

**INVESTIGATING THE RELATIONSHIP BETWEEN THE
INFLUENTIAL FACTORS AND EFFECTIVENESS OF
PERFORMANCE APPRAISALS: A PERSPECTIVE
OF THAI EMPLOYEES**



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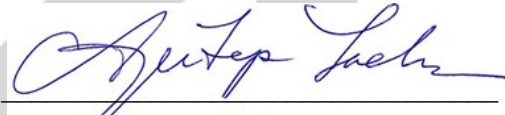
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Abstract

In the context of HRM, performance appraisal is concerned about performance management of employees in the organization, in which the effectiveness of the system relates with another relatives human resource functions exist in the organization. Effective performance appraisal should offer positive experience and foster the feeling of good opportunities among employees. Hence, the finding of this research will reveal the influential factors affecting the effectiveness of performance appraisal in the private sector as perceived by employees, so that there will be no fear of appraisal in organization. In addition, the management people in an organization may have an idea of how to better manage employees' performances.

The researcher gathered the data from 385 respondents who were working in a private corporation in regard to the research issue that aims to investigate the factors that affect the effectiveness of performance appraisal as perceived by Thai employees working in the private sector. The data collection were made through online survey on Google Forms during November 1 – December 20, 2016.

The results from the multiple liner regression analysis suggested that only the management support, perceived trust, and perceived benefits can be used to predict the performance appraisal effectiveness in the private sector as perceived by Thai employees. These three factors positively associated the performance appraisal effectiveness, in which perceived benefits had the strongest relationship with the performance appraisal effectiveness, followed by perceived trust, and management support, respectively

Keywords: Performance Appraisal, HRM, Effectiveness

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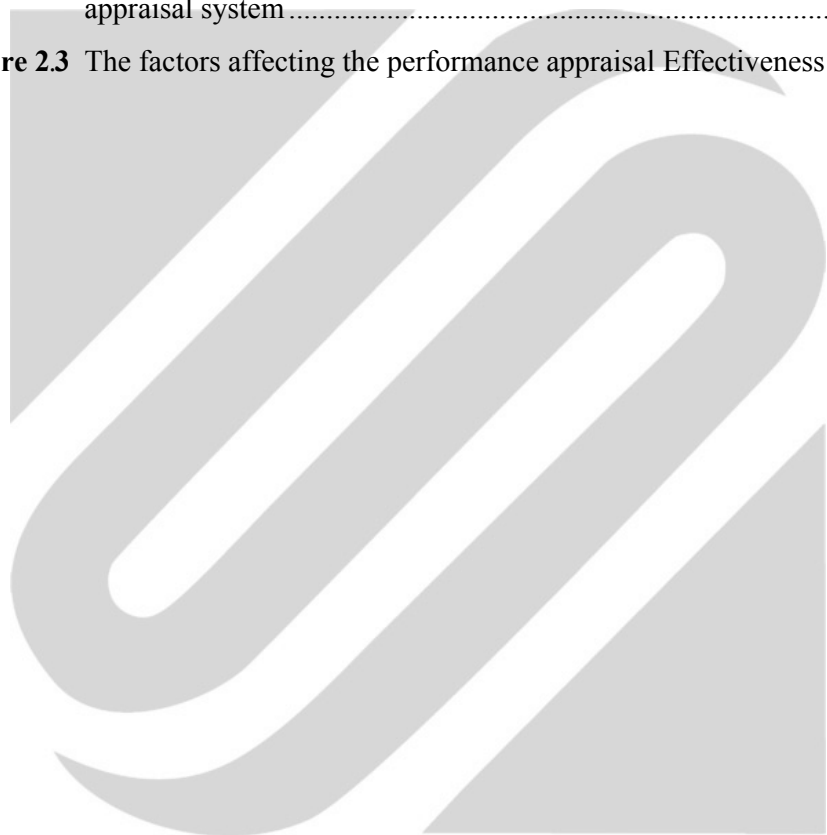
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CHAPTER 1

INTRODUCTION

The chapter I is to demonstrate the statement of research problem, research objectives, significance of the study, scope and limitation, conceptual framework, hypothesis statement, and the definition of terms.

1.1 Statement of the Problems

According to Kavanagh (1997), employees are different in term of capabilities, skills, knowledge, and aptitudes, in which there is always a difference in the results of work performed by two different individual employees in term of quality, quantity, or both. In this regard, performance appraisal is considered as essential for measuring and understanding of individual ability, competency, and relative merit and value for the organization. Barney (1995) suggested that performance appraisal is the process to assess the employees for their work performance that is required to implement on the continuous basis in order to know their situation in the organization and to find out whether they are improved or not; employees also want to know how well they performed their tasks, in which their contributions and efforts can lead to the survival and success of the organization.

Wiese and Buckley (1998) pointed out that the core of performance appraisal is that it allows an organization to measure and assess the behavior and accomplishment of individual employee over a particular time frame. Coutts and Schneider (2004) stated that performance appraisal is one of the key functions of HRM practices that aims for assessing the extent to which each individual employee is aligned with the organizational goal. Cook and Crossman (2004) further suggested that performance appraisal is potentially one way that could drive the employee's contribution and efforts to align with the organizational goal through proper motivations and performance management. However, organizations engage in performance appraisals with a number of different tools and

purposes, which in turn often resulting in confusion about the true purpose of performance appraisal (Wiese and Buckley, 1998).

Following the suggestion of Boswell and Boudreau (2001), performance appraisal is one of essential human resource management (HRM) practices and one of interesting HR research issues. Angelo and Pritchard (2006) described organization's performance appraisal as a formal, discrete, and organizationally sanctioned event that is typically not occurred more than 1-2 times a year, and is clearly stated performance criteria used in the process of appraisal with the often use of quantitative valuation based on the judgment toward each criteria, in which the scoring results are typically shared with employees being assessed. Keeping and Levy (2000) mentioned that there is a common view among performance appraisal practitioners and researchers that the assessment of appraisal is important for creating positive influence towards employees' behaviors and future training and development, in which employees are required to have favorable appraisal reactions or the appraisal mechanism will be failure. Further, they suggested that the measurement of appraisal reaction can be made through the employee satisfaction toward the performance appraisal, regardless to appraisal methods.

As suggested by Erdogan (2002), performance appraisal is an essential part of HRM for the effective distribution of rewards, motivations, and training and development that are provided to all employees based on the performance appraisal. At the same time, performance appraisal allows employees to express their feeling, perceptions, and views toward their jobs, managers, co-workers, department, and the organization. As observed by Fletcher (2002), however, there have been many organizations revealed their dissatisfaction toward the process of performance appraisal; while some of them, particularly for small enterprises do not even engage in performance appraisal for their employees. This reflects a lack of effective performance appraisal as a tool for the motivating and developing existing employees (Fletcher, 2002). Therefore, the system of performance appraisal itself should be monitored and evaluate as to represent employees and management with valuable feedback for the purpose of performance improvement and further encouragement of good performance and desired actions or behaviors at work. Meanwhile,

supervisors or managers can exhibit the value of performance improvement and skill development for potential promotion, more responsibilities, and increase of salaries and benefits, as suggested by Walsh and Fisher (2005). While there are many performance appraisal methods that have been widely recognized and applied, only a limited number of researchers has reflected the common characteristic of effective performance appraisal from the employee perspectives. Therefore, this research aims to investigate this issue faced by HRM during the development and implementation of performance appraisal for the further improvement of effectiveness of the performance appraisal system.

1.2 Research Objectives

This research aims to investigate the factors that affect the effectiveness of performance appraisal as perceived by Thai employees working in the private sector. The specific objectives of this study were to:

1. To investigate the relationship between management support and the effectiveness of performance appraisals.
2. To investigate the relationship between perceived trust and the effectiveness of performance appraisals.
3. To investigate the relationship between perceived benefits and the effectiveness of performance appraisals.
4. To investigate the relationship between communication and the effectiveness of performance appraisals.
5. To investigate the relationship between process and the effectiveness of performance appraisals.

