree holders followed by those hold the College Diploma 5 (4.50percent) and the remaining 2 (1.80percent) had grade 12 completed. Therefore, the majority of the respondents had bachelor degree as their highest level of education.

Table 4.2 Sex, Age and Educational background of respondents

Demographic factors	Frequency	Percentage
Sex Male Female Total	92 18 110	83.6 16.4 100.0
Age <25 25-34 35-44 45-54 Total	 13 76 19 2	11.8 69.1 17.3 1.8
Educational Master's Degree Bachelor Degree College Diploma Grade 12 Completed Total	6 97 5 2 110	5.5 88.2 4.5 1.8 100.0

As it is shown in table 4.3 below, most of the respondent 61 (55.50 percent) indicated that they had been employed with Knitting employees between 1 and 5 years. 21(19.1 percent) and 12(10.9 percent) of respondents indicated a tenure with the organization of between 6 and 9 years and less than one year respectively. 10 (9.1 percent) and 6 (5.5 percent) of the respondents indicated their

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stay in the organization between 10 and 14 years and longer than 15 years respectively as well. Thus, most of the employees had been employed between 1-5 years of service with their current organization.

Regarding to the employment position, the largest group of respondents 35 (31.8 percent) are senior auditor (those who have first degree with relevant experience of six years and above), followed by32 (29.1 percent) Auditors (those who have first degree with relevant experience of 2 to 4years)and 22 (20 percent)other employees (those employee other than auditors) Whereas, the remaining 13 (11.8 percent), 5(4.5 percent) and3(2.7 percent) are junior auditors (those who have first degree with zero year experience), audit managers and management members respectively as shown in table 4.3 below.

As shown in table 4.3 below, in relation to time worked in the current position, most of the respondent 75 (68.2 percent) are indicated job tenure of 1 to 5 years followed by21(19.1 percent) and 14(12.7 percent)below one year and longer than 5 years with their current position respectively. Thus, the majority (68.2 percent) of the current work positions are recently staffed.

Table 4.3 Respondents' position and experience in the organization and on the current job

Experience in current organization		
<1 year	12	10.9
1-5 year	61	55.5
6-9 year	21	19.1
10-14 year	10	9.1
>=15 year	6	5.5
Total	110	100.0
Position		
Management Member	3	2.7
Audit Manager	5	4.5
Senior Auditor	35	31.8
Auditor	32	29.1
Junior Auditor	13	11.8
Others	22	20.0
Total	110	100.0
Experience with current position		
<1 year	21	19.1
1-5 year	75	68.2
>5 year	14	12.7
Total	110	100.0

3) Level Of Employee Perception Of Performance Appraisal And Work Out Comes

1) Level Of Employee Perception Of Performance Appraisal: In this part the descriptive analysis is performed to assess the perceptions of the respondents with regard to the performance appraisal system. In doing so; the items for measurement of employee perception of performance appraisal practice are summarized to answer the first hypothesis of the study. In this analysis the response for each specific statement are compared using the mean and standard deviation score. The degree of agreement or disagreement of the respondent for each statement are also analyzed by summarizing the five point likert scale response in to three by consolidating the strongly agree and agree response in to one positive response (i.e. Agree) and the strongly disagree and disagree response in to one negative response (i.e. disagree) and the neutral response is taken as it is.

a) Hypothesis 1: Employees are not perceived well (dissatisfied) about the existing performance appraisal practice of the organization.

To answer this hypothesis and to measure the level of employee perception of performance appraisal practice the twelve items of the instrument was analyzed with the help of descriptive statistics of SPSS version 16.0. Thus, the views of the respondents on twelve items of perception on performance appraisal practice are presented in Table 4.4 below.

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According to Zaidatol and Bagheri (2009) mean score specification the respondents level of PA satisfaction (perception) for one items is high, that is, 'PA is valuable to me as well as to my organization' with a mean value of 4.1. Whereas, the respondent level of PA satisfaction is moderate for two items, that is, (a) 'Appraisal process help me to find out my level of performance' with mean score of 3.45 and (b) 'Organization is good at providing recognition' with a mean score of 3.41.However, the respondents level of PA satisfaction is low for the remaining nine statements, that is, the mean score ranged from a maximum of 3.32 to a minimum of 2.95 for 'Satisfaction with the appraisal system' and 'My organization providing positive feedback for good performance than criticizing poor ones' respectively.

