Performance Appraisal and Training and Development of Human Resource Management Practices (HRM) on Organizational Commitment and Turnover Intention

Vimala Kadiresan¹, Mohamad Hisyam Selamat¹, Sugumaran Selladurai², Charles Ramendran SPR² & Ramesh Kumar Moona Haji Mohamed³

¹ Faculty of Business, Accounting and Management, SEGi University, Kota Damansara Petaling Jaya, Malaysia
² Faculty of Business and Finance, Universiti Tunku Abdul Rahman, Kampar, Malaysia
³ School of Distance Education, Universiti Sains Malaysia, Penang, Malaysia

Correspondence: Vimala Kadiresan, Faculty of Business, Accounting and Management, SEGi University, Kota Damansara, Petaling Jaya, 47810, Malaysia. Tel: 60-36-145-1777. E-mail: vimalakadiresan@segi.edu.my; vims81@yahoo.com

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Abstract

It is widely agreed that the impact of human resource management (HRM) practices can create comparative advantage for the organizational performance when organizational commitment matters. On the contrary, turnover has become a trend and it is at rise in the current working environment. The main intention of this study is to demonstrate a relationship between HRM practices and organizational commitment and its impact on turnover intention. Data of 75 employees from several different industries were collected throughout Klang Valley in Malaysia. The outcome reflects a correlation among Performance Appraisal and Training and Development (HRM practices) with organizational commitment which in turn contributed an inverse relationship with employee turnover intention. The greater commitment developed among employees will improve the organizational effectiveness through maintained skilled and experienced employees thus reducing turnover intentions. Therefore, this study dedicates to the knowledge on the impact of HRM practices on organizational commitment and turnover intention. The data results can serve as a reference or guideline when conducting relevant studies in the future.

Keywords: organization commitment, training and development, turnover intention, human resource management practices, performance appraisal

1. Introduction

Human Resource Management’s (HRM) notion stresses upon the aspect that human capital employed in any particular organization must be considered as the organization’s asset instead of cost. Organizations, in general, employ a diverse set of human HRM policies and procedures specifically related to recruitment, training, development, appraisal and organizational commitment in order to synchronize the HRM policies with the core business objectives of the organization (Huselid, 1995; Meyer & Smith, 2000). Research and studies, pertaining to the (direct and indirect) effects of Human Resource Practices towards organizational performance, conducted in many developed countries exhibited indications of a noticeably encouraging relationship between the human resource management practices of an organization and the organization’s overall performance (Applebaum, Bailey, Berg, & Kalleberg, 2000; Singh, 2004).

Most of the research and studies undertaken in the field of HRM in the past were conducted by asking the human resource related personnel to answer the questions related to the practices in place for the purposes of recruitment, training, development, retention and performance appraisal methods but very few studies had focused on the importance of an individual employee’s perceptions regarding the effectiveness of the devised HRM policies on the overall performance of an organization (Boselie & Wiele, 2002). Previously, studies conducted at organizational level had mainly focused the effects of the HRM practices on the numeric indicators (at organizational level) such as total production, increase in sales, revenue generation and others (Arthur, 1994; Huselid, 1995), whereas not much research had been conducted with the aim to determine how would an
individual perceive and act upon the HRM practices with regards to his/her behavior and commitment towards the achievement of the goals of the organization (Batt & Valcour, 2003; Hemdi & Nasur, 2006). HRM practices that may be helpful in gaining commitment of the employees towards the organizational goals and the effect(s) of those practices in terms of reduction in employee turnover are the aim of this study.

One of the most critical HRM practices is performance appraisal. This is because the appraisal of an employee would either shape a satisfied frame of behavior after being appreciated or a frame of dissatisfaction after not being appreciated. In addition to performance appraisal, training and development of employees also shape their engagement and commitment towards the organizational development (Arthur, 1994; Huselid, 1995). Training and development programmes are undertaken to make the employees capable enough to perform the assigned tasks efficiently and effectively and thus, employees feel more involved towards their jobs.

In addition to that employee turnover has become a major problem that faced by every organizations in many of the Asian country such as Malaysia, Singapore, Hong Kong, Taiwan and South Korea (Khatri, Budhwar, & Chong, 2011). Barnard and Rodgers (1998) states that the monthly average of resignation rates in organization in Malaysia, South Korea and Taiwan were 3.4%, 2.9% and 2.7% respectively. Moreover, employee turnover also incurs a huge burden to the organizations in terms of financial cost (Kaye & Jordan-Evans, 2005).

The highest turnover crisis ever recorded in Malaysia was during the year period of 2009-2010 on average 18.3% which forced the entity to conduct multiple employee loyalty programs as consequences of failure to retain their valuable employees (Ken, 2013). Therefore, it is extremely important to address the problems above and to find out preventive reasons that initiates turnover intentions.

