

# Impact Of Performance Appraisal Outcomes On Employee's Organizational Commitment And Job Satisfaction

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## Abstract

The present study assesses the impact of performance appraisal outcome on organizational obligation as well as work contentment for employees working in the service sector in Jeddah, Saudi Arabia. After an extensive literature review, a data sample of 107 employees from various service sector organizations were collected through a structured questionnaire. Suitable statistical tools were used using SPSS to achieve the research objectives. It was found that performance appraisal outcomes impact both organizational obligation as well as work commitment among the employees working in. Organizational commitment were found to be moderate but job satisfaction were found to be high. The research also explores the variable using various demographic characteristics. This study adds to the performance management literature and provides managerial implications that will help in increasing organizational commitment and job satisfaction for the employees.

**Keywords** – Performance management; Performance appraisal; Organizational commitment; Job satisfaction; Service Sector.

## Introduction

Performance appraisal management is a business administration tool that aids supervisors with observing plus assessing employee's performance. Performance management will possibly create a surrounding where workers can work well, hence, increasing the productivity of workers and successful completion of work. Performance appraisal is an officially organised arrangement of estimating as well as assessing practices and outcomes related to a representative's occupation just as to know-how plus why the employee is performing at the workplace and how the representative can adequately perform

later on. Performance appraisal is critical to any authoritative work execution; it decides the association's prosperity or failure. In numerous associations, performance appraisal frameworks are used to recognize the best performing employees who deserve to get most of the handy legitimacy recompense expands, advancements and rewards. We can depict performance appraisal as an appropriate organized collaboration between an employee and supervisor, that generally seems to be intermittent meeting (semiannual or annually), whereby the performance execution of the employee is looked at and scrutinized, with the ultimate goal of differentiating shortcoming as

well as qualities in a way that it opens doors for development and aptitudes improvement.

The performance appraisal process aids the worker as well as the administration to determine the degree of worker's exhibition contrasted with the norm/foreordained level. At the same time, it affects workplace behavior, which is, the workers who are more joyful, dedicated, and generally have inspirational perspectives towards their workplace circumstance will generally do citizenship practices more frequently than the rest. Whenever workers are despondent, they tend to withdraw from their official positions and precede the base that is expected from them once in a while.

The description of the performance appraisal is a system that creates clear and organised objectives and evaluation criteria for each employee that contributes to the company's goals. Enabling employees to have clarity of their goals and its connection to the company goals, building an efficient system of evaluation based on the targets and achievements, reflecting on the employees' rewards and benefits, reflecting on the employees' teamwork and ethics, to achieve fairness between employees and to ensure quality standards.

Key considerations and descriptions of the performance assessment:

Precise performance appraisals are fundamental to effective excellence pay programs.

Employees must be aware that their determination toward attaining quality standards or production quotas will result in recompense raises.

The fundamental constituents of a performance appraisal define worker prospects, measure and assess worker performance, offer a response to the worker, and record the worker's performance.

The productivity of the performance appraisal could be improved by:

Maintaining the compensations, raising payment, structuring wage, salaries, or pay to restructure.

Identifying the excellence as well as poor performance of the workers.

Assessing and upholding the possibility of individual employees has for growing as well as enlargement.

Providing feedback to workers concerning their excellence or poor performance.

Rewarding the outstanding and excellent performance.

Providing the promotions and other training programs for the outstanding and excellent performance.

A grievance system is a formal authoritative system intended to address worker grievances. Henceforth alluded to as complaints, these represent grumblings that can go from general questions about management policy. Grievances are work-related complaints or formal disputes and protect employees from inconsistent and unfair treatment. Effective grievance procedures includes Protection against retaliation, Provide timely responses, Give fair consideration.

### **Organizational Commitment**

Organization obligation in the company environment is the tie representatives' experience with their workers. Comprehensively talking, workers who are devoted to their firm for the utmost portion feel an association with their company, feeling of being part and feeling that they understand the company's intents. The supplementary approximation of such representatives is that they will overall be more decided in their workings, show ascetically higher productivity, and are extra preemptive in helping. The most important part of the employee's commitment is the motivation and to be trusted in the workplace. There are three types of organizational commitments which are

**Affective commitment:** relates to the loyalty of the workers in the firm; they agree and

understand the company's objectives, feel they fit the company's culture, and work hard to achieve excellent performance.

**Continuance commitment:** relates to the employees who have to stay working in the company just because there is no other alternative. Most of them become dissatisfied, but they have to commit and stay in the organization.

**Normative commitment:** relates to employees that their presence is important and no one works in their place, so they are obliged to work and not leave the organization.

### Job Satisfaction

Work contentment is regarded as the level of happiness representatives feel with their workings. That behind just daily tasks to conceal contentment with coworkers/chiefs, contentment with tiered tactics, and the influence of their profession on their individual lives. The aspects that aid one worker to feel better concerning their tasks might not apply to another worker. For that reason, it is crucial to have a multi-dimensional tactic to worker contentment, covering these areas:

The defying nature of the job, assertive workers to different heights.