The overall response for the twelve items indicates the mean= 3.30 and SD= 1.15.The higher the mean score, the more that respondent agreed with the statement and vice versa. The figures for standard deviation (SD) also indicate the degree to which responses varied from each other; the higher the figure for SD, the more variation in the responses. Therefore; this result based on Zaidatol and Bagheri (2009) mean score compression basis, the mean score= 3.30 indicates that there is **low level**of satisfaction towards the current performance appraisal practice, Which implies, the respondents are '**dissatisfied**' with the performance appraisal system of the Knitting employees.

Thus; from this finding it can be generalized that, the respondents are dissatisfiedconcerning with the current practice of the organization appraisal system, fairness and un biasness of a system, the seriousness of leaders to review performance appraisal, satisfaction with feedback, the relevant of performance feedback, the alignment of feedback with the actual achievement, the existence of appeal process , the implementation of PA,and the provision of positive feedback for good performers than criticizing the poor ones. Therefore, such remarked areas of dissatisfaction are the good indicators and the root causes for employees' negative perception regarding to the performance appraisal practice of their organization. In turn, it might have its own impact on the employees work outcomes; in the form of work performance, affective commitment& turn over intention too.

Table 4.4 Employees perception of the performance appraisal practice

S.NO	Items used for measurement of employees' Perception of Performance Appraisal	Mean	Std deviation
1	I am satisfied with the way the performance appraisal system is used to evaluate and rate my performance	3.32	1.149
2	Current performance appraisal is fair and unbiased	3.28	1.150
3.	My leader takes my performance appraisal review discussion seriously	3.05	1.192
4	Performance appraisal process help me to find out about my level of performance	3.45	1.161
5	I am satisfied with the way my organization provides me with feedback	3.19	1.161
6.	The feedback I receive on how I do my job is highly relevant	3.30	1.170
7.	The feedback I receive agrees with what I have actually achieved	3.20	1.170
8.	If don't agree with performance appraisal score, there is appeal process	3.10	1.100
9.	My organization is good at providing recognition for good performers	3.41	1.168
10.	I think that my organization attempts to conduct performance appraisal the best possible way	3.25	1.110
11.	My organization seems more engaged in providing positive feedback for good performers than criticizing the poor ones	2.95	1.222
12.	Performance appraisal is valuable to me as well as to my organization	4.10	.957
	TOTAL	3.30	1.15

Therefore, the first hypothesis of the study is **accepted**, meaning that, employee of Knitting sector had **low level**of perception towards the current performance appraisal practice.

2) Level of Employee Work Outcomes

Hypothesis 2: Employee's level of work performance and affective organizational commitment is low whereas, their intention to leave is high.

i) Level of Work Performance

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a. Hypothesis 2a- Employees level of work performance is low.

In order to understand the current working capacity of working individuals of Knitting employees, ten items concerning with the overall work performance of employees were included in the questionnaire. As it is shown in table 4.5 below, out of the ten item, the respondents level of work performance on eight items are strong, which ranged with mean from a maximum of 4.15, i.e. 'I try to work as hard as possible' to minimum of 3.81 'I always reach my performance target'.

However, the respondents level of work performance also moderate on the remaining two items i.e. 'I consider my performance is better than the average employee in this organization'with mean value of 3.79 and on 'The quality of my work is superior' with mean value of 3.55.

The overall response indicates that employee level of work performance has mean= 3.87 and SD= .89 to the ten items of work performance. Based on Zaidatol and Bagheri (2009) mean score specification, the mean score= 3.87 indicate that the work performance of employees of Knitting sector is high.

Table 4.5 level employee work performance

S.no	Items used for measurement of employees' level of work performance	Mean	Std. Deviation
1.	I almost always perform better than what can be characterized as acceptable performance	3.92	.869
2.	I often perform better than what can be expected.	3.84	.873
3.	I always reach my performance target	3.81	.963
4.	I consider my performance is better than the average employee in this organization.	3.79	.791
5.	Overall, I am a very good performance	3.92	.791
6.	I feel that my performance is reflective of my abilities	3.95	.971
7.	I often expend extra effort in carrying out my job.	3.88	.926
8.	I try to work as hard as possible	4.15	.866
9.	The quality of my work is superior.	3.55	.982
10.	I intentionally expend a great deal of effort in carrying my job.	3.88	.854
	TOTAL	3.87	.89

the proposed hypothesis of this study state that there is low level of work performance. Thus, 'hypothesis 2c' is **rejected**, which implies, employee of Knitting employees is performing well.

ii) Level of Organizational Affective Commitment

a. Hypothesis 2b-Employees level of organizational affective commitment is low.