To recapitulate, this study is intended to look at the effects of performance appraisal, and training and development on the behavior of individuals working in an organization and, in turn, how such behavior affects the organization as a whole and commitment of employees towards the organizational goals which leads to employee turnover. Two main objectives of this study are: (1) to examine the effects and the extent of relationship between the above mentioned HRM practices (of performance appraisal, and training and development) and organizational commitment in Malaysia; and (2) to examine the extent of relationship between organizational commitment and an individual employee’s turnover intention in Malaysia.

2. Literature Review

2.1 Human Resource Management Practices

Human resources are significant in establishing and sustaining competitive advantage for the enhancement of organizational effectiveness since both are priceless, unique and irreplaceable resources. The definitions of human resource can be categorized under two broad strands which are generalist and distinctive. Based on the generalist perspective, human resources refer to a group of human capital controlled in a straightforward manner through employment by the organization which constitutes a source of competitive advantage (Machado, 2015). Meanwhile, the distinctive approach emphasize on employee skills, knowledge, abilities, attitudes, experience and wisdom.

Human Resource Management can be seen as the utilization of employees to gain competitive advantage, particularly through human resource practices (Dzansi & Dzansi, 2010). Majumder, (2012) regards HRM as organization's philosophy, policies, and procedures linked with the management of people HRM as a customer prioritized management practices which regards the employees as the essence of the organization that focuses on attaining organizational goals. According to Swathi, (2014), management is said to be responsible for all practices and decisions that directly affect the employment relationship. Essentially, the conduct of human resource management aims to optimize the effectiveness of its employees in order to maximize organization’s productivity.

Human resource practices is defined as the planned human resource deployment and the organization's progress is targeted towards reaching the goals through efficient management of human capital (Babu & Reddy, 2013). In overall, HRM practices can be concluded as a tool implemented by the organization that helps to motivate and retain them through efficient practices, policies and philosophy (Schuler & Jackson, 1987; Singh & Jain, 2014). Effective HRM will results in acquiring and retaining qualified employees, motivates them to optimize performance and assists them to meet their psychological and social needs. This leads to the establishment of long-term commitment among employees to maintain employment relationship with the organization.

There are numerous researches study about the relationship between HR practices and organizational commitment by using different types of HR practices. Jeet and Sayeeduzzafar (2014) studied five HR practices such as employee training, performance appraisal, teamwork, employee participation and compensation and
found that there is a significantly positive relationship between the HR practices and organizational commitment. Similarly, Bal and Bozkurt (2014) have studied about six HR practices such as recruitment and selection, training and development, performance appraisal, work conditions, compensation rewards and involvement. Prabhakar and Ram (2011) also indicated that job design and employee empowerment is positive associated with organizational commitment. The study of Umoh, Amah & Wokocha (2014) reported that there are positive relationship between employee benefits and measures of continuance commitment. The study also revealed that there is a significant relationship between pay structure and continuance commitment. Hong, Hao, Kumar, Ramendran and Kadiresan (2012) explained that management should not ignore the importance of human resource management practices on fulfilling the expectations of employees as it creates great satisfaction and commitment on job.

As stated above, this study hypothesize the factors used in the previous literature of HRM practices, which consists of performance appraisal, training and development impact organization commitment hence, retaining the employees and minimizing voluntary turnover. The description of each practice is offered in the following section in the following section.

2.1.1 Performance Appraisal
Performance appraisal in Malaysia has been practiced and implemented a few decades ago and the proof is listed in several articles such as Ahmad and Ali (2004), Kumar (2005), Poon (2004). They observed an important relationship between the implementation of performance appraisal and organizational commitment in Malaysia. Given the current circumstances, organizations are focusing and utilizing on one specific developmental HRM practice -Performance Appraisal that potentially affects organization’s efficiency and performance (Ikramullah, Shah, Hassan, Zaman, & Khan, 2011). As a matter of fact, it has been used as tool in the process of performance appraisal for enhancing employees performance, distributing rewards and enhance competencies. In addition, organization is able to discover the employee strengths development needs (Moulik & Mazumdar, 2012). Although it is costly to conduct performance appraisal, organizations still adopt this practice as it serves as a fundamental organizational decisions in certain situations where promotions, bonuses and training needs are determined which potentially creates work motivation and commitment to the organization. Therefore the performance evaluation practice is an inherent and inseparable part of the organization (Poursafar, Rajaeepour, Seyadat, & Oreizi, 2014; Obeidat, Masa’deh, & Abdallah, 2014). This is in line with the statement in the study of Getnet, Jebena and Tsegaye (2014) which proposed that performance appraisal is commonly adopted by organization in order to incentivize and measure the performance of their employees. Furthermore it is also revealed that this performance evaluation practice can used to detect employee’s perception, preferences, beliefs and developmental areas with regard to the organizational goals. As a results, they are valued and seen as part of organization team. Thus the employees may develop a greater commitment to their organization (Roberts, 2003; Ikramullah et al., 2011).