The level of suitability (flexible working hours, the short commutes as well as access to the appropriate digital tools).

Consistent indebtedness by the immediate administration as well as the firm as a whole.

Good payment through which workers uphold a decent value of lifecycle.

Possibilities of professional development in sync with workers' individual growing objectives.

Job satisfaction is a fundamental portion of a worker's lifecycle as well as inspiration to go on being devoted and hired by a company. Various activities of Human Resource Management indirectly or directly impact the level of the worker. Hence, Human Resource Management has also to reminisce that the manner a firm function via its culture, policies

and senior management will greatly influence how happy workers are. It will also aid an organization earn financial, brand equity as well as cultural benefits.

Without precedent instead of quite an extended while, the number of representatives who say that they are contented with their current workplace took a foremost hop, rising from 81% in the year 2013 to 88% in the year 2016, according to the Worker Job Satisfaction as well as Engagement Report by SHRM the Society for Human Resource Management). The progressing economy was one aspect in the elevated level of contentment because managers have been additionally willing and prepared to back emolument rates for their employees. Furthermore, as the job market balanced out, job searchers or seekers made the most of fresh openings for places that unsurpassable suitable for their aptitudes as well as premiums. Most firms progress towards representative contentment, however not all of them attain the objective. Thus, human resource experts must determine the components that can result in representative contentment and the manner that it fits into a firm's general achievement.

### Literature Review

Schleicher et al. (2019) state that integrative calculated audit depends on a basic need in the region of execution the board (PM), where there are significant unanswered inquiries concerning the adequacy of PM, which influence exploration and practice. Accordingly, we make a hypothetically grounded, exhaustive, and integrative model for comprehension and estimating PM viability, including various classes of evaluative measures and the basic systems that connect them. We, at that point, audit over 30 years (1984–2018) of observational PM study versus the model, prompting decisions concerning what the writing has contemplated as well as what we do and don't think concerning PM viability, therefore. The last part of the article also clarifies the fundamental "esteem chains"

or meditational ways, which clarify how as well as why PM can increase the value of associations, outlined around three squeezing inquiries with hypothetical as well as handy significance (How to do singular level results of PM rise to become unit-level results? How basic are positive responses to the general adequacy of PM? also, what is the estimation of a presentation rating).

Budworth et al., (2015) investigation look at the viability of the feed-forward meeting to enhance the employment execution of workers comparative with a customary presentation evaluation meet in a business hardware firm. Administrators were arbitrarily doled out to one of the two conditions. Representatives occupied with a feed-forward meet with the director were seen by a mysterious friend to execute altogether enhanced hands-on four months after the fact than workers who got the organization's conventional exhibition examination meet. The finding that the feed-forward intercession expanded execution comparative with the exhibition evaluation shows that the impact is a moderately suffering one. The outcomes propose that the feed-forward meeting ought to demonstrate value for human asset chiefs looking for methods to build the presentation of their association's HR repeatedly over conventional exhibition evaluation.

According to Ayers (2015), Performance appraisal plans are promoted as a management control apparatus to execute authoritative intents as well as driving authoritative accomplishment; however, how the projects do exactly is yet to be assessed. That performance appraisal analyses the level to which an intent plan in regime office performance appraisal plans advances the organizational performance. Two sections of the objective plan are explored: genuine inserting of tiered objectives in organizational plans and employees' information on how their work is associated with the organization's objectives and requirements (employee organization). Results

show employee arrangement increments hierarchical execution while plan arrangement doesn't. Strategic 28, the executive's defenders should observe this result. Besides, the general nature of a presentation examination program directs the arrangement also, organizational correlation. Under states of high as well as low-performance appraisal plan desires, worker arrangement can sway organizational performance, nonetheless not as anticipated.

Kim & Holzer (2016) article tends to the logical inconsistency via accentuation of the significance of intellectual parts of execution examination. Without understanding individual workers' responses to execution examination and its strong hierarchical setting, it is more outlandish for the performance assessment to be utilized for the unique target, which is performance enhancement. From the significance of worker acknowledgement of an exhibition estimation framework, this article endeavors to distinguish key components which can increase representative acknowledgement of performance assessment utilizing information from the Merit Principles Survey (2005). These discoveries show that formative utilization of performance assessment, worker investment in the performance standard set, nature of the correlation they have with their bosses, and worker saw strengthening are decidedly connected with worker acknowledgement of performance assessment.