In order to assess the current affective commitment of working individuals of Knitting employees, eight items dealing with the overall affective commitment of employees were included in the questionnaire. As shown in table 4.6 below, out of the eight items, the respondents had moderate level of affective commitment on three items i.e., 'I really feel as if this organization's problems are my own, 'I think that I could easily become as attached to another organization as I amto this one' and 'this organization has a great deal of personal meaning for me'. However, the respondents level of affective commitment is low for the remaining five items, which ranged with mean from a maximum 3.39, i.e. 'I do not feel 'emotionally attached' to this organization' to minimum of 2.86 i.e. 'I would be very happy to spend the rest of my career with this organization'.

The overall response indicates that employee affective commitment has mean= 3.32 and SD= 1.14 to the eight aspect of affective commitment. Based on Zaidatol and Bagheri (2009) mean score specification, the mean score= 3.32 indicate that the affective commitment of employees of Knitting employees is low.

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Table 4.6 Level of employee affective commitment

s.no	Items used for measurement of employees' level of Affective commitment	Mean	Std Dviation
1	I would be very happy to spend the rest of my career with this organization	2.86	1.303
2	I enjoy discussing about my organization with people outside	3.39	1.235
3	I really feel as if this organization's problems are my own	3.77	1.122
4	I think that I could easily become as attached to another organization as I amto this one	3.71	.999
5	I do not feel like 'part of the family' at my organization	3.04	1.188
6	I do not feel 'emotionally attached' to this organization	3.39	1.024
7	This organization has a great deal of personal meaning for me	3.46	1.098
8	I do not feel a 'strong' sense of belonging to my organization	2.91	1.162
	TOTAL	3.32	1.14

Among the empirical findings on employees level of Affective organizational commitment reviewed in chapter two are summarized as: -Saeed&shahbaz (2011) found the level of affective commitment is high with mean= 4.36 and SD= 0.791 and Vignaswarn (2005) found the level of affective commitment is low with mean= 3.11 and SD= 0.61.

Thus, from the above two empirical result, this study finding is supported by the studies of Vignaswarn (2005) with mean= 3.11 and SD= 0.61. Therefore, 'hypothesis 2b' is accepted; meaning that, employee of Knitting employees had low level of affective commitment.

b. Level Of Turnover Intention

a. Hypothesis 2c-Employees level of turnover intention is high.

In order to measure the level of the current turnover intention of working individuals of Knitting employees, eight items concerning with the overall turnover intention of employees was included in the questionnaire. As shown in table 4.7 below, out of the eight items, the respondents level of turn over intention is high on three items i.e., 'I intent to make a genuine effort to find another job over the next few months', 'I will probably look for a new job in the next year' and 'I will likely actively look for a new job within the next three years' with the mean value of 3.88, 3.84 & 3.84 respectively.The respondents level of turn over intention also moderate on four items, which ranged with mean from a maximum of 3.63, i.e. 'I intend to leave the organization' to minimum of 3.44 'I may quit my present job next year'.

However, the respondents level of turnover intention is low on one aspect of the item with i.e. 'I have a promising future in this organization' with mean value of 2.70.

The overall response indicates that employee level of turnover intention has mean= 3.56 and SD= 1.11 to the eight items of turnover intention. Based on Zaidatol and Bagheri (2009) mean score specification, the mean score= 3.56 indicate that the turnover intention of employees of Knitting factory is moderate.