Several studies support the notion that perception of fairness of performance appraisal is closely related to employee’s commitment to their organization (Ikramullah et al., 2011; Getnet et al., 2014; Bekele, Shigutu, & Tensay, 2014). If the employee perceive that the decision are fair, they would reciprocate with high commitment and would be willing to contribute more effort towards the attainment of organizational goals. Employees would reciprocate their perception in the form of low organizational commitment (Salleh, Amin, Muda, & Halim, 2013). Thus, it can be concluded that the perception of employee towards the performance appraisal activities is important since it determine employee acceptance and the development of commitment to the organization (Akhtar & Khattak, 2013).

Therefore, it is vital for organization to be aware of employee’s perception of the performance evaluation and make improvement on it in since performance appraisal has a predictive role in changing employee’s attitude and affective commitment (Roberts, 2003). Thus, it can be concluded that the perception of employee towards the performance appraisal activities is important since it determines employee's commitment and acceptance to the organization.

From the above discussion the following hypothesis is proposed:

H1: There will be a significant relationship between performance appraisal and organizational commitment

2.1.2 Training and Development
In today's world, most of the organizations accentuates on the training and development programs to the employees as one of the human resource practices that is crucial for the evolvement of organizational commitment of the employees. Employee is considered valuable assets to an organization. Therefore it is
fundamental for organizations to invest in programs like training and development to improve their competency and performance.

Training and development deals with increasing and updating the skills, knowledge, competencies and experiences of an employee through a series of training and development programs (Obeidat et al., 2014). It is crucial to equip employees with necessary skills and competencies in today’s competitive environment in order to enhance productivity, organization competitiveness and performance.

According to Ahmad and Bakar (2003), training can be described as a planned and systematic effort of employee to achieve effective performance in an activity or range of activities. On the other hand, Noe, Hollenbeck, Gerhart and Wright (2004) expressed that development prepares employees for different positions in the organization and builds their capacity to move into jobs in the future. Therefore, development is mainly about planning and preparing for the changes in the future in relation to unfamiliar jobs, requirements and responsibilities. As for (Lamba & Choudhary, 2013), development is a practical exercise of studying and development by which managerial staff acquire and employ knowledge, skills, attitudes and insights to handle their work efficiently and effectively. It is essential for the managerial staff as an effort to cope up with the complexity of organization and technological. The development also helps to recognize their social and public responsibilities. Kooij, de Lange, Jansen, & Dikkers (2008) suggested that career development could fit workers’ needs by creating opportunities for new job and enhancing their skills (Riaz, Idrees, & Imran, 2013). This supports a comparative study has been done between Malaysia and European Union (EU) on various factors where the findings implicits that training aims to bridge the gap between job requirements and present competence of an employee in terms of job security and skills of employee’s being employed (Ramendran, Supian, Kadiresan, Kumar, & Rethinam, 2014).

Lambert, Vero and Zimmermann (2012) explained that development is able to increase employee’s self-fulfillment where their capability at work can be rejuvenated and able to absorb and preparing for more obstacles. So, combination of training and development is an endless process to make sure their employees keep improving all the times.

When an organization provides trainings, it usually lead to greater commitment from the employee which can be viewed such as “psychological contract”. It is reciprocal attitudes and behaviors from the employees based on their perception to the effort of the organization in improving their skills, competencies and providing them future development opportunities (Jehanzeb, Rasheed, & Rasheed, 2013; Dockel, Basson, & Coetzee, 2006). It is argued that employees tend to perceive that organization make investment in their training as sign of continuity in their jobs and in higher compensation based on human capital theory (Scheible & Bastos, 2013; Maurer & Rafuse, 2001).

Previous studies proved training contributes to intangle results such as high organizational-based self esteem, enhanced organizational commitment and improved participant knowledge and ultimately could affect employee retention and enhance organizational effectivenss (Babu & Reddy, 2013; Jehanzeb et al., 2013; Armstrong, 2006; Ahmad & Bakar, 2003; Bartlett & Kang, 2004). It is further supported by Ashar, Ghafoor, Munir, and Hafeez (2013) that organization required to manage training on employees with integrity which can enhance the commitments and prevent intention to leave.

The above discussion highlights inconclusive views on the relationship between training and development and organizational commitment. Thus the following hypothesis is proposed:

H2: There will be a significant relationship between training and development and organizational commitment

2.2 Organizational Commitment

Several constructs of organizational commitment has been conceptualized over the years. According to Lee and Jamil (2003), there are various definitions of organizational commitment are found in the literature. The various definitions and measures of organizational commitment share a common theme which is the linkage of an individual to the organization.