Sahu et al. (2016) states that assessment of performance in an ordinary what's the more, orderly manner is a basic undertaking with reverence to the management because it does not only serve to evaluate as well as screen the improvement and development of the relationship; hitherto furthermore gives important profession heading for a worker. By developing clear performance requirements that integrate results, practices as well as activities, the cycle aid the workers in comprehending what exactly is ordinary out of their positions. Thirty characterized objectives mixed with ordinary appraisals of personal

performance is relevant for characterizing the business capabilities as well as investigating the main expertise holes, which fills in as a helpful contribution for planning the Human Resource Development plans for workers. Be that as it may, in numerous associations, there turns out to be a hole between the expectation and real act of performance assessment systems. Particularly in the Indian associations, prior exploration has raised the way, which the current PMSs (performance management systems) accommodate utilization of evaluation information for authoritative purposes; however, in genuine run-through, there is an absent connection concerning the association of the evaluation results plus ensuing plan as well as the implementation of the development plan. Keeping considering the significance of such a rising territory, an endeavor has been made by the specialists to survey the view of workers concerning the PMS and its function in accomplishing authoritative viability. The examination affirms the relationship between PMS and authoritative viability. Be that as it may, there is the contrast of recognition between the line directors concerning PMS and where understanding is inexistent; it isn't related to predominant results due to the absence of clearness in the existing framework. By investigating the conversations, it was presumed that there is an unmistakable separation of the contribution of various degrees of the executives in the presentation examination system. Additionally, the complementary geometrical connection between PMS, a capability of the administration system, training, as well as development is likewise stressed.

According to Karen et al. (2015), performance assessment measures help direct workers in attaining organisational goals. The study shows the need or importance of working surroundings since it allows effective worker outcome as well as effective performance appraisal. The experimental outcome shows that positive psychology, which is growing very fast, can be applied in a business setting. The

study further reveals more about creative working culture, workers' supportive and transparent workplace, perception of holistic and positive. It also investigates the effects of outcomes linked with the worker's success. The results show that workplace culture determines the relationship between worker retention, worker job satisfaction, PMS, and worker self-reported performance.

According to Michael et al. (2014), Human Resource's performance assessment is a crucial tool for Human Resource Management; however, managers find it challenging as far as its implementation is concerned because of performance assessment policy. The policy entails particular constants such as behavioural aspects, motivational aspects as well as cognitive factors. Every firm has a unique approach to performance appraisal. Some firms use an informal approach because it increases the chance for biases judgment, while some companies follow a perfectly formulated performance assessment system. It is a must for performance assessment policy to be accurate, objective, and easy to perform in a firm or business entity.

According to Kumar (2013), Performance appraisal is an integral part of HRM practices since it plays important roles as far as human resource actions and outcomes are concerned. The investigation aims to identify the correlation between worker engagement and performance assessment fairness in the Indian business operations context. The first part of the paper examines the relationship between a single-dimensional conceptualisation of rendezvouses and justice perception. The second section examines the relationship between the three-dimensional conceptualisation of rendezvouses and justice perception. Hierarchical regression, as well as zero-order correlations analysis, were used to analyse the relationship that exists between engagement and justice perception. The study results show a significant positive link between worker engagement and informational and

distributive justice dimensions. The study found that informational justice and distributive justice have a stronger influence on worker engagement conceptualisation as the antipode of exhaustion.

Fadzilah Abdullah (2015) states that there is an exceptional alteration in the realm of business entities whereby HRM is a basic section in the dynamic cycle of any association. Achievement of association generally hinges on Thirty-four up on Human assets that do exist. The resilience of the association depends on the arrangement of personal qualities with authoritative qualities. Be that as it may, the existing customary framework doesn't suit the current administration climate. This exploration has outlined a very much planned performance assessment system by examining the personal and hierarchical qualities. That conviction, which fulfilled representatives are much beneficial compared to disappointed representatives, has remained an essential precept among administrators for quite a long time. Performance has indicated that work fulfilment doesn't prompt enhanced work execution, while Vroom had inferred that the level of connection between job contentment and occupation execution is low. Argyl suggested a possible connection between job satisfaction and profitability for exceptionally gifted specialists or those laborers included profoundly with their work.

Nonetheless, singular contrasts cloud the position. There likely could be laborer's who try sincerely when battled. In any case, a few workers are most joyful at the point when they can take things simple. Different laborer's may strive to overlook their inconveniences. The connection between work fulfilment and execution is a matter of proceeding with discussion as well as contention. The view related to the initial human relations method is that contentment stimulates performance. The elective view shows that presentation prompts contentment. As indicated by Fred (2005), even though the discovery of the most recent

exploration has demonstrated a robust positive connection between employment contentment and performance, however, it isn't so persuading.

Liu et al. (2014) study the subject matter of business sustainable development in the Republic of China. It proposes a theoretical model indicating the relationship among the surrounding corporate commitment, employee training, company performance of the sustainable development, as well as a cultural value. The cultural value such as forthcoming organisational orientation is supposed to a crucial antecedent predicting corporate surrounding commitment. Besides, a company's sustainable performance, for example, performance in surrounding protection, is supposed to be the main consequence of its corporate surrounding commitment. Furthermore, the relationship between sustainable performance and business surrounding commitment can get moderated positively at the level of worker training. When other conditions are equal, then the strongest relationship between sustainable development performance and corporate business surrounding is established by better worker training. The result of the tested relevant hypotheses in the republic of China supports the proposed model of this paper. The paper concludes with an illustration of the implication of the findings of the academic practitioners as well as researchers.

