THE ROLES OF APPRAISER AND PERFORMANCE APPRAISAL SYSTEMS ON EMPLOYEE JOB SATISFACTION

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ABSTRACT

This study aims to examine two types of performance appraisal systems used to assess food operators to maintain high employee job satisfaction. About 250 questionnaires were distributed around Kampung Bharu area in Kuala Lumpur. The number of questionnaires returned were 210 but only 205 questionnaires were usable for the present study. SPSS was used to analyse the data to test the hypotheses. There were four variables researched in this study, namely Behaviour-Based Performance Appraisal System, Competency-Based Performance Appraisal System, appraiser, and job satisfaction. There was a direct and significant relationship between both appraisal systems with the appraiser (H1 and H2) and employee job satisfaction (H4 and H5) respectively. There was also a direct and significant relationship between the appraiser and restaurant employees' job satisfaction (H3). The role of the appraiser was identified as a mediator in the relationship between Competency-Based Performance Appraisal System and employee job satisfaction (H7). However, the role of the appraiser partially mediated the relationship between Behaviour-Based Performance Appraisal System and employee job satisfaction (H6). The appraiser was regarded as critical in ensuring that the appraisal system adopted be carried out fairly, professionally, and rationally with adequate knowledge to boost job satisfaction among food operator employees in Kuala Lumpur.

Keywords: *Performance Appraisal, Behavioral-Based, Competency-Based, Employee, Satisfaction*

RESEARCH HIGHLIGHTS

There were four variables researched in this study namely, Behaviour-Based Performance Appraisal System (BBPAS), Competency-Based Performance Appraisal System (CBPAS), appraiser, and job satisfaction.

There was a direct and significant relationship between both appraisal systems and the appraiser (H1 and H2) and employee job satisfaction (H4 and H5) respectively.

There was also a direct and significant relationship between the appraiser and employee job satisfaction (H3).

The role of the appraiser was identified as a mediator in the relationship between Competency-Based Performance Appraisal System with employee job satisfaction (H7).

However, the role of the appraiser partially mediated the relationship between Behaviour-Based Performance Appraisal System with employee job satisfaction (H6).

The appraiser is regarded as critical to ensure that the appraisal systems were being carried out fairly, professionally, and rationally with adequate knowledge to boost job satisfaction (Abbas, 2014; Abdulkadir, Isiaka and Adedoyin, 2012).

GRAPHICAL ABSTRACT

Fig. 1. Relationship Between BBPAS, CBPAS, Appraiser and Employee Job Satisfaction

Research Objectives

The research objectives for the present study were as follows:

RO1: To determine the relationship between Behaviour-Based Performance Appraisal System and Competency-Based Performance Appraisal System and the appraiser;

RO2: To determine the relationship between job satisfaction and the appraiser, Behaviour-Based Performance Appraisal System, Competency-Based Performance Appraisal System; and

RO3: To determine the role of the appraiser in the relationships between Behavioural-Based Performance Appraisal System and Competency-Based Performance Appraisal System with employee job satisfaction.

The findings from this study have implications for food operators to conduct performance appraisal using both performance appraisal systems with the aim to increase employee job satisfaction. In addition, the criteria of the appraiser such as being fair, professional and rational with adequate knowledge were regarded as critical to boost job satisfaction among food operator employees.

Methodology

A total of 250 questionnaires were distributed to restaurant employees across Klang Valley, that is around Kampung Baru, Bukit Bintang, Masjid Jamek, Setapak, and Bangsar. Although the ideal sample size was around 200, an extra 50 questionnaires were distributed to ensure that the return rate was higher for complete questionnaires. The number of complete questionnaires received was 205 which were usable for this study.

The questionnaires were randomly distributed to food operator employees. They were not forced to participate in the survey, but they voluntarily participated in the survey. There were two sets of questionnaires, one in English and the other in the Malay language. Reliability analysis was performed and the results showed that for BBPAS, $\alpha=0.79$ (5 items), CBPAS with $\alpha=0.79$ (4 items). For job satisfaction, $\alpha=0.84$ (5 items), and appraisers with $\alpha=0.84$ (3 items).

The hypothesis test utilizes simple linear regression and multiple linear regression (MLR) as both independent and dependent variables were measured using interval scale (5-point Likert scale). The MLR statistical tool requires that three assumptions need to be fulfilled, namely data is normally distributed, there is linearity in the association between the independent and dependent variables, and homogeneity of the residuals (Pallant, 2016; Tabachnick and Fidell, 2013).

Results

Out of 205 respondents who participated in the survey, gender distribution was almost balanced with males consisting of 49.8% while females with 50.2%. Among these, 42.9% were married and 57.1% single. Ethnicity distribution showed that 68.3% were Malays, 21% Chinese, and 10.7% Indians. All of the respondents were Malaysians. In terms of education level of respondents, 78.5% had completed either college or university education while 21.5% had completed high school education. About 44.4% were earning more than RM2,000, and 55.6% were earning less than RM2,000 per month. Regarding duration of work service, 4.4% had been working with less than one year of service, while 95.6% had more than one year of working service. Pearson correlation analysis of the respondents' profiles indicated that the higher the level of education level of the sample, the higher the income earned per month, and the longer the service of employees working in the company, and vice versa.

After performing hypothesis test using simple linear regression and multiple linear regression (MLR), the results indicated that all seven hypotheses were supported, and only hypotheses six was partially supported because the appraiser partially mediated in the relationship between the Behaviour-Based Performance Appraisal System and employee job satisfaction.

Findings

All seven hypotheses were supported, hence the findings indicated that the BBPAS, CBPAS, and the Appraiser had an influence on employees' job satisfaction. Those who were satisfied with BBPAS and CBPAS, were also satisfied with their job, and vice versa. The appraiser had played a significant role in enhancing job satisfaction among restaurant employees. The employees who were satisfied with the appraiser also expressed their satisfaction with their job. In addition, the appraiser mediated the relationship between the BBPAS, and CBPAS, and job satisfaction. Hence, employee satisfaction with the appraiser enhanced the effectiveness of the performance appraisal systems (Fakhimi, and Raisy, 2013).

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