1.3 Significance of the Study

In the context of HRM, performance appraisal is concerned about performance management of employees in the organization, in which the effectiveness of the system relates with other related human resource functions exist in the organization. Walsh

and Fisher (2005) further suggested that the ineffective performance appraisal will affect the operation of HRM practices in other areas, and thus leads to ineffectiveness of the organization as a whole. Despite the effectiveness of HRM and organization, effective performance appraisal should offer positive experience and foster the feeling of good opportunities among employees. Hence, the finding of this research will reveal the influential factors affecting the effectiveness of performance appraisal in the private sector as perceived by employees, so that there will be no fear of appraisal in organization. In addition, the management people in an organization may have an idea of how to better manage employees' performances.

1.4 Scope and the Limitation of the Study

There are some limitations of this research. First, the research focused on business organizations in the private sector, and thus the result may not be applicable to public organizations based on different structure, and organizational cultures. The data collection method was also based on convenience sampling, and thus the respondents were those who were able to reach the researcher during the period of data collection. Further, the effectiveness of employee's performance appraisal in this research was measured based on employee's perception only.

1.5 Conceptual Framework

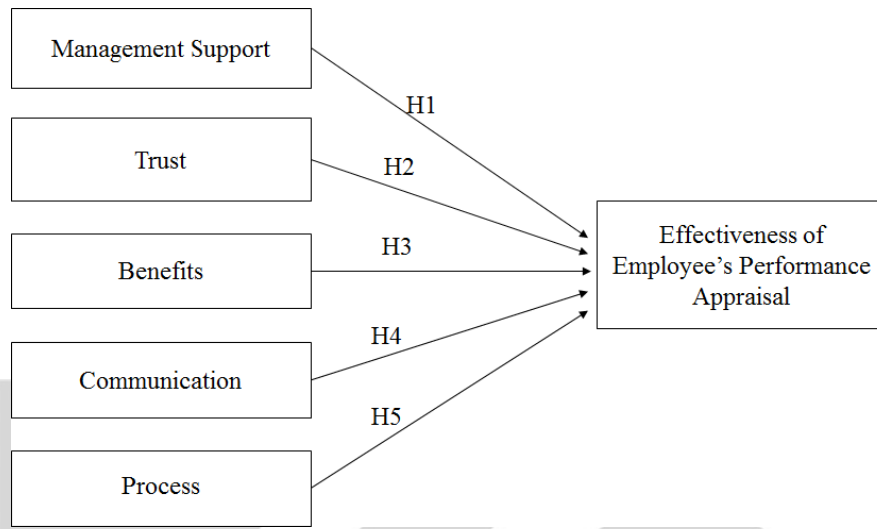


Figure 1.1 Conceptual Framework

1.6 Research Hypothesis

H1: There is a relationship between management support towards the effectiveness of employee's performance appraisal.

H2: There is a relationship between perceived trust towards the effectiveness of employee's performance appraisal.

H3: There is a relationship between perceived benefits towards the effectiveness of employee's performance appraisal.

H4: There is a relationship between communication towards the effectiveness of employee's performance appraisal.

H5: There is a relationship between process towards the effectiveness of employee's performance appraisal.

1.7 Definition of Terms

Performance Appraisal Following the explanation of Devries et al. (1981), performance appraisal is a process for measuring and evaluating behavior and accomplishments of individual employee for a finite period.

Management Support According to Weber and Weber (2001), perceived management support involves with the perception of employees about the management's encouragement for creating ideas, implementation of employees' suggestion for the work improvement, supports the improvement activities, and distribution of rewards for the improved results.

Trust in organizations typically refers to employees' expectations that word, promise, verbal, and/or written statement of others can be relied upon, as mentioned in Bromiley and Cummings (1995).

Benefits Mathwick et al., (2001) explained the perceived benefits of performance appraisal as the extent to which an individual perceives a specific system to boost his or her work performance.

Communication According to Hassall (2009) communication is the process by which information is exchanged between sender and receiver with the goal of achieving mutual understanding.

Process Employees participating in the performance appraisal process must be involved throughout the process, in which Bertone et al (1998) indicated that employees will understand organizational goals, what is expected of them and what they will expect for achieving their performance goals.

CHAPTER 2

LITERATURES REVIEW

This chapter is to present the literature review about the concepts, and theories that are relevant to the issue of this study. The lists of relevant researches and related theories were as follows:

1. Employees' Perceptions of Trust, Fairness, and the Management of Change in Three Private Universities in Cyprus (Komodromos, 2014)
2. Factors Influencing Employee Performance Appraisal System: A Case of the Ministry of State for Provincial Administration & Internal Security, Kenya (Ochoti et al, 2012)
3. Factors Affecting The Implementation Of The Performance Appraisal System In Rwanda: A Case Of Nyamasheke District Local Government (Fredie, 2015)
4. Factors Affecting Performance Appraisal Effectiveness (Hamid, 2011)
5. Effectiveness of Performance Appraisal Systems: A Study of KNUST (Bintu, 2014)
6. An investigation into Performance Appraisal effectiveness from the perception of Employees in an Irish Consumer Services Company (Farrell, 2013)
7. An evaluation of the effectiveness of performance management systems on service delivery in the Zimbabwean civil service (Zvavahera, 2008)

2.1 Performance Appraisal and Its Contributions

Following the suggestion of Dowling et al. (1999), the term “performance appraisal” involves with many concepts and definitions, in which they explained as a process within the overall performance management. Robbins et al. (2000) further described as the assessment of individual work performance for arriving at objective personnel decision. According to Lansbury (1988), performance appraisal is the process of identifying, assessing and developing the employees' work performance within the

organization for tracking the organizational goals and objectives and providing benefits to employees in terms of feedback, recognition, job support, and training and development. Denhardt (1991) described performance appraisal as a particular assessment with respect to a progress of individual employee in completing assigned tasks. Following the explanation of Devries et al. (1981), performance appraisal is a process for measuring and evaluating behavior and accomplishments of individual employee for a finite period. Further, Armstrong and Baron (1998) stated that the process of performance appraisal is an essential part of the performance management, which represents an organization's strategic and integrated approach to achieve organizational goals through the improvement of capabilities of both individual employee and teams.

Carrol and Scheider (1982) mentioned performance appraisal as the system that is developed and implemented to identify, observe, measure, and develop employee's job performance in the organization, in which the performance-related criteria will be used in the appraisal process as the determination of what have to be evaluated. According to Moulder (2001), the process of performance appraisal is valued for defining expectations and measurements the extent whether such expectations are met or not, in which performance appraisals would help to clarify employees about their success and/or areas of performance improvement. Moulder (2001) further indicated that performance appraisal is beneficial in setting goals and in fostering improved communications among work groups as well as between managers and employees.

Meanwhile, Orpen (1997) argued that performance appraisal allows the employees to achieve rewards from management, to deliver benefits to employee directly, and to provide two-way communication between management and employees for the discussion about the performance over the period of time. In addition, Orpen (1997) suggested that performance appraisal allows the employees to have an opportunity to assess their performances themselves and to further discuss the issues and difficulties they are facing at work, in which this involvement of direct reports and supervisors give the opportunity to achieve the future goals such as the enhancement of productivity. Dyck (1997) further

suggested that performance appraisal is useful to measure the productivity of the organization, for the recruitment and orientation process as the feedback could reflect how well the recruiting strategies are working, the training and development process, and the effectiveness of employees, in which the feedback could be provided in the form of data sheet demonstrating the overall performance of all employees and change in productivity.

Walsh and Fisher (2005) pointed out that there are many performance appraisal method that have been widely recognized and applied. Some of them may include written essays, critical incidents, graphic rating scales, BARS, multiperson comparisons, MBO, and 360 degree appraisals. The major advantages and disadvantages of each method are demonstrated in the table 2.1.