Table 4.7 Level of employee turnover intention

s.no	Items used for measurement of employees' level of turnover Intention	Mean	Std Dviation
1	I intent to make a genuine effort to find another job over the next few months	3.84	1.027
2	I intend to leave the organization	3.63	1.099
3	I will probably look for a new job in the next year	3.84	.991
4	I may quit my present job next year.	3.44	1.162
5	I will likely actively look for a new job within the next three years.	3.88	1.155
6	I often think about quitting my present job.	3.54	1.163
7	I do not see much prospects for the future in this organization	3.59	1.144
8	I have a promising future in this organization	2.70	1.170
	TOTAL	3.56	1.11

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Among the empirical findings on employee's level of turnover intention reviewed in chapter two are summarized as: -Saeed&shahbaz (2011) who found the level of turnover intention is low with mean= 3.15 and SD= 1.205 and Vignaswarn (2005) who found the level of turnover intention is low with mean= 3.16 and SD= 0.96.

Thus, the above two empirical finding is not support the finding of this study. Whereas, this study finding implies that there is moderate level of turnover intention and it is approximate to high .Thus, 'hypothesis 2c' is **accepted**, which implies, employee of Knitting employees had nearly high level of turnover intention.

B. Correlation Analysis

Correlation refers to synonym for association or the relationship between variables and it measures the degree to which two sets of data are related. Higher correlation value indicates stronger relationship between both sets of data. When the correlation is 1 or-1, a perfectly linear positive or negative relationship exists; when the correlation is 0, there is no relationship between the two sets of data (Vignaswaran, 2005).

C. Interview Finding and Discussion

The interview method of collecting data involves presentation of oral-verbal stimuli and reply in terms of oral-verbal responses (Kothari, 2004).This method can be used through personal interviews and if possible, through telephone interviews. Therefore, an interview is used as a primary data collection technique like that of questionnaire, observation and the like regardless of advantages and disadvantages it has. Thus, in this study personal interview is carried out with four randomly selected personnel of human resource department and five other employees. The following questions were also addressed to the interviewee:

1) *Is there a formal performance appraisal in your organization?:* Regarding the existence of a formal performance appraisal practice of the organization, according to the interview with five members of management and four human resource personnel of Knitting employees, all nine of the interviewee replay that there exists a formal appraisal system in the organization.
2) *How often is the appraisal conducted in Knitting employees?:* In relation to the frequency of performance appraisal practice all nine interviewee are requested. Based on the result of the interview, all respondents are replay that performance appraisal is conducted in the frequency of every six months.
3) *Are you satisfied with the performance appraisal practice of your organization?:* All nine interviewees are also asked about their level of satisfaction on the overall performance appraisal practice of Knitting employees. Of which, three of the interviewees are satisfied with the current performance appraisal practice of the organization. The remaining six respondents are also dissatisfied with the performance appraisal practice. Therefore, based on the result of the interview, most employees of the organization are not satisfied as such with the current performance appraisal practice of the organization.
4) *Do you think that performance appraisal practice in Knitting employees is being implemented well?:* A question was also raised regarding to the overall implementation of performance appraisal practice in Knitting employees. Among the total nine, interviewees, three of them are agreed on the proper implementation of performance appraisal and the remaining are not. Thus, there is no the same understanding in common among employees, as a result it is better to noted that even if in some extent performance appraisal is implemented well, there is a problem in the overall implementation of performance appraisal.
5) *Would you suggest if there is anything to be considered with regard to the current performance evaluation system being used in your organization?:* Questions were raised to interviewee if there is any adjustment to be considered in the practice of performance appraisal in Knitting employees. All nine interviewee, providing their own suggestions as per their felling, but overall their opinion contains the following points in common.

a) Continuously record the performance of subordinates.
b) Making the appraisal system more participatory& communicate the result between raters and rate to make it more Transparent.
c) The feedback should be targeted on job other than other relationships.
d) Providing feedback based career development to initiate the best performers.

6) *Do you think that employee different perception of performance appraisal has its own impact on their work performance, affective commitment and intention to leave?:* Interviewees are also asked about the impact of employee different perception of performance appraisal on their work outcomes in the form of work performance, affective commitment and their intention to leave. There was the same understanding in common among the nine respondents and they revealed that even if the degree of influence of perception of employees are different on work performance, affective commitment and their intention to leave , absolutely employees perception of performance appraisal has its own impact on employees work outcomes. Based on the

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result of the interview it can generalize that employees' different perception of performance appraisal is a factor that affects employee work outcomes.

a) *Summary:* In Knitting employees, there exists a formal performance appraisal system and it is conducted in the frequency of every six months. But there is a problem in the implementation of performance appraisal as a result, employee are not satisfied as such (not perceived well) in the existing performance appraisal practice. In turn it has its own impact on their work outcomes. To avert the problems in the practice of PA the following recommendations are also providing from the interview:

i) Continuously record the performance of subordinates.
ii) Making the appraisal system more participatory& communicate the result between raters and rate to make it more Transparent.
iii) The feedback should be targeted on job other than other relationships.
iv) Providing feedback based career development to initiate the best performers.