Olulana (2015) states that the relationship between stress, organisational culture as well as commitment is very significant. The research states that changing cultural orientation within the organisational departments is crucial. There is also the need to decrease workers' stress levels and enhance the organisational commitment of workers. Elaine et al. (2013) explore the level of worker commitment in the banking sector. It also analyses the leadership behaviors, which encourage workers' commitment. The paper's outcome shows that

effective, continuous, and normative commitment exists among the workers.

Bahatti & Qurashi believe that workers' part-behaviours can influence worker's job satisfaction, worker commitment, and worker productivity. They establish comparative advantage to firms. The study aimed to identify the relationship between worker participation, worker productivity, job contentment as well as worker commitment. 34 firms from Oil and Gas, Telecommunication, and banking industry were contacted. 15 of them responded. The result of the study shows that worker participation is a crucial determinant for work contentment components. Increasing worker participation positively impacts worker's work satisfaction, workers' productivity, and worker commitment. Naturally, increasing worker participation remains a long-term objective that requires initiative from the worker side and attention from the firm management.

Mahmood et al. (2019) aim to raise the understanding of the impact of specific human resource function variables mechanisms. The variables include salary, work enrichment as well as work stability. They show worker commitment. The study is analysing the three human resource practices with sampling consisting of 263 workers in the banking sector of Pakistan. The methodology of the paper adopted structural equation modelling. The result shows that payment tactics were positively linked to working contentment and worker obligation. As far as the intervening effect of work contentment is concerned, the study realised that it mediates only for the non-monetary tactics between worker commitment as well as work satisfaction.

Henarath, H. (2019) this reasonable investigation endeavored to fill a gap in the hypothetical information about worker complaints as far as having a combined depiction and clarification of characterizing a complaint, and besides to understand a scholarly riddle to reveal whether the term

Grievance has been characterized in the existent writing in the way that is more suitable to the present business setting. Six exploration questions were figured, and they were addressed methodically by following a work area research technique. 25 definitions from the writing were inspected, 11 normal qualities were recognized and recorded, and dependent on the determined attributes, a substance examination was finished. The examination yielded a few discoveries reliable with the detailed six exploration questions and they are: there is no commonly acknowledged definition for the term complaint; it is conceivable to distinguish and list 11 basic attributes which get from or which are remembered for the definitions considered for the investigation; various groupings of complaints exist in the existent writing, for example, casual and formal, substantial and invalid, communicated and unexpressed, and individual and aggregate; it is conceivable to order existent definitions as restricted and expansive, and with the exception of the five definitions every single other definition (20) inspected were limited; just communicated disappointments should be managed in overseeing worker complaints on account of a few legitimate reasons; lastly it is fitting for an association to consider for the most part business-related complaints for the hierarchical exertion in tackling complaints, and consider non-business related complaints as a willful technique for complaint taking care of through employees guiding.

Karem et al. (2019) say the reason for this learns used to be to locate the have an effect on of organizational obligation and work contentment on nurses' work performance. The paper was carried out at the medical institution of Ibn Al-Athir and used a quantitative technique by using designed questionnaires to acquire the information. 200 questionnaires were dispensed indiscriminately, and only 108 legitimate surveys similarly; the effective questionnaires have been evaluated via SPSS to evaluate the sway of organizational obligation as well as work contentment on work performance. The outcomes showed there is

high quality and vast have an effect on of work contentment on nurses' performance. Nevertheless, the three factors of organizational obligation, Affective Obligation, Continuance Obligation, and Normative Obligation, have a nice and massive influence on nurses' performance. The outcomes of this study show that workers' work contentment and organizational obligation factors perform a fundamental part in nurses' performance. The find out about furnished beneficial and treasured commendations to hospitals to upsurge overall nurse performance in the milieu of Iraq.

Gopinath, R. (2019) the organizational obligation is normally restricted to the degree to which workers are devoted to the firm. Work contentment is acknowledged as a component of organizational obligation. The random sampling approach is equivalent to 10% of the personnel taken up from the 7 non-public cement firms placed in the Ariyalur region for this research. In structural equation modelling, AMOS is used in this study. The researcher concluded that the work surroundings offer a fine relationship to job satisfaction.

Batugal, Ma. L. C and Tindowen, D. J. C. (2019) examines the influence of organizational tradition on the organizational commitment and job satisfaction of teachers in the context of Catholic high schooling organizations in the country of Philippines. Outcomes indicate that clique is the utmost leading way of life kind of the Catholic HEIs in the nation of Philippines. Furthermore, instructors are so dedicated to the employer, they also comfy with their work. Likewise, amongst the four lifestyle categories, clan have a higher tremendous effect on the organizational obligation of instructors and has a somewhat nice effect on their work contentment. Suggestions and instructions for further study are correspondingly discussed.