Table 2.1 Performance Appraisal Methods

Method	Advantage	Disadvantage
Written essays	Simple to use	More measure of evaluator's writing ability than of employee's actual performance
Critical incidents	Rich examples; behaviorally based	Time-consuming; lack quantification
Graphic rating scales	Provide quantitative data; less time-consuming than others	Do not provide depth of job behavior assessed
BARS	Focus on specific and measurable job behaviors	Time-consuming; difficult to develop
Multiperson Comparisons	Compares employees with one another	Unwieldy with large number of employees; legal concerns
MBO	Focuses on end goals; results oriented	Time-consuming
360-degree appraisals	Thorough	Time-consuming

Source: Walsh and Fisher (2005)

2.2 Factors Affecting the Effectiveness of Performance Appraisals

Many previous researches indicated that there are many factors affecting the effectiveness of performance appraisals. Among them, management support, trust, benefits, communications, and process were mentioned in many previous studies (Ochoti et al, 2012; Fredie, 2015; Orpen, 1997; Moulder, 2001; Denhardt, 1991; and Dowling et al., 1999)

2.2.1 Management Support

In the context of organizational behavior, managers or supervisors typically act as organizational agents who have responsibility to manage and evaluate the work performance of employees, which in turn makes employees to perceive their positive or negative orientations toward them as an indicative of the management support, as suggested by Eisenberger et al (1986). In general, Treadway et al. (2004) suggested that the employees' perception of management support represents the extent to which the organization cares about well-being of its organizational members. According to Weber and Weber (2001), perceived management support involves with the perception of employees about the management's encouragement for creating ideas, implementation of employees' suggestion for the work improvement, supports the improvement activities, and distribution of rewards for the improved results.

Sagie and Koslowsky (1994) further suggested that employees need the management supports in term of feedback and available resources, particularly when they encounter with ambiguity and/or organizational uncertainty. In this regard, management support plays an essential role to encourage the involvement and participation of employees in the performance appraisal process.

2.2.2 Trust

Trust in organizations typically refers to employees' expectations that word, promise, verbal, and/or written statement of others can be relied upon, as mentioned in Bromiley and Cummings (1995). Dizgah et al (2011) pointed out that trust is the individual belief or confidence toward an individual, group, or organization's fairness,

integrity, and reliability. Zeidner (2008) suggested trust offers a number of important benefits for employees and organizations, which further lead to the enhancement of effectiveness in organizational procedures.

Following the study of Ambrose and Schminke (2003), they suggested that organizational justice significantly affect the perception of fairness, which further leads to the perceived trust in management and organization. Farndale et al (2010) pointed out that the perceived trustworthiness of employees toward the organization partially mediates the associations of managerial practice and procedural justice with trust. According to Thornhill and Saunders (2003), the interaction of organizational justice and managerial practices can be used to explain and predict trust in organizations. In addition, the perception of employees to trust organizational leadership can be explained through the perceived organizational integrity and perceived justices toward the organizational procedures, as suggested by Searle et al. (2011).

2.2.3 Benefits

Mathwick et al., (2001) explained the perceived benefits of performance appraisal as the extent to which an individual perceives a specific system to boost his or her work performance. Noe and Wilk (1993) suggested that employee could benefit from participating into performance appraisal for three areas, which are 1) personal benefits involving the extent to which employees believe that it would help them to improve their job performance and make progress towards their personal development, 2) career benefits involving with identification of career objectives, and creating opportunity to pursue monetary or non-monetary reward, and job-related benefits involving with better communication and relationships between peers and managers (Noe and Wilk, 1993).

2.2.4 Communication

According to Hassall (2009) communication is the process by which information is exchanged between sender and receiver with the goal of achieving mutual understanding. Communication should involve a process whereby people learn to think together, not just in the sense of analyzing a common problem of developing new aspects of shared

knowledge, but in the sense of occupying a collective sensibility. In a context of organization, more than two people are involved in the communication process (Weiss, 2002). Hassall (2009) indicated that communicating results is a critical issue in human resource programs. Constant communication ensures that information is flowing so adjustments can be made.

According to Hassall (2009), developing communication towards improved performance entails the following, talking about competence with team members in an open and honest way; reducing anxiety in communications; facing up to questions which surface underlying assumptions about performance; exploring questions that provoke debate; and promoting mutual exploration through discussion until there is consensus on method, standard, or knowledge that is required. Hassall (2009) mentioned that effective communication require openness and honesty, in a way that reduces anxiety, to be encouraged through the exploration of concerns and alternative actions, to match the actions with the words, and to encourage all members to accept responsibility for the communication processes.

2.2.5 Process

Employees participating in the performance appraisal process must be involved throughout the process, in which Bertone et al (1998) indicated that employees will understand organizational goals, what is expected of them and what they will expect for achieving their performance goals. For effective performance appraisal system, the individuals who are involved as raters should undergo training, as suggested by Goff and Longenecker (1990). Boice and Kleiner (1997) further suggested that they should be trained on the process of managing, motivating and evaluating employee performance. Also, the raters should see it within its wider context of performance management. Evans (1991) pointed out that the raters should be trained on various aspects like supervision skills, conflict resolution, coaching and counseling, setting performance standards, linking the system to pay, and how to provide employee feedback, in which the training will provide them with expertise and knowledge that they need in making decisions in the process.

Following the suggestion of Boice and Kleiner (1997), there is need to eliminate selective memory of the raters through performing the reviews on a frequent and ongoing basis. In addition, Townley (1999) mentioned that effective performance appraisal should also link individual performance with reward as to increase the future levels of work performance. Linking employees with monetary and/or non-monetary reward could motivate employees and commits them to the performance appraisal process. It will also show the employees that the completion of the performance targets and objectives will affect them directly, as suggested by Prowse and Prowse (2009). For effective performance appraisal system, employees being evaluated should be able to appeal against a result that they feel is incorrect, in which the appeals may be against any rating that may be perceived to be discriminatory in order to protect the employees from any unfair ratings as well as to protect the organization from any potential charges of unfair treatment of employees and assure that the raters will not be biased (Caruth and Humphreys, 2005).

2.3 Effectiveness of Performance Appraisal

As suggested by Hines et al. (2000), the effectiveness of a system is explained as an external standard of how well the system is able to meet the demands of the various groups and organizations that are concerned with its activities, which approximately is a construct “for doing the right things” or having validity of outcome. They further suggested that the perceived effectiveness is a result of qualitative measure made by evaluator. According to Möller and Törrönen (2003), effectiveness is defined as the capability of system in inventing and producing solutions that provide more value to stakeholders of the organization. Moats (1999) proposed that effective systems of performance appraisal should be uniform, pragmatic, and relevant. Bodil (1997) further explained that pragmatism helps to ensure that the system will be easily understood by employees and effectively put into action by managers. Moats (1999) stated that performance appraisal system that are complex or impractical tends to result in confusion, frustration, and nonuse. Also, Moats (1999) explained that systems that are not specifically

relevant to the job may result in wasted time and resources, in which most successful appraisal programs identify and evaluate only the critical behaviors that contribute to job success; while systems that miss those behaviors are often invalid, inaccurate, and result in discrimination based on nonrelated factors, as suggested by Bodil (1997).

Beer (1981) suggested that 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. Following the suggestion of 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. As suggested by Dobbins et al (1990), there are five outcomes of performance appraisal, which are 1) use of evaluations as feedback to improve performance, 2) reduced employee turnover, 3) increased motivation, 4) existence of feelings of equity among employees, and 5) linkage between performance and rewards. Meanwhile, Teratanavat et al (2006) suggested the outcomes such as reduced employee stress, review of overall progress, linkage between current performance and employee's goals, and development of specific action plans for future as the outcome of effective performance appraisal.

2.4 Previous Studies

Ochoti et al (2012) investigated the multifaceted factors influencing employee Performance Appraisal System in the public sector of Kenya. A structured questionnaire was self-administered to the employees to collect data. Results of the study showed that all the five factors: Implementation process, interpersonal factors, rater accuracy, informational factors, and employee attitudes has the performance appraisal system. The regression results also showed that 55.1% of the variation in performance appraisal system can be explained by the changes in implementation process, interpersonal relationships, rater accuracy, informational factors and employee attitudes.