V. SUMMARY, CONCLUSION& RECOMMENDATION

Based on the results of the study obtained through the questionnaire distributed to 110 employees of Knitting employees and the interview conducted withfour randomly selected personnel of human resource department and five other employees, the following summary, conclusions and recommendations were made:

A. *Summary*

The aim of the study is to assess the perception of performance appraisal practice of Knitting employees and its effect on employees' work outcomes, in the form of work performance, affective commitment and turn over intention as well. On the review of theoretical, conceptual and empirical related literature of the study, perception of employees on performance appraisal practice had a significant relationship with their work out comes.

In conducting this study, the required data is obtained through structured questionnaires and interview. The Instrument (structured questionnaires) was adopted from four prior related studies, in order to measure all variables of the study. To check the validity and reliability of the adopted instruments validity and reliability test was also carried out. To determine the sample size from the total population of the study, the researcher uses formula based-sample size determination. The target population was also stratified in to seven business processes. To select respondents from each stratum simple random sampling technique was also adopted. Basically, a total of 134 questionnaires were distributed to the sampled employee, among these 110 were returned, of which, 9 responses were uncompleted. Thus, 110 returned questionnaires are analyzed using statistical package for social science (SPSS version 16). In the analysis descriptive statistics, correlation analysis and simple regression analysis was performed.

The descriptive finding of the study shows that in knitting units employees had low level of perception of performance appraisal satisfaction. The current level of employees work performance is high, affective organizational commitment is low and their intention to leave is also moderate. The finding of the correlation analysis result also indicates employees' perception of performance appraisal practice had positive and significant relationship with work performance and affective organizational commitment and negative and significant relationship with employees' turnover intention.

On the other hand, simple regression analysis indicates employees' perception of performance appraisal practice had positively and significantly influence work performance and affective organizational commitment whereas, negatively and significantly influence employees' turnover intention.

B. *Conclusion*

The primary objective of this study was to assess the influence of perception of performance appraisal on employee work outcomes, because performance appraisal has been an issue of major concern with its long lasting impacts on the employees' work out comes, in the form of work performance, affective commitment and turn over intention, which in turn, leads to the organizational performance. The study has been successful in accomplishing its six research objectives and it makes contributions to the literature. Thus, based on the finding of the study the following conclusions are drawn

First, in this part of the descriptive finding the researcher have been able to present the perceptions of the Knitting employees employees with regard to the performance appraisal system wherein the employees express that they had low level of satisfaction with the performance appraisal system being practiced by the organization With a mean value of 3.30 and standard deviation of 1.15. The result of interview also support this fact,but it does not mean that they are completely dissatisfied with the overall appraisal practice, that is, somewhat they are satisfied with the performance appraisal system of the organization. Out of the twelve item being used in the assessment of employee perception of performance appraisal practice, as per their fairness perception, the

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respondents had high level of satisfaction for one items, and are also slightly satisfied on two of the items; whereas, the respondents had low level of satisfaction on the following statements:-

1) The overall practice of appraisal system,
2) Fairness and un biasedness of appraisal system,
3) The seriousness of leaders to review performance appraisal,
4) The feedback system (satisfaction with feedback,the relevant of performance feedback,the alignment of feedback with the actual achievement, the provision of positive feedback for good performers than criticizing the poor ones)
5) The existence of appeal process ,and
6) The implementation of PA

Therefore, the above commented areas are the core causes for employees' negative perception on the operation of performance appraisal practice of the organization. In turn, as an interview finding indicates, this negative perception of employees towards performance appraisal system has its own impact on the employees' work outcomes. From the interview finding it can be denoted that employees perception towards PA can be enhanced through; Continuously record the performance of subordinates, making the appraisal system more participatory& communicate the result between raters and rate, job targeted feedback system and Providing feedback based career development.