Loan, L. (2020) did a study to find out the sway of organizational obligation on workers' work performance mentioned the effect of

organizational obligation on workers' work execution has been researched notably in Western, whilst hardly any researches were performed in the non-western nations. Furthermore, few researchers are working on the consequences of work pride on the correlation. Drive of the investigation is meant to discover about impact of administrative dedication on work execution via arbitrating function of work contentment. For this drive, four hypotheses were established. The initial 3 envisioned a wonderful correlation between administrative obligation, work contentment, and work overall performance, and the ultimate one counselled the arbitrating upshot of work contentment. 547 personnel in Vietnamese agencies had been surveyed. The outcomes of learning backed all four hypotheses. Consequently, administrative dedication had a fantastic effect on work execution; administrative dedication had a superb bearing on work contentment; work delight greatly influenced work execution when the administrative obligation was well-ordered. The strength of the relationship between administrative obligations as well as overall work execution used to be substantially decreased when work pride was delivered to the model, suggestive of the facilitating function of work contentment. As far as the outcomes are concerned, it's advised that in simple terms, effective correlation between administrative dedication and overall work performance can additionally not mechanically lead a business enterprise to gain effect - work performance. Thus, the top-secret of success depends on enhancing work pride via options to improve organizational obligation, thereby enlarge work performance.

Gopinath, R. (2020) conducted a study to determine the impact of job satisfaction on administrative obligation amongst the Educational Leaders of the Tamil Nadu Campuses, the honest, excited, contented, involved, and dedicated individuals' proper possessions of the firm. Minus first-rate personnel resources, not anything can always



be achieved. Contentment in work and obligation towards the enterprise is the basis for having the above traits in a person. Whenever it comes to educational leaders of universities, the find out about work contentment and organizational obligation sounds vaster as they are the pillars of the higher education system. So, the researcher investigated the relationship and influence of job contentment on organizational obligation amongst the Educational Leaders of Tamil Nadu Campuses. Job satisfaction is considered the unbiased variable, and administrative commitment is used as the based variable. 145 Data have been gathered the usage of purposive stratified random approach from the educational leaders of Tamil Nadu universities. To accumulate the job satisfaction and organizational commitment important points self-administered questionnaire was used through the researcher. The accrued statistics were once analyzed with the tools like ANNOVA, Correlation, and Regression. The researcher found a nice and sizeable correlation between work contentment as well as organizational obligation.

Massoudi et al. (2020) learn about goals to follow organizational obligation as well as work contentment as an indicator to kindle organizational residency behaviors. Records accumulated by way of a questionnaire survey done amongst a group of lodge personnel in Baghdad, found in Iraq. 200 questionnaires were disseminated, the investigators obtained 149, were legitimate replies. The statistics had been scrutinized employing the AMOS software program after warranting validity, Reliability, as well as model fit. The consequences printed that organizational obligation and work contentment play an advantageous and significant role in altering the organizational citizenship behaviors amongst resort workers. Besides, the organizational obligation has an improved influence on enhancing the behavior of personnel than work contentment. The research contributes to HR managers as it exhibits the significant function affirms obligation and work contentment on

changing personnel behaviors towards administrative citizenship. Hence, it is tacit that greater variables want to be deliberated, such as workers' empowerment as well as psychological contract.

#### Objectives:

To find out the degree of satisfaction and dissatisfaction with Performance Appraisal System and appraisal.

To find out the level of organizational commitment and job satisfaction

To find out the relationship between Performance Appraisal system and evaluation with its impact on organizational commitment and job satisfaction

#### Research Methodology:

Sample: Employees working in the service sector (education, telecommunication, and hospitals) Saudi Arabia, and having more than 2 years of work experience.

Sample and Procedure: Primary data has been collected from 107 research participants. Purposive random sampling techniques were applied, and Google Survey Form was used to collect the data.

Tools used: Performance appraisal questionnaires, job satisfaction questionnaires, and organizational commitment questionnaires.

Organizational Obligation Scale: Meyer and Allen (1991) five-point rating scale were utilized to quantify organizational obligation. There are 18 items on the scale, 6 items apiece for affective, continuance, and normative obligation. Reliability, as well as validity, was found to be within tolerable norms.

Work Contentment Scale: Singh (1989) Work Contentment Questionnaire was utilized in this research. This questionnaire contains 20 items that measure the level of work contentment. Every item was graded on a five-point rating

scale, arraying from exceedingly satisfied to exceedingly dissatisfied with a weighted score of 5 to 1.

Statistical Tools Used:

MS Excel, SPSS was utilized to scrutinize the available information. Mean, Standard Deviation, Relationship, and Regression scrutiny were utilized for the interpretation of the data.