On the other hand Organizational commitment is said to be associated with human relation issues such as employee performance, job satisfaction, turnover, absenteeism and achieving organizational goals and objectives thereby it is extremely significant to organization (Memari, Mahdieh, & Marnani, 2013; Bakan, Büyükbeşe, & Erşahan, 2011).

According to (Smothers, 2008), organizational commitment can be conceptualized as the feeling and behaviour employee’s display by the way they exhibit behavioural activities. In a simple word, it is the binding of individuals to behavioural acts (Meysam & Mohammadi, 2013; Javad & Davood, 2012) opined organizational
commitment to accordance between an individual's goal and the organization where an individual identifies the relative strength and extend to attempt to represent the goals of an organization. Salleh, Nair and Harun (2012) viewed organizational commitment as a psychological state that connects an individual to the organization, which reduces the occurrence of turnover. In the study of Prabhakar and Ram (2011), organizational commitment is defined as the psychological attachment formed by an employee in relation to his identification and involvement with the respective organization. It emphasizes on the linkage between employees and the organization. Similar findings from the study of Aries (Miradipta & Jie, 2013; Beebe-Mocilac, 2007) also focuses on a member's relationship with an organization where individual yields an emotional attachment that brings up commitment with a particular organization.

Meyer and Allen (1997) further describes organizational commitment as the backbone of an individual’s attachment to the organization, characterized by strong beliefs, acknowledgement and acceptance of the organization's objectives and values. This is being illustrated by the employees powerful urge to maintain and sustain the membership in the organization by exhibiting the eagerness and willingness to exert additional effort for its benefits. Organizational commitment is thought to be the linkage between the individual employee and the organization since individuals think over the extent to which their own values and goals relate to that of the organisation as part of organisational commitment (Faisal & Al-Esmael, 2014). Therefore the higher the level of effort provided by employees, the higher the commitment level will be and consequently leads to higher level of performance and effectiveness of both the individual and the organization level (Sharma & Bajpai, 2010).

2.3 Turnover Intention

At this current stage of globalization era many companies fail to keep hold on to their employees in the long terms. According to (Oluwafemi, 2013), turnover intention explains on the relative strength of an individual’s purpose or intent toward voluntary permanent withdrawal from an organization. It is basically a motive or purpose that drives an employee to quit from his or her current workplace. Abassi and Hollman (2000) explain turnover of employee as the rotation of workers between the condition of employment and unemployment, jobs and occupations and around the labor market and firms.

According to (Abdali, 2011), turnover is the ratio of the number of employees who leaves an organization at a particular time period with the average number of employees staying in that organization at the same time. It is a behavior which describes the process of leaving of replacing employees in an organization. Turnover intention is associated with elements of employee which is; the thought or feeling to quit the job, the intention to find for another job and intention to quitting the job (Carmeli & Weisberg, 2006).

In most cases, turnover intention can happen either voluntarily where employee decides to leave the company by willingly (Schyns, Torka, & Gossling, 2007) or involuntarily, replacing an employee for a job position, mostly without the prior willingness of the employee (Bothma & Roodt, 2013; Price, 1977)

According to (Ibrahim, Usman, & Bagudu, 2013), the rate of turnover varies from institutions to institutions. Sometimes employee turnover is a benefit to an organizations in a positive way. Sometimes it is seen that a poor performer is replaced by a better skilled employee and also a retired employee is replaced by a young one. According to Terez (2000), there are several costs that organizations will incurred in the view of high level of turnover, which are training cost, replacement cost, vacancy cost and separation cost. Employee turnover is also costly as it incorporates with different cost such as recruitment cost, cost that needs to be covered during the time when there is a vacancy, the cost of training new employees, etc. Turnover occurs for many different reasons. A new job may attracts an employee and force them to leave the old job. There are various factors that leads to turnover intention such as employee's attitude, job satisfaction, commitment, management, compensation offered and their own evaluation and judgement regarding decisions (Berry, 2010).

2.4 The Relationship between Organizational Commitment and Turnover

Organizational commitment is widely accepted as a backbone in strengthening the in order to reduce turnover intention (Mohammad, 2006). It is also believed that employees may feel obliged when employers give some acknowledgement to their efforts by offering them proper benefits and opportunities to excel which subsequently leads to reciprocations; of commitment in the organizations (Shore & Tetrick, 1991; Tansky & Cohen, 2001). Social exchange theory asserts that organizational commitment is expected to lower turnover intentions (Cropanzano & Mitchell, 2005). Employees feels that they ought to remain with and organization and thus they stay by virtue of their belief that it is morally right to do so.

Many scholars have frequently studied on organizational commitment and agreed on the general perception that employee who demonstrate strong commitment towards the organization are likely to leave the organization as
well (Siong, Mellor, Moore, & Firth, 2006; Allen & Meyer, 1990; Tett & Meyer, 1993). Firth, Mellor, Moore and Loquet