The other descriptive finding in relation to the three component of employee work outcome shows that, employees of knitting units have high level of work performance, low level of affective organizational commitment and moderate level of turn over intention. From this finding it can be conclude that employees of the organization are good in work performance, but employee emotional attachment, personal attachment, sense of belonging, confidence on their organization, intent to stay are the major factors influencing employee affective organizational commitment. Whereas from the eight items of turn over intention; employee promising future on their organization are the major factor ;while future prospects on their organization, intend to leave and quitting their present job are also factors that moderately influencing employee intention to leave.

Second, the researcher tried to present the relationship between employees' perception of performance appraisal and their expected work outcomes, in the form of work performance, affective commitment and turn over intention. Thus, based on the correlation analysis result employees' perception of performance appraisal has significant and positive relation with work performance and affective organizational commitment and significant but negative relation with intention to stay in the assessment of performance appraisal system.

Thirdly, the researchers have been able to study and analyze the variable (employees' perception of performance appraisal) influencing on the employees work outcomes, in the form of work performance, affective organizational commitment& turnover intention. Thus, from the simple regressions analysis it can be concluding that: - Among the three dependent variables there exist, relatively strong relationship between employees' perception of performance appraisal with work performance followed by affective organizational commitment, and turnover intentions respectively. However, employees' satisfaction (well perception) with performance appraisal process positively influences employees work performance and affective organizational commitment where else negatively influences employees turn over intention.

C. Recommendation

For employees of an organization a sound performance appraisal system must be put in practice, to exert their maximum efforts towards realization of organizational objectives and goals. In situations where employees are not aware of what they are expected to perform and the consequences that their performance would bring to them, it is difficult to expect better work performance, organization commitments& reducing turn over intention. Therefore, On the basis of the findings and conclusions reached, the following recommendations are made in order to change the perception of employees by improve the performance appraisal practices at Knitting employees in order to increase their work outcomes.

The finding on the descriptive analysis indicates that, employees are not much satisfied with the current performance appraisal practice of the organization and the following areas are also identified as a principal causes for employees low level of perception (dissatisfaction) about the existing performance appraisal practice ,that is, the overall practice of performance appraisal, fairness& unbiased of the system, feedback system, the existence of appeal process, due care of appraisers and implementation of performance appraisal.

Therefore, the findings have serious managerial implications in order to create a good perception on the mind of the employee. In doing so; the organization should have to implement performance appraisal practice in the best possible way so as to change the perception of employees by realizing the following activities:

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1) Appropriately and adequately file and document the performance of the subordinates on a continuous basis.

2) Making the appraisal system participatory in the sense that employees should be allowed to see their appraisal comment on it.

3) Discussing on the appraisal result among the appraisers and appraisee clearly.

4) Design ways to communicate the results of the employees as well as the criteria against which they are going to appraise the subordinates.

5) Reviewing the performance of the subordinates with a due attention.

6) Providing job related feedback other than reflecting personal bias.

7) Providing a positive feedback for those who are good performers other than criticizing the poor ones,

8) Make aware of employees about appeal procedure, at the time when they are dissatisfied with the performance rating

As indicated in the descriptive part of the finding, employees of Knitting employees had low level of affective organizational commitment as a result of emotional attachment, personal attachment, sense of belonging, confidence on their organization, intent to stay on their organization. Therefore, the organization should have to give due attention to continually improve and maintain employee affective organizational commitment and should make conscious efforts by creating different mechanisms such as:

a) Creating trust on the mind of employee about performance appraisal

b) Establishing organizational plans for the career and development of employee

c) Providing opportunity to employee to suggest improvement in the ways things are done(employee participation).

In the descriptive part of the finding, Employees of Knitting employees had also moderate level of turnover intention as the whole. But, there is low level of mean in one item, i.e. in their promising future and had moderate level of mean in three items i.e. future prospects in their organization, intent to leave& quitting their present job. Therefore, the management and HR personal should introduce better incentive, opportunity for internal growth and development, smooth and transparent work communication system.

The finding on the simple regressionanalysis indicates relationship between employees perception of performance appraisal and work outcomes indicates thatemployee who are satisfied (perceived well) with how performance appraisal conducted are in the position of higher work performance, affective commitment and have lower turnover intentions. In order to obtain such positive work outcomes, organization should have to exercise a better performance evaluation system as a whole to enhance employees' perception towards performance appraisal and to increase the expected work outcomes.