### Results and Discussion:

Table 1: Show the Mean plus Standard Deviation values on given Dimensions (N-107).

SN.	DIMENSIONS	MEAN VALUE	SD.
1	PERFORMANCE APPRAISAL SYSTEM	7.03	1.81
2	PERFORMANCE APPRAISAL SATISFACTION	9.93	2.58
3	AFFECTIVE COMMITMENT	19.49	3.86
4	NORMATIVE COMMITMENT	20.23	3.39
5	CONTINUANCE COMMITMENT	19.96	3.98
6	TOTAL ORGANISATIONAL COMMITMENT	59.68	7.73
7	JOB SATISFACTION	67.99	13.93

Table 1 indicates the mean value as well as the standard deviation of the following dimensions: The performance appraisal system, performance appraisal satisfaction, the affective obligation, normative obligation, continuance obligation, total organizational obligation, and work contentment. We found that the highest mean is 67.99 for job satisfaction, and the lowest mean is 7.03 for the performance appraisal system.

In the standard deviation, we found that the minimum variation is 1.81 for the performance appraisal system, which means that the change in the variable is little.

Table 2: Showing the Mean and Standard Deviation values on the given Dimensions Male and Female.

SN.	DIMENSIONS	MEAN VALUE - MALE (51.)	SD.	MEAN VALUE - FEMALE (56)	SD.
1	PA SYSTEM	6.60	1.80	7.41	1.72
2	PA SATISFACTION	10.21	2.56	9.67	2.57
3	AFFECTIVE COMMITMENT	20.52	4.19	18.53	3.26
4	NORMATIVE COMMITMENT	20.76	3.08	19.75	3.59
5	CONTINUANCE COMMITMENT	19.84	2.86	20.07	3.81
6	TOTAL ORGANISATIONAL COMMITMENT	61.13	8.09	58.35	7.11
7	JOB SATISFACTION	71.74	12.53	64.57	14.26

Table 2 shows that the highest mean value for the male is 71.74 in the job satisfaction, and the

lowest mean value for male is 6.60 in the performance appraisal system.

The highest mean value for a female is 64.57 in job satisfaction, and the lowest mean value for a female is 9.67 in performance appraisal satisfaction.

We found that the minimum variation for males is 1.80 in the performance appraisal system in the standard deviation. And the minimum

variation for a female is 1.72 in the performance appraisal system, which means that the change in the same variables for both males and females is little; females employees know about the performance appraisal better than male employees.

Table 3: Showing the Mean as well as Standard Deviation values on the given Dimensions Saudi and Non-Saudi.

S.N.	DIMENSIONS	MEAN VALUE - SAUDI (86)	SD.	MEAN VALUE – NON- SAUDI (21)	SD.
1	PA SYSTEM	6.93	1.84	7.42	1.62
2	PA SATISFACTION	10.09	2.69	9.28	1.97
3	AFFECTIVE COMMITMENT	19.89	3.84	17.80	3.47
4	NORMATIVE COMMITMENT	20.29	3.47	20	3.05
5	CONTINUANCE COMMITMENT	20.09	3.42	19.42	3.21
6	TOTAL ORGANISATIONAL COMMITMENT	60.27	8.03	57.23	5.68
7	JOB SATISFACTION	67.89	14.22	68.38	12.68

Table 3 shows that the highest mean value for Saudi is 67.89 in the job satisfaction and the lowest mean value for Saudi is 6.93 in the performance appraisal system.

The highest mean value for non- Saudi is 68.38 in job satisfaction, and the lowest mean value for non- Saudi is 7.42 in the performance appraisal system.

In the standard deviation, we found that the minimum variation for Saudi is 1.84 in the

performance appraisal system. And the minimum variation for non- Saudi is 1.62 in the performance appraisal system, which means that the change in the same variables for both Saudi and non- Saudi is little. Non- Saudis employees better than Saudi employees in knowing about the performance appraisal system.

Table 4: Showing the Mean as well as Standard Deviation values on the given Dimensions High and Low age group.

SN.	DIMENSIONS	MEAN VALUE - HIGH AGE (36- 46)	SD.	MEAN VALUE – LOW AGE (18-35)	SD.
1	PA SYSTEM	7.01	1.85	7.01	1.81
2	PA SATISFACTION	9.80	2.64	9.91	2.59
3	AFFECTIVE COMMITMENT	19.32	3.77	19.43	3.84
4	NORMATIVE COMMITMENT	19.97	3.24	20.19	3.393

5	CONTINUANCE COMMITMENT	19.90	3.40	20	3.392
4	TOTAL ORGANISATIONAL COMMITMENT	59.20	7.26	59.63	7.74
7	JOB SATISFACTION	67.46	14.34	67.77	13.81

Table 4 shows that the highest mean value for people who are between 36-46 is 67.46 in job satisfaction, and the lowest mean value is 7.01 in the performance appraisal system.

