Employee Perception on the Implementation of the Performance Appraisal System at the University of Malaya

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September 2002
Acknowledgements

First of all I would like to express my deepest gratitude to my supervisor, Helen Collins for her guidance and encouragement throughout my studies. I also wish to thank my colleagues, Mr. Mohd. Naufal Omar, Assistant Registrar, and Mr. K. Goval, the Secretary of the General Staff Union from the University of Malaya for helping me provide the relevant materials and making this research possible. I take this opportunity to express my utmost appreciation to my beloved wife and children for their moral and spiritual support and also for the invaluable help extended throughout this research period. Finally, a special thank you to my employer, the University of Malaya for the financial assistance without which I would not be able to pursue this programme.
SUMMARY

The purpose of this study is to investigate and identify issues pertaining to the implementation of the current performance appraisal system, the New Remuneration System (NRS) with specific reference to the University of Malaya, Kuala Lumpur, Malaysia. This research also tries to examine the effectiveness of the NRS as one of the management tools for the determination of salary increment, promotion, bonuses and other employee benefits.

Specifically the study aims to identify employee perception of the current performance appraisal system; whether it is a just and accurate system for the employees of the University of Malaya or otherwise.

The result of the study shows that since the inception of the NRS in 1992 the implementation of this performance appraisal system at the University of Malaya had created a substantial amount of problems and major short comings eventually leading to employees perceiving the NRS as unfair, inaccurate and ineffective as management tools for determination of promotion, salary increase, career progression and others.

Research findings prove that there were problems associated with the NRS, amongst them the implementation of the Matrix Salary Schedule, the quota
system for higher salary and the lack of accuracy and fairness in its implementation. These problems have undermined its objective of becoming a comprehensive, accurate, fair and progressive system.

Finally the study suggests several remedies aimed at improving the system's process in order for it to achieve its intended objectives and in pursuit of providing a just and accurate performance appraisal system for the employees at the University of Malaya.
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LIST OF ABBREVIATIONS

CUEPACS - Congress of Union Employees in the Public and Civil Service Malaysia

NRS - New Remuneration System

HRM - Human Resource Management

PA - Performance Appraisal

PAS - Performance Appraisal System

UM - University of Malaya