D. Suggestions for Further Research

1) To make this study more comprehensive, a large population of Knitting employees should be surveyed.

2) Further researcher recommends that further research investigate more thoroughly the relative influence of demographic variables on the perception of employees towards performance appraisal.

3) To make generalization, it should be conducted in different public sectors, since this study is limited only Knitting employees.

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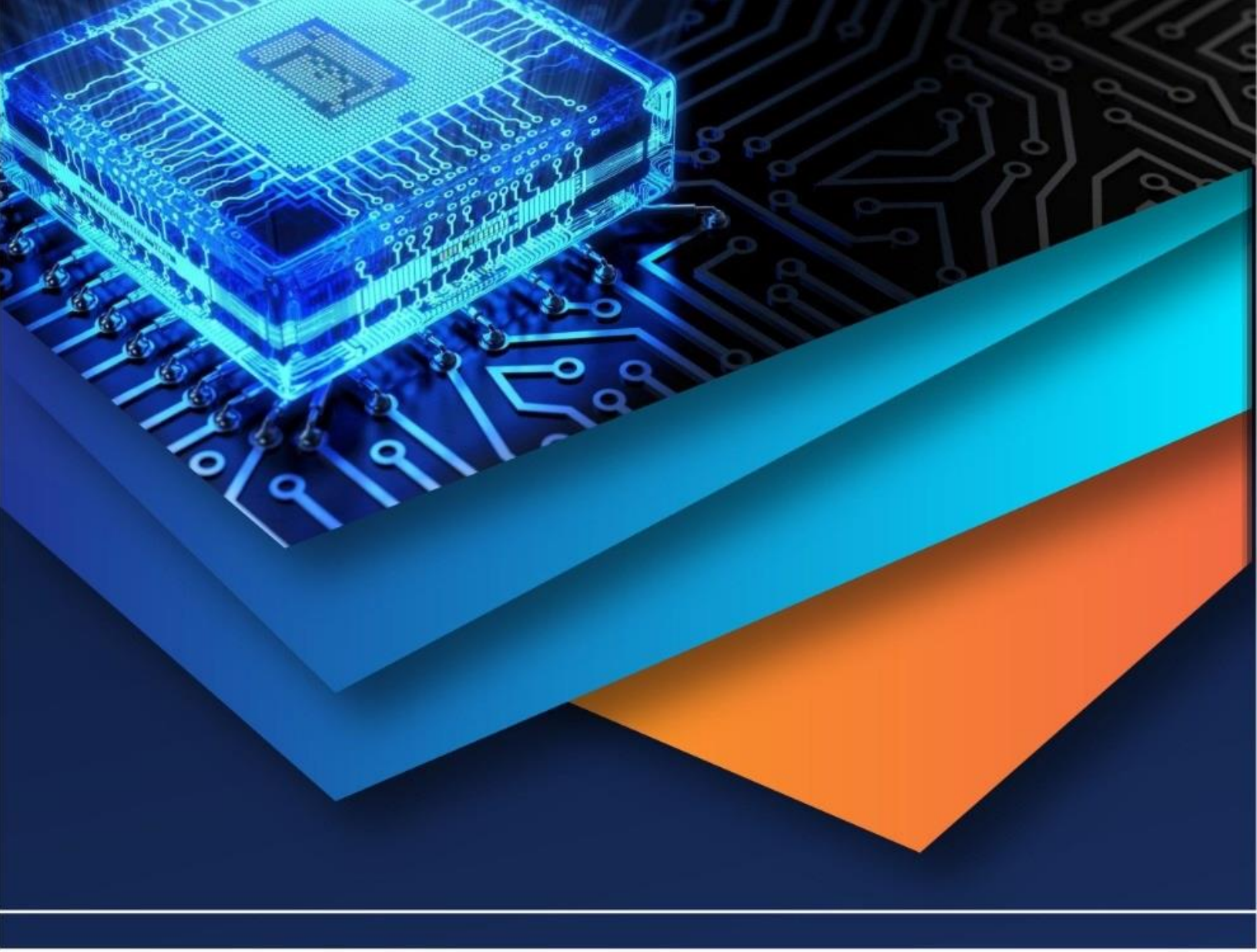
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