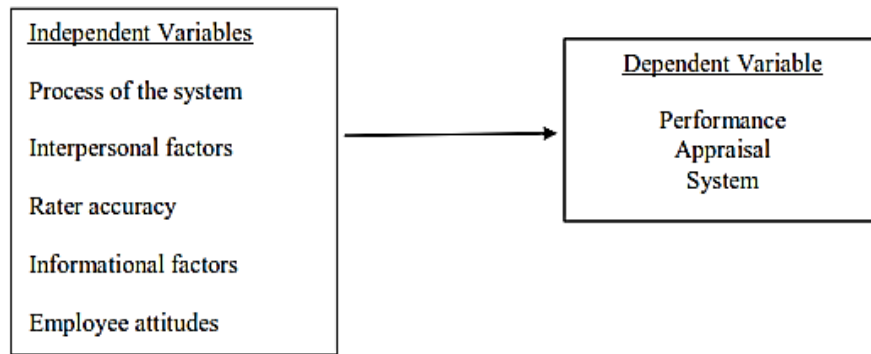


Figure 2.1 The multifaceted factors influencing employee Performance Appraisal System

Source: Ochoti et al, 2012

Fredie (2015) investigated the factors affecting implementation of the performance appraisal system. Findings of the study indicated that management of the process of appraisal, level of trust, training of the appraisers and appraisees, and communication are the most important factors affecting the implementation of staff performance appraisals in the public sector.

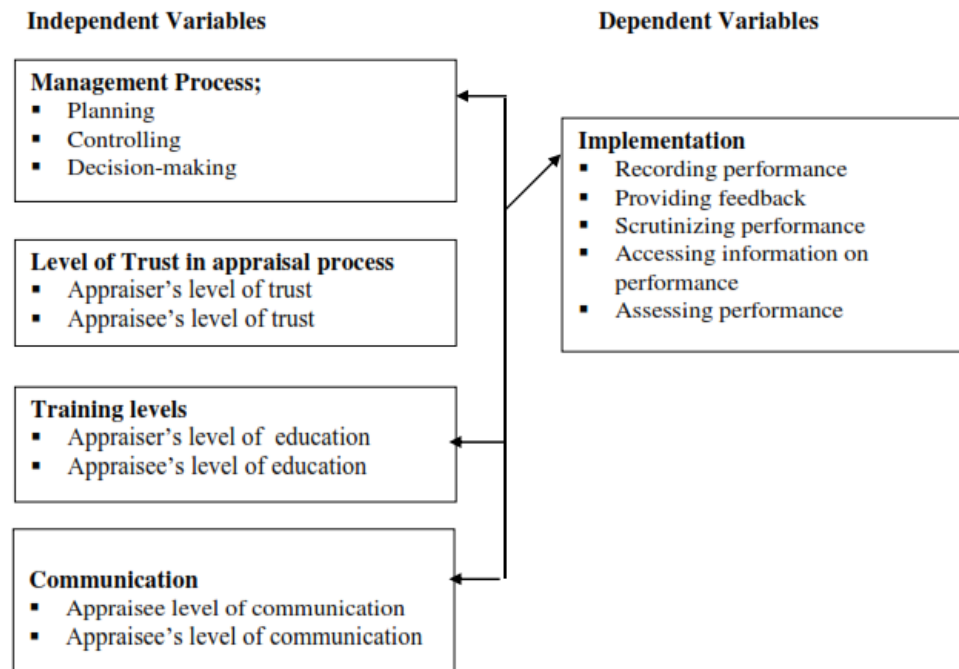


Figure 2.2 The factors affecting implementation of the performance appraisal system

Source: Fredie, 2015

Boachie-Mensah & Seidu (2012) suggested that employees tend to embrace and contribute meaningfully to the system of performance appraisal scheme when they recognize the process as their opportunity for personal development, a chance to be visible and demonstrate skills and abilities and an opportunity to network with others. The elements of appraisal effectiveness were proposed as shown in the figure 2.4.3.

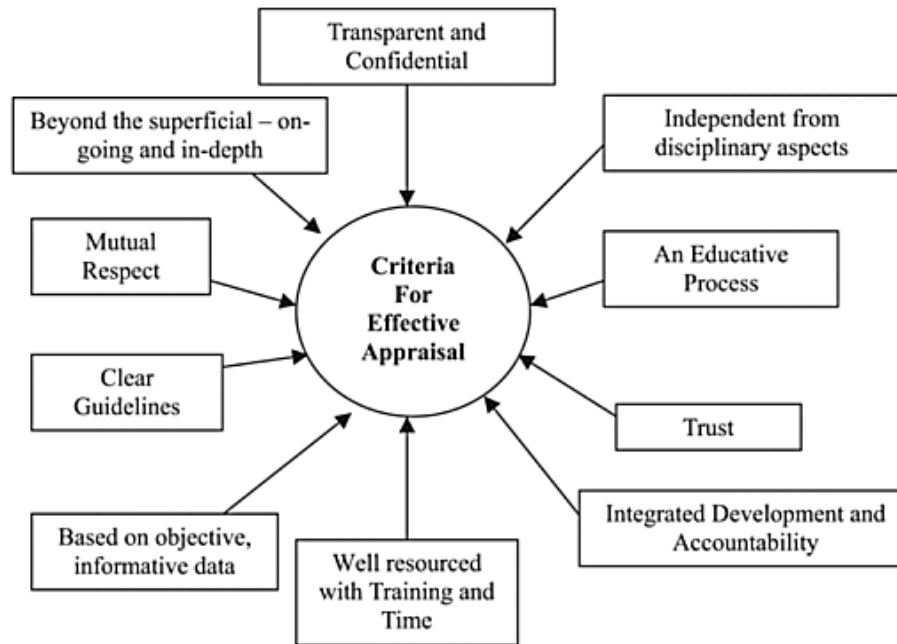


Figure 2.3 The factors affecting the performance appraisal Effectiveness

Source: Boachie-Mensah & Seidu, 2012

2.5 Lists of Relevant Researches and Theories

Table 2.2 Lists of Relevant Researches and Theories

Title	Author(s)	Objective	Results
Employees' Perceptions of Trust, Fairness, and the Management of Change in Three Private Universities in Cyprus	Komodromos (2014)	This research aims to give a better understanding of how an organizational justice framework can be used to explore employees' perceptions of trust, fairness, and the management of change during a period of strategic change in three private Universities in Cyprus.	The findings indicated that management should build communications channels inside the organization between employees, in order to share information with employees as well as in building trust between employees and managers for the creation of trustful environment between them.

Table 2.2 Lists of Relevant Researches and Theories (Cont.)

Title	Author(s)	Objective	Results
Factors Influencing Employee Performance Appraisal System: A Case of the Ministry of State for Provincial Administration & Internal Security, Kenya	Ochoti et al (2012)	The research investigated the multifaceted factors influencing employee Performance Appraisal System in the public sector of Kenya.	Results of the study showed that implementation process, interpersonal factors, rater accuracy, informational factors, and employee attitudes has the performance appraisal system with 55.1% of the variation in performance appraisal system can be explained by the changes in implementation process, interpersonal relationships, rater accuracy, informational factors and employee attitudes.
Factors Affecting The Implementation Of The Performance Appraisal System In Rwanda: A Case Of Nyamasheke District Local Government	Fredie (2015)	This research investigated the factors affecting implementation of the performance appraisal system.	Findings of the study indicated that management of the process of appraisal, level of trust, training of the appraisers and appraisees, and communication are the most important factors affecting the implementation of staff performance appraisals in the public sector.
Factors Affecting Performance Appraisal Effectiveness	Hamid (2011)	This study aims to identify correlation between raters, appraisal system and reward rating linkage and the performance appraisal effectiveness in Banking industry.	The finding shows that, strong positive correlation exist between appraisal system and performance appraisal effectiveness. Aside from appraisal system, reward rating linkage also had a strong positive correlation with performance effectiveness.

Table 2.2 Lists of Relevant Researches and Theories (Cont.)

Title	Author(s)	Objective	Results
Effectiveness of Performance Appraisal Systems: A Study of KNUST	Bintu (2014)	This study was to investigate the effectiveness of performance appraisal systems in KNUST.	The study recommended the need to ensure that fairness is maintained in the appraisal process so that the necessary trust and cooperation will be forthcoming from staff. Further, there is the need to ensure regular feedback.
An investigation into Performance Appraisal effectiveness from the perception of Employees in an Irish Consumer Services Company.	Farrell (2013)	The focus of this research was on the effectiveness of the Performance Appraisal system. This study aims to investigate the effectiveness of Performance Appraisals from the perception of the employees	The findings of the study revealed that overall the employees were happy with having to complete performance appraisal, but there is still some work to be done in improving the system and making it more successful and rewarding.
An evaluation of the effectiveness of performance management systems on service delivery in the Zimbabwean civil service	Zvavahera (2008)	This study was to evaluate the effectiveness of the Results Based Management system in improving service delivery in the Zimbabwean civil service.	The results indicated that the current performance management system was not enhancing the provision of quality service in the civil service because employees did not see any merit in its application.

