

**PERFORMANCE APPRAISAL AND ITS EFFECT ON  
JOB SATISFACTION AND TURNOVER INTENTIONS**

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Sri Lanka

March 2016

LB / TH 101/2021  
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Thesis submitted in partial fulfillment of the requirements for the degree of Master  
of Business Administration. *information Technology*

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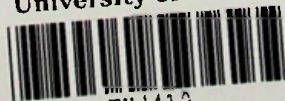
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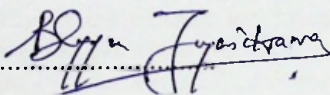
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## Abstract

The main focus of the case-study based research presented in this thesis is the performance appraisal and its effect on job satisfaction and the turnover intentions of software engineers in a large IT services company in Sri Lanka. This global information technology service providing company operates in a market segment which is highly competitive and experiencing rapid technological advancements.

In order to be sustainable in the served market segment, company has identified that it should expand its client base. The company has been experiencing a considerably high annual staff turnover rate.

Employee retention has become a critical issue for the company. This is because it lacks a quality resource pool to address growing project requirements which are essential to overcome the present challenges they are facing and for overall organizational success in the long term. As such, a research was carried upon the areas covering performance appraisal process and its impact on employee's job satisfaction and turnover intentions.

This research brings out results that can be incorporated in organizational performance appraisal process making by the management of the company with a special emphasis on the job satisfaction of their employees, which is the most valuable asset of the organization. Further, the present study hints on other avenues that could be explored further as future research, in the field of performance appraisal process and its impact on employee's job satisfaction and turnover intentions.



## Acknowledgement

It is with immense gratitude that I acknowledge the guidance of my Supervisor, Dr. Shehan Perera. I am indebted to him for his advice, helpful comments and for the suggestions offered to me throughout the research study and the Human Resources Manager from CSC (Pvt) Ltd, for their priceless guidance and advice on my research work.

I am especially grateful to Dr. Chandana Gamage for sparing valuable time and providing continuous support for the identification of the research problem, formulating the conceptual model, survey data analysis, and reviewing research progress which contributed a lot to carry out the research successfully.

My sincere gratitude is also extended to all the academic and non-academic staff of Department of Computer Science & Engineering, University of Moratuwa and to my colleagues from the MBA in IT degree program for their support in numerous ways.

I would also thank all my friends at CSC, who helped me in the most important and difficult task of gathering data during the limited time period. I would also like to thank all those who responded to my questionnaire and all those who participated in the interview for being available for interviews at a short notice.

Lastly, I extend my sincere thanks to my husband, parents and my sister for their continuous support and encouragement throughout the research. Without their support this milestone would not have been attainable.

Bhagya Jayawickrama

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## Abbreviations

<b>Abbreviation</b>	<b>Description</b>
ICT	: Information and Communication Technology
ICTA	: Information and Communication Technology Agency
IT	: Information Technology
PAS	: Performance Appraisal System
PAR	: Performance Appraisal Rating
CAC	: Cronbach's Alpha Coefficient