The highest mean value for people between 18-35 is 67.77 in job satisfaction, and the lowest mean value for people between 18-35 is 7.01 in the performance appraisal system.

In the standard deviation, we found that the minimum variation for people who are between

36-46 is 1.85 in the performance appraisal system. And the minimum variation for people who are between 18-35 is 1.81 in the performance appraisal system, which means that the change in the same variables for both high and low ages is little in the performance appraisal system. But the low age is better than the high age.

Table 5: Showing the Mean and Standard Deviation values on the given Dimensions Education and Non-Education Sector.

SN.	DIMENSIONS	MEAN VALUE - EDUCATION (36)	SD.	MEAN VALUE – NON- EDUCATION (71)	SD.
1	PA SYSTEM	7.03	1.84	7.01	1.81
2	PA SATISFACTION	9.91	2.63	9.91	2.59
3	AFFECTIVE COMMITMENT	19.58	3.86	19.43	3.84
4	NORMATIVE COMMITMENT	20.21	3.39	20.19	3.393
5	CONTINUANCE COMMITMENT	20.03	3.45	20	3.392
4	TOTAL ORGANISATIONAL COMMITMENT	59.84	7.74	59.63	7.74
7	JOB SATISFACTION	67.86	14.13	67.77	13.81

Table 5 shows that the highest mean value for the education sector is 67.86 in job satisfaction, and the lowest mean value for the education sector is 7.03 in the performance appraisal system.

The highest mean value for non-education sectors is 67.77 in the job satisfaction, and the lowest mean value for non-education sectors is 7.01 in the performance appraisal system

In the standard deviation, we found that the minimum variation for the education sector is 1.84 in the performance appraisal system. And the minimum variation for non-education sectors is 1.81 in the performance appraisal system, which means that the change in the same variables for both the education sector and non-education sectors is little. But non-education sectors are better than the education sector in the performance appraisal system.

Table 6: Impact of PA System and PA Satisfaction on Job Satisfaction.

Variables	Coefficient	Std Error	P-Value	TV	VIF
Constant	50.858	5.751	-	-	-
PA SYSTEM	-0.783	0.811	0.098	0.739	1.353
PA SATISFACTION	2.278	0.568	0.000	0.739	1.353

R- Square	0.145
Adjusted R- Square	0.129
Durbin – Watson	1.690

Table 6 shows that the PA system has a negative and substantial (at 10 % level of significance) association with the work contentment with the coefficient and p-value of -0.783 and 0.098, respectively. However, PA Satisfaction was realized to be significant with the work contentment with the coefficient of 2.278 and p-value of 0.000, respectively. All the Variable Inflation Factors (VIF) values are less than 10, which shows that our model is free

from the issue of multicollinearity between the independent variables. The Tolerance value of equal or more than 0.10 also verified that multicollinearity is not present. R-square value of 0.145 shows 14.50 percent variation in Job satisfaction is combinedly explained by PA system, and PA satisfaction and rest is explained by the other factors. The Durbin statistics of 1.690 further states that the model is free from autocorrelation.

Table 7: Impact of PA System and PA Satisfaction on Total Organization Commitment.

Variables	Coefficient	Std Error	P-Value	TV	VIF
Constant	44.213	2.730	0.000	-	-
PA SYSTEM	-0.642	0.385	0.337	0.739	1.353
PA SATISFACTION	2.012	0.270	0.000	0.739	1.353

R- Square	0.373
Adjusted R- Square	0.361
Durbin – Watson	1.842

Table 7 shows that the PA system has a negative but insignificant impact on the Total Organizational Commitment with the coefficient and p-value of -0.642 and 0.337, respectively. However, PA Satisfaction was realized to be significant with the work contentment with the coefficient of 2.012 and p-value of 0.000, respectively. All the Variable Inflation Factors (VIF) values are less than 10, which shows that our model is free from the issue of multicollinearity between the independent variables. The Tolerance value of equal or more than 0.10 also verified that

multicollinearity is not present. R-square value of 0.373 shows 37.30 percent variation in Total Organizational commitment is combinedly explained by PA system, and PA satisfaction and rest is explained by the other factors. The Durbin statistics of 1.842 further states that the model is free from autocorrelation. The total organizational obligation is a construct of affective commitment, normative commitment as well as continuance obligation. So, the following table from 8a to 8c explained the impact of the independent variable on the sub-variable of total organizational commitment.

Table 8: Impact of PA system and PA satisfaction on Affective Commitment.