CHAPTER 3

RESEARCH METHODOLOGY

This chapter includes the five parts which are research design, target population and sampling method, questionnaire development, data collection and the data analysis.

3.1 Research Approach

Morse (1991) suggested that many research approaches are given as alternatives for a researcher to design his or her framework. There are three major research approaches that are general considered, which are qualitative approach, quantitative approach, and both in combination so called mixed-methodological approach. Bryman (1984) stated that the key issue to discuss among different research approaches seems heavily depended on the different research characteristics from each methodological approach and benefits. The aim of quantitative approaches in common is to explore, identify and verify on the causal relationships between the concepts suggested in previous studies. As this research work aims for confirming and testing of theoretical framework and hypotheses, prediction, deduction, and standardized the collection of data and the data analysis, therefore, the quantitative methodological approach is considered as more appropriate than qualitative methodological approach that is for better understanding on the insight explanation in the social science phenomenon.

3.2 Population and Sampling

The research population is defined as Thai employees working in the private sectors regardless to the size, and nature of business of their organization. They could be males or females aged about 18 to 60 years old, regardless to their positions, working experience, income, and education backgrounds. Non-probability sampling was employed with the use of convenience sampling in selecting the respondents from the private companies in Thailand. The respondents were selected based on the respondents's accessibility to reach the researcher's research instrument over the internet through

online survey. The researcher conducted the online questionnaire survey for the sample size of 385.

The calculation of this sample size followed the suggestion of Zikmund (2004) based on unknown population through the equation as below.

$$n = \frac{Z^2 \times p \times q}{E^2}$$

Where

- n = Sample Size
- Z = Standardization value indication a confidence level
- p = estimated proportion of success
- q = estimated proportion of failures, $q = (1-p)$
- E = Maximum acceptable error (1 - CI)

Based on the confidence level (CI) of 95%, the Z value is 1.96 and thus the calculation can be made as below.

$$n = \frac{(1.96)^2 \times .5(.5)}{(0.05)^2}$$

$$n = 384.16$$

Therefore, the sample size of this research was at 385, given unknown population.

While young workforce is considered as the largest group in the labour market, which Ramesh and Vasuki (2014) mentioned that young workforces is the largest workforce group with relatively high growth rate in many countries worldwide, this research intended to focus mainly on the employees who were 18 – 35 years old.

3.3 Data Collection

The online questionnaire was designed and developed for data gathering, which Zikmund (2003) suggested that this technique is considered as simple, convenience, cost effective, and flexible in conducting research work. In addition, the process of responding is simple with the use of clear and precise choices being offered to respondents in minimizing the time and effort of respondents and researcher. The respondents only have to choose the best answer that could describe their views. For this research, the questionnaire consisted of two main parts, which are demographic information part and attitude rating part. The first part used the multiple-choice questions to collect the respondents' information about gender, age, education, income, and working experience. The second part used five-point Likert scale questions; in which the respondents were asked to rate their agreement toward each statement, where "1" reflects strongly disagree, ..., to "5" for strongly agree. Zikmund (2003) pointed out that the Likert scale question is considered as "reliable measurement to provide the direction to the respondents in relation to some specific attitudes".

3.4 Data Analysis

Descriptive statistics described and summarized the results in the form of frequency, percentage, mean, and standard deviation that are easy to interpret the demographic characteristics of respondents and results of variables. For the statistical testing of hypotheses, Pearson correlation analysis was applied for investigating the relationship between two variables.

Also, the Multiple Linear Regression analysis was also used to predict the dependent variable by using multiple independent variables. The influence of the team elements toward team effectiveness:

$$y = a + b_1x_1 + b_2x_2 + b_3x_3 + \dots + b_nx_n$$

Where

y = dependent variable

a = y-axis interception, predicted y where x is equal to zero

b_n = the regression coefficients

x_n = independent variable

3.5 Data Collection Procedure

The online questionnaire was developed and created the link that allowed the respondents to reach it any times and anywhere over the internet. The data collection period was during November 1 – December 20, 2016. The link was promoted through the researcher's social media such as Facebook and Line to encourage the number of respondents to reach the target of 385 respondents.

3.6 Reliability Test

There were six variables in this study, which are firm social media use, perceived quality, brand awareness, brand association, brand loyalty, and purchase intention. The results for the reliability test are shown in the table 3.3.

Table 3.1 Results of Reliability Test (N =30)

Variable	No. of Item	Cronbach's alpha
Management Support	4	0.724
Perceived Trust	3	0.834
Perceived Benefits	3	0.746
Communication	4	0.719
Process	5	0.705
Performance Appraisal Effectiveness	4	0.822

From the table 3.1, Cronbach's alpha of all variables were greater than 0.7, which means that the scale of measurement were reliable.

CHAPTER 4

RESEARCH FINDING AND ANALYSIS

This chapter includes the results of data analysis for descriptive results for demographic information of respondents, means and standard deviations of variables, and the results of hypothesis testing.

4.1 Descriptive Results

4.1.1 The Descriptive Results of Respondents' Demographic Factors

Table 4.1 Frequency and Percentage of Demographic Factors followed by Working in a private corporation

Working in a private corporation	Frequency	Percentage
Yes	385	100.0
Total	385	100.0

From table 4.1 the researcher gathered the data from 385 respondents who were working in a private corporation in regard to the research issue that aims to investigate the factors that affect the effectiveness of performance appraisal as perceived by Thai employees working in the private sector.

Table 4.2 Frequency and Percentage of Demographic Factors followed by Gender

Gender	Frequency	Percentage
Male	138	35.8
Female	247	64.2
Total	385	100.0

From table 4.2 the data collection were made through online survey on Google Forms during November 1 – December 20, 2016. From 385 respondents, most of them at 247 persons (64.2%) were female, while 138 persons (35.8%) were male.

Table 4.3 Frequency and Percentage of Demographic Factors followed by Age

Age	Frequency	Percentage
18 - 25 years old	261	67.8
26 - 35 years old	89	23.1
36 - 45 years old	27	7.0
46 - 60 years old	8	2.1

From table 4.3 the majority of respondents aged about 18 – 25 years old, which accounted for 261 persons (67.8%). There were 89 respondents (23.1%) who about 26 – 35 years old; while 27 respondents (7%) who about 36 – 45 years old; and only 8 respondents (2.1%) were about 46 – 60 years old.

Table 4.4 Frequency and Percentage of Demographic Factors followed by Marital Status

Marital Status	Frequency	Percentage
Single	245	63.6
Married	140	36.4

From table 4.4 most respondent at 245 persons (63.6%) were single; while another 140 persons (36.4%) were married.

Table 4.5 Frequency and Percentage of Demographic Factors followed by Education

Education	Frequency	Percentage
Lower than Bachelor's degree	36	9.4
Bachelor's degree	239	62.1
Master's degree or higher level	110	28.6

From table 4.5 the education of respondents were ranging from lower than Bachelor's degree to Master's degree, in which most of them at 239 persons (62.1%) had Bachelor's degree; 110 persons (28.6%) had Master's degree; and only 36 persons (9.4%) had lower than Bachelor's degree.

Table 4.6 Frequency and Percentage of Demographic Factors followed by Monthly

Income		
Monthly Income	Frequency	Percentage
less than THB 20,000	33	8.6
between THB 20,001 - 40,000	134	34.8
between THB 40,001 - 60,000	137	35.6
higher than THB 60,000	81	21.0

From table 4.6 Most respondents at 137 persons (35.6%) earned about 40,001 – 60,000 baht per month; while 134 persons (34.8%) earned about 20,001 – 40,000 baht per month; 81 persons (21%) earned more than 60,000 baht per month; and the remaining 33 persons (8.6%) earned lower than 20,000 baht per month.

Table 4.7 Frequency and Percentage of Demographic Factors followed by Length of Working

Length of Working	Frequency	Percentage
less than 12 months	126	32.7
about 1 - 5 years	62	16.1
about 6 - 10 years	153	39.7
longer than 10 years	44	11.4

From table 4.7 The majority of respondents at 153 persons (39.7%) had worked in the current company for about 6 -10 years; while 126 persons (32.7%) had worked with the current employer for less than 12 months; 62 persons (16.1%) had worked the current

company for about 1 - 5 years; and 44 persons (11.4%) had worked in the current company for more than 10 years.

Table 4.8 Frequency and Percentage of Demographic Factors followed by Working Sector

Working Sector	Frequency	Percentage
manufacturing	117	30.4
finance and banking	49	12.7
trading & retailing	98	25.5

Table 4.8 Frequency and Percentage of Demographic Factors followed by Working Sector (Cont.)

Working Sector	Frequency	Percentage
hotel & hospitality	29	7.5
logistics & transportation	64	16.6
construction & engineering	28	7.3

From table 4.8 Classified by the business activities of their current company, most respondents (30.4%) engaged in the manufacturing sector; followed by trading & retailing (25.5%), logistics & transportation (16.6%), finance & banking (12.7%), hotel and hospitality (7.5%), and construction & engineering (7.3%), respectively.

4.1.2 Descriptive Results for Variables

Table 4.9 Management Support

Management Support	Mean	S.D.	Agreement
The company's management plans for the appraisal before it takes place.	3.32	1.01	Moderate
The company's management controls the whole process of appraisal.	3.61	0.76	High

The company's management finds it their duty to conduct the appraisal.	3.77	0.72	High
The company's management always conducts timely appraisals.	3.34	0.61	Moderate
Management Support	3.51	0.66	High

From table 4.9 management Support: For management support, there were four constructs for this variable. The mean score for the variable was 3.51 with the s.d. of 0.66. The mean score showed the highest value for "The company's management finds it their duty to conduct the appraisal" (mean = 3.77), and the lowest value for "The company's management plans for the appraisal before it takes place" (mean = 3.32).

Table 4.10 Perceived trust

	Mean	S.D.	Agreement
I has trust in the company's appraisal process system.	4.05	0.83	High
I has an opportunity to appraise myself before the company does the appraisal.	3.65	0.92	High
The company's appraisal process is justice.	3.97	0.78	High
Perceived Trust	3.89	0.80	High

From table 4.10 for perceived trust, there were three constructs for this variable. The mean score for the variable was 3.89 with the S.D. of 0.8. The mean score showed the highest value for "I has trust in the company's appraisal process system" (mean = 4.05), and the lowest value for "I has an opportunity to appraise myself before the company does the appraisal" (mean = 3.65).

Table 4.11 Perceived benefits

Perceived benefits	Mean	S.D.	Agreement
Participation in performance appraisal helps me to improve my job performance and personal development.	4.06	0.84	High
Participation in performance appraisal leads to identifying career goal and creating opportunity to pursue new career goal.	4.02	0.84	High
Participation in performance appraisal leads to relationships between peers and managers.	4.08	0.85	High
Perceived Benefits	4.06	0.83	High

From table 4.11 for perceived benefits, there were three constructs for this variable. The mean score for the variable was 4.06 with the S.D. of 0.83. The mean score showed the highest value for “Participation in performance appraisal leads to relationships between peers and managers” (mean = 4.08), and the lowest value for “Participation in performance appraisal leads to identifying career goal and creating opportunity to pursue new career goal” (mean = 4.02).

Table 4.12 Communicatio

Communication	Mean	S.D.	Agreement
The company always communicates the date when the appraisal is to take place a month before.	4.04	0.86	High
The objectives of carrying out performance appraisal are clear to all employees.	3.98	0.83	High
The company always provides the feedback to me after carrying out the appraisal.	3.99	0.84	High
The system of appraisal is open and interactive for both Rater and Ratee.	3.92	0.84	High
Communication	3.98	0.83	High

From table 4.11 for communication, there were four constructs for this variable. The mean score for the variable was 3.98 with the S.D. of 0.83. The mean score showed the highest value for “The company always communicates the date when the appraisal is to take place a month before” (mean = 4.04), and the lowest value for “The system of appraisal is open and interactive for both Rater and Ratee” (mean = 3.92).

Table 4.13 Process

Process	Mean	S.D.	Agreement
The information generated through performance appraisal is used for decision making such as promotion, confirmation, termination, or training.	3.18	0.54	Moderate
The company regularly prepares staff for the performance appraisal exercise.	3.42	0.62	High
The recommendations of the performance appraisal exercise are always implemented.	3.36	0.61	Moderate
Performance appraisal exercise continuously keeps track of employee performance record over time.	3.85	0.76	High
The appraisal system is easy to use and understand by all staffs.	3.42	0.71	High
Process	3.45	0.60	High

From table 4.13 for process, there were five constructs for this variable. The mean score for the variable was 3.45 with the S.D. of 0.60. The mean score showed the highest value for “Performance appraisal exercise continuously keeps track of employee performance record over time” (mean = 3.85), and the lowest value for “The information generated through performance appraisal is used for decision making such as promotion, confirmation, termination, or training” (mean = 3.18).

Table 4.14 Performance Appraisal Effectiveness

Performance Appraisal Effectiveness	Mean	S.D.	Agreement
My company engages in performance appraisal in the way that I would like it to be.	4.00	0.82	High
The company's job performance appraisal could reflect my strengths and weaknesses.	3.98	0.79	High
I think that the company's performance appraisal is fair.	4.09	0.85	High
Overall, I satisfy with the effectiveness of company's performance appraisal.	3.96	0.77	High
Performance Appraisal Effectiveness	4.01	0.79	High

From table 4.14 For Performance Appraisal Effectiveness, there were four constructs for this variable. The mean score for the variable was 4.01 with the S.D. of 0.79. The mean score showed the highest value for "I think that the company's performance appraisal is fair" (mean = 4.09), and the lowest value for "Overall, I satisfy with the effectiveness of company's performance appraisal" (mean = 3.96).

4.2 Hypothesis Testing

Table 4.15 Persons Correlation Analysis

		Managemen t Support	Perceived Trust	Perceived Benefits	Communication Process	Performance Appraisal Effectiveness
Management Support	Pearson Correlation	1	.487**	.598**	.615**	.708**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	385	385	385	385	385

Table 4.15 Persons Correlation Analysis (Cont.)

		Managemen t Support	Perceived Trust	Perceived Benefits	Communication Process	Performance Appraisal Effectiveness
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Perceived Trust	Pearson	.487**	1	.973**	.929**	.877**	.929**
	Correlation						
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	385	385	385	385	385	385
Perceived Benefits	Pearson	.598**	.973**	1	.946**	.872**	.954**
	Correlation						
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	385	385	385	385	385	385
Communication	Pearson	.615**	.929**	.946**	1	.835**	.916**
	Correlation						
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	385	385	385	385	385	385
Process	Pearson	.708**	.877**	.872**	.835**	1	.850**
	Correlation						
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	385	385	385	385	385	385
Performance Appraisal Effectiveness	Pearson	.615**	.929**	.954**	.916**	.850**	1
	Correlation						
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	385	385	385	385	385	385

From table 4.15 the results from for Pearson correlation analysis exhibited that there were the significant relationship between each independent variables, including the management support, perceived trust, perceived benefits, communication, and process and the performance appraisal effectiveness, given the p-value of 0.00. The relationship between them were all positive.

Table 4.16 Multiple Linear Regression

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	.154	.074		2.069	.039
Management Support	.134	.041	.113	3.299	.001
Perceived Trust	.233	.106	.235	2.207	.028

Table 4.16 Multiple Linear Regression (Cont.)

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
Perceived Benefits	.606	.086	.641	7.068	.000
Communication	.058	.048	.061	1.213	.226
Process	-.061	.063	-.046	-.969	.333

From table 4.16 the multiple liner regression was used to investigate the association of each independent variable, including the management support, perceived trust, perceived benefits, communication, and process toward the performance appraisal effectiveness. The results from the table 4.2.2 below suggested that only the management support, perceived trust, and perceived benefits can be used to predict the performance appraisal effectiveness in the private sector as perceived by Thai employees. These three factors positively associated the performance appraisal effectiveness. Perceived benefits had the strongest relationship with the performance appraisal effectiveness ($r = 0.641$), followed by perceived trust ($r = 0.235$), and management support ($r = 0.113$), respectively.

From the result above, the hypothesis I is accepted, which means that there is the relationship between management support and the effectiveness of employee's performance appraisal with the positive relationship.

The hypothesis II is accepted, which means that there is the relationship between perceived trust and the effectiveness of employee's performance appraisal with the positive relationship.

The hypothesis III is accepted, which means that there is the relationship between perceived benefits and the effectiveness of employee's performance appraisal with the positive relationship.

The hypothesis IV is not accepted, which means that there is no relationship between communication and the effectiveness of employee's performance appraisal with the positive relationship.

Finally, the hypothesis V is not accepted, which means that there is no relationship between process and the effectiveness of employee's performance appraisal with the positive relationship.



CHAPTER 5

SUMMARY, CONCLUSION AND RECOMMENDATION

This chapter includes the key results from finding, and discussion about the results. The recommendation are also provided for marketing practitioners and interested brand owners for the enhancement of brand equity. Further, this chapter also provides the suggestion for the future research in the related areas or issues.

5.1 Summary of Finding

From 385 respondents who were Thai employees working in the private sector, most of them were female. The majority of respondents aged about 18 – 25 years old and were single. The education of respondents were ranging from lower than Bachelor's degree to Master's degree, in which most of them had Bachelor's degree. Most respondents earned about 40,001 – 60,000 baht per month, in which the majority of them had worked in the current company for about 6 -10 years. Classified by the business active ties of their current company, most respondents engaged in the manufacturing sector; followed by trading & retailing, logistics & transportation, finance & banking, hotel and hospitality, and construction & engineering, respectively.

From the descriptive analysis, the respondents' agreement toward management support, perceived trust, perceived benefits, communication, process, and performance appraisal effectiveness were considered as high. The summary of descriptive results for each variable are demonstrated in the table 5.1 below.

Table 5.1 Summary of Descriptive Results for Variables

	Mean	S.D.	Agreement
Management Support	3.51	0.66	High
Perceived Trust	3.89	0.80	High
Perceived Benefits	4.06	0.83	High

Communication	3.98	0.83	High
Process	3.45	0.60	High
Performance Appraisal Effectiveness	4.01	0.79	High

From the hypothesis testing, the results from for Pearson correlation analysis exhibited that there were the significant relationship between each independent variables, including the management support, perceived trust, perceived benefits, communication, and process and the performance appraisal effectiveness, in which the relationship between them were all positive. The results from the multiple liner regression analysis suggested that only the management support, perceived trust, and perceived benefits can be used to predict the performance appraisal effectiveness in the private sector as perceived by Thai employees. These three factors positively associated with the performance appraisal effectiveness. Perceived benefits had the strongest relationship with the performance appraisal effectiveness, followed by perceived trust, and management support, respectively.

Table 5.2 Summary of Research Hyp otheses

Hypothesis Statements	Results
H1: There is a relationship between of management support towards the effectiveness of employee's performance appraisal.	Accepted
H2: There is a relationship between of perceived trust towards the effectiveness of employee's performance appraisal.	Accepted
H3: There is a relationship between of perceived benefits towards the effectiveness of employee's performance appraisal.	Accepted
H4: There is a relationship between of communication towards the effectiveness of employee's performance appraisal.	Not Accepted
H5: There is a relationship between of process towards the effectiveness of employee's performance appraisal.	Not Accepted

5.2 Discussion

The results suggested that management support positively associated the performance appraisal effectiveness in the private sector as perceived by Thai employees. As explained by Eisenberger et al (1986), management people typically act as organizational agents who have responsibility to manage and evaluate the work performance of employees, which in turn makes employees to perceive their positive or negative orientations toward them as an indicative of the management support. The finding is consistent with the suggestion of Sagie and Koslowsky (1994) which stated that employees need the management supports in term of feedback and available resources, particularly when they encounter with ambiguity and/or organizational uncertainty. While management support plays an essential role to encourage the involvement and participation of employees in the performance appraisal process, the finding proposed that it further affects the effectiveness of performance appraisal as perceived by employees.

Also, the results suggested that perceived trust positively associated the performance appraisal effectiveness in the private sector as perceived by Thai employees. As suggested by Dizgah et al (2011), the perceived trust of performance appraisal system means that individual employee belief or confidence toward fairness, integrity, and reliability of the system. This proved the suggestion of Zeidner (2008) which mentioned that trust offers a number of important benefits for employees and organizations, which further lead to the enhancement of effectiveness in organizational procedures. The finding is also consistent with the study of Ambrose and Schminke (2003), in which they suggested that organizational justice significantly affect the perception of fairness, which further leads to the perceived trust and effectiveness in management and organization.

While Mathwick et al., (2001) explained the perceived benefits of performance appraisal as the extent to which an individual perceives a specific system to boost his or her work performance, the results suggested that the perceived benefits of performance appraisal positively associated the performance appraisal effectiveness in the private sector as perceived by Thai employees, in which perceived benefits had the strongest relationship with the performance appraisal effectiveness. Noe and Wilk (1993) further

suggested that employee could benefit from participating into performance appraisal for three areas, which are 1) personal benefits involving the extent to which employees believe that it would help them to improve their job performance and make progress towards their personal development, 2) career benefits involving with identification of career objectives, and creating opportunity to pursue monetary or non-monetary reward, and job-related benefits involving with better communication and relationships between peers and managers (Noe and Wilk, 1993).

5.3 Recommendations

While employees are different in term of capabilities, skills, knowledge, and aptitudes, in which there is always a difference in the results of work performed by two different individual employees in term of quality, quantity, or both, performance appraisal is considered as essential for measuring and understanding of individual ability, competency, and relative merit and value for the organization. This process required to implement on the continuous basis in order to know their situation in the organization and to find out whether they are improved or not; employees also want to know how well they performed their tasks, in which their contributions and efforts can lead to the survival and success of the organization.

As suggested by Keeping and Levy (2000), there is a common view among performance appraisal practitioners and researchers that the assessment of appraisal is important for creating positive influence towards employees' behaviors and future training and development, in which employees are required to have favorable appraisal reactions or the appraisal mechanism will be failure. Based on this approach, there are five recommendation for the enhancement of performance appraisal effectiveness.

1. To enhance the perceived benefit of performance appraisal, the outcomes of appraisal should be appropriately used for the improvement of employee's job performance through the development of training and development programs to enhance their skills and capabilities, and to allow them identifying their career goal and creating opportunity to pursue new career goal.

2. The private organization may need to effectively communicate with employees about the benefits of performance appraisal, so that they will have no fear of appraisal in organization and are willing to participate in the process.

3. There should be the process for the petition when employees feel that the appraisal process is not fair or injustice in order to enhance trust toward the system. Employees should be able to appeal against an appraisal outcome that they feel is incorrect, in which the appeals may be against any rating that may be perceived to be discriminatory in order to protect the employees from any unfair ratings as well as to protect the organization from any potential charges of unfair treatment of employees and assure that the raters will not be biased.

4. The 360 degree performance is suggested as appropriate appraisal technique as to assess the employees' job performance from people around them for eliminating the biases from raters.

5. The management should plan for the appraisal before it takes place, and should support the process of performance appraisal. In the process, the management should encourage for creating ideas, implement of employees' suggestion for the work improvement, support the improvement activities with feedback and available resources, and distribution of rewards for the improved results. In this regard, management support plays an essential role to encourage the involvement and participation of employees in the performance appraisal process.

5.4 Suggestion for Future Research

There are some limitations of this research. First, the research focused on the effectiveness of performance appraisal based solely on the perception of employees. The future research is recommended to conduct for other perspective of system effectiveness for the generalization of the study such as from the management perspective. This research also focused on the employees in the private sector in Thailand, and thus the result may not be applicable to the public sector in Thailand due to different organizational structure, value and culture. Also, the data were collected from the respondents who

were from various companies in different business activities, and thus the conclusion cannot be drawn on specific company, but as a private sector in general. In addition, the researcher selected to study only some variables, in which there are more variables that can be investigated further to develop this field of HR research such as difference in demographics, nature of work, size of organizations, and others toward the issue.



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APPENDIX A
QUESTIONNAIRE

Questionnaire

Kindly complete all questions by marking “✓” in the space given below. There is no right or wrong answer,

Screening Question

S1. Are you working in a private corporation?

- Yes, please continue No, Thank you. End of Process

Part 1: General Information

1. Gender

- Male Female

2. Age

- Less than 18 years old 18 - 25 years old 26 - 35 years old
 36 - 45 years old 46 - 60 years old

3. Marital Status

- Single Married Others

4. Educational Background

- Lower than Bachelor's Degree Bachelor's Degree
 Master's Degree Ph.D.

5. Monthly Income

- Less than Baht 20,000 Baht 20,001 - 40,000

Baht 40,001 - 60,000

Over than Baht 60,000

6. How long you been working in the current company?

Less than 12 months

1-5 years

6 - 10 years

over 10 years

7. What is the core business activities of your company?

Manufacturing

Finance and Banking

Trading/Retailing

Hotel

Logistics/Transportation

Other _____

Part 2: Attitude Rating

There are: 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = agree, and 5 =strongly agree

No	Item	Level of Agreement				
		1	2	3	4	5
Culture						
Management Support						
1	The company's management plans for the appraisal before it takes place.					
2	The company's management controls the whole process of appraisal.					
3	The company's management finds it their duty to conduct the appraisal.					
4	The company's management always conducts timely appraisals.					

No	Item	Level of Agreement				
		1	2	3	4	5
Perceived Trust						
5	I has trust in the company's appraisal process system.					
6	I has an opportunity to appraise myself before the company does the appraisal.					
7	The company's appraisal process is justice.					
Perceived Benefits						
8	Participation in performance appraisal helps me to improve my job performance and personal development.					
9	Participation in performance appraisal leads to identifying career goal and creating opportunity to pursue new career goal.					
10	Participation in performance appraisal leads to relationships between peers and managers, and to provide a necessary tool from the job improvement.					
Communication						
11	The company always communicates the date when the appraisal is to take place a month before.					
12	The objectives of carrying out performance appraisal are clear to all employees.					
13	The company always provides the feedback to me after carrying out the appraisal.					
14	The system of appraisal is open and interactive for both Rater and Ratee.					

No	Item	Level of Agreement				
		1	2	3	4	5
Process						
15	The information generated through performance appraisal is used for decision making such as promotion, confirmation, termination, or training.					
16	The company regularly prepares staff for the performance appraisal exercise.					
17	The recommendations of the performance appraisal exercise are always implemented.					
18	Performance appraisal exercise continuously keeps track of employee performance record over time.					
19	The appraisal system is easy to use and understand by all staffs.					
Performance Appraisal Effectiveness						
20	My company engages in performance appraisal in the way that I would like it to be.					
21	The company's job performance appraisal could reflect my strengths and weaknesses.					
22	I think that the company's performance appraisal is fair.					
23	Overall, I satisfy with the effectiveness of company's performance appraisal.					



APPENDIX B
RESULTS OF ITEM OBJECTIVE CONGRUENCE (IOC) TEST

Results of Item Objective Congruence (IOC) Test

Question	List of Experts			ER	IOC	Result
	1	2	3			
Screening						
1	1	1	1	3	1.00	Excellent
Part 2						
1	1	1	1	3	1.00	Excellent
2	1	0	1	2	0.67	Excellent
3	1	1	1	3	1.00	Excellent
4	1	1	1	3	1.00	Excellent
5	1	1	0	2	0.67	Excellent
6	0	1	1	2	0.67	Excellent
7	1	1	1	3	1.00	Excellent
Part 3						
1	1	1	1	3	1.00	Excellent
2	1	1	1	3	1.00	Excellent
3	1	1	1	3	1.00	Excellent
4	1	1	1	3	1.00	Excellent
5	1	0	1	2	0.67	Excellent
6	1	1	1	3	1.00	Excellent
7	1	1	1	3	1.00	Excellent
8	1	1	1	3	1.00	Excellent
9	1	1	0	2	0.67	Excellent
10	0	1	1	2	0.67	Excellent
11	1	0	1	2	0.67	Excellent
12	1	1	1	3	1.00	Excellent
13	1	1	1	3	1.00	Excellent
14	1	1	1	3	1.00	Excellent

Question	List of Experts			ER	IOC	Result
	1	2	3			
15	1	1	1	3	1.00	Excellent
16	1	1	1	3	1.00	Excellent
17	1	1	1	3	1.00	Excellent
18	1	1	1	3	1.00	Excellent
19	1	1	1	3	1.00	Excellent
20	1	1	1	3	1.00	Excellent
21	1	1	0	2	0.67	Excellent
22	0	1	1	2	0.67	Excellent
23	1	0	1	2	0.67	Excellent
Total					27.70	

$$\begin{aligned} \text{IOC} &= \frac{27.70}{31} \\ &= 0.894 \end{aligned}$$

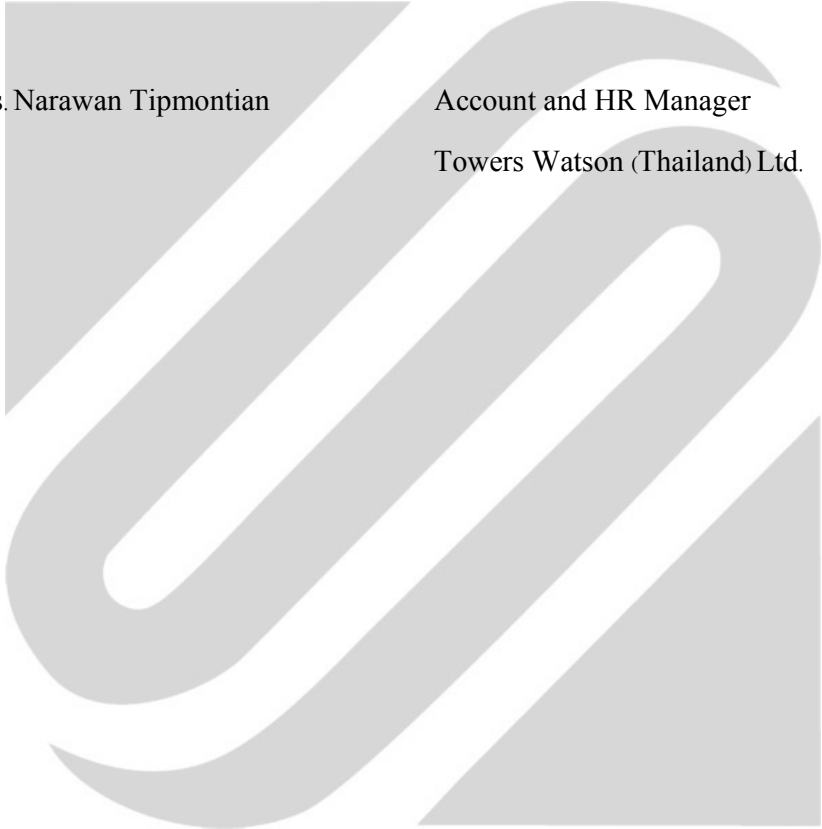


APPENDIX C
LIST OF EXPERTS

LIST OF EXPERTS

1. Mr. Michael Brodmann Managing Director
Mahle Services (Thailand) Ltd.

 2. Ms. Napaporn Tanawatyanong Associate Director
RSM (Thailand) Ltd.

 3. Ms. Narawan Tipmontian Account and HR Manager
Towers Watson (Thailand) Ltd.
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BIOGRAPHY

NAME	Miss Dusita Molee
DATE OF BIRTH	May 1, 1981
NATIONALITY	Thai
EDUCATION	
2016	Master of Business Administration Stamford International University
2003	Bachelor of Accountancy Mahanakorn University of Technology
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EMPLOYMENT ADDRESS	MAHLE Services (Thailand) Ltd. 67 Moo 11 Soi King Kaew 33, King Kaew Road Racha Thewa, Bang Phli 10540 Samut Prakarn
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