Variables	Coefficient	Std Error	P-Value	TV	VIF
Constant	13.640	1.422	0.000	-	-
PA SYSTEM	-0.549	0.201	0.007	0.739	1.353
PA SATISFACTION	0.977	0.140	0.000	0.739	1.353

R- Square	0.322
Adjusted R- Square	0.309
Durbin – Watson	1.942

Table 8 shows that the PA system has a negative as well as substantial influence on affective commitment with the coefficient and p-value of -0.549 and 0.007, respectively. However, PA Satisfaction was found to be positively significant with the job satisfaction with the coefficient of 0.977 and p-value of 0.000, respectively. All the Variable Inflation Factors (VIF) values are less than 10, which shows that our model is free from the issue of

multicollinearity between the independent variables. The Tolerance value of equal or more than 0.10 also verified that multicollinearity is not present. R-square value of 0.322 shows 32.20 percent variation in affective commitment is combinedly explained by the PA system, and PA satisfaction and rest is explained by the other factors. The Durbin statistics of 1.942 further states that the model is free from autocorrelation.

Table 9: Impact of PA system and PA satisfaction on Normative Commitment

Variables	Coefficient	Std Error	P-Value	TV	VIF
Constant	15.539	1.346	0.000	-	-
PA SYSTEM	-0.299	0.190	0.118	0.739	1.353
PA SATISFACTION	0.684	0.133	0.000	0.739	1.353

R- Square	0.212
Adjusted R- Square	0.197
Durbin – Watson	1.939

Table 9 shows that the PA system has a negative and insignificant impact on the normative commitment with the coefficient and p-value of -0.299 and 0.118, respectively. However, PA Satisfaction was found to be positively significant with the job satisfaction with the coefficient of 0.684 and p-value of 0.000, respectively. All the Variable Inflation Factors (VIF) values are less than 10, which shows that our model is free from the issue of

multicollinearity between the independent variables. The Tolerance value of equal or more than 0.10 also verified that multicollinearity is not present. R-square value of 0.212 shows 21.20 percent variation in normative commitment is combinedly explained by PA system, and PA satisfaction and rest is explained by the other factors. The Durbin statistics of 1.939 further states that the model is free from autocorrelation.

Table 10: Impact of PA system and PA satisfaction on Continuance Commitment.

Variables	Coefficient	Std Error	P-Value	TV	VIF
Constant	15.034	1.429	0.000		
PA SYSTEM	0.206	0.202	0.308	0.739	1.353
PA SATISFACTION	0.350	0.141	0.015	0.739	1.353

R- Square	0.113
Adjusted R- Square	0.096
Durbin – Watson	2.156

Table 10 shows that the PA system has a positive and insignificant influence on the continuance commitment with the coefficient and p-value of 0.206 and 0.308, respectively. However, PA Satisfaction was found to be positively significant with the job satisfaction with the coefficient of 0.350 and p-value of 0.015, respectively. All the Variable Inflation Factors (VIF) values are less than 10, which shows that our model is free from the issue of multicollinearity between the independent variables. The Tolerance value of equal or more than 0.10 also verified that multicollinearity is not present. R-square value of 0.113 shows 11.30 percent variation in continuance commitment is combinedly explained by PA system, and PA satisfaction and rest is explained by the other factors. The Durbin statistics of 2.156 further states that the model is free from autocorrelation.

### Conclusion and Recommendations

It can be concluded from the results of the study that performance appraisal outcomes have a significantly positive influence on organizational obligation as well as work contentment for employees working in the service sector in Jeddah, Saudi Arabia. Although the availability of a performance appraisal system alone was not found to influence organizational commitment and work contentment for employees, the satisfaction with the performance appraisal system had a strong positive relationship with the two outcomes variables. Thus, performance appraisal in total has a bearing on organizational obligation as well as work

contentment. Workers are more dedicated to the firm and satisfied with their job when an organization has a proper performance appraisal mechanism in place. Satisfaction with the performance appraisal system was found to boost affective, normative, and continuance commitment.

There are always some limitations to the study, and the current research has several limitations. The current research utilises cross-sectional information that shows that responses concerning all the variables were taken at the same moment, hence the time Antecedence of independent variables can't be assured in establishing the fundamental correlations, hence longitudinal research might provide extra clarity. Additionally, longitudinally reviewing workers' overtime will make a crucial impact on the current literature by conveying perceptual variances. There are grave concerns concerning the generalizability of this research. Our sample epitomises only workers employed in the service area in one specific geographic area of Saudi Arabia. The outcomes of this research cannot be generalised to other segments as well as geographic areas and construct space for yet to come researches on an alike theme with the other groups. Future researches might take additional variables precise to particular geographic, work traits, and demographics. The current research is based on self-reported information from workers, and thus future research might endeavour all-inclusive research by captivating insights of administrators as well.

### Recommendations:

The present study adds to the scarce literature available on performance appraisal, especially in Saudi Arabia. The study's findings suggest that organizations must focus on improving their performance appraisal systems since employees are more dedicated to the organization and more contented with their job when they perceive that organization has a fair performance appraisal process. Efforts must be made to increase employees' satisfaction with the performance assessment system of the firm. Seven different types of performance appraisal management systems could be implemented in different sectors and fields. Managers should study and divide the tasks and responsibilities equally of the employees individually, share and discuss it with them. The implementation of the performance appraisal management system in the company gives a good reputation to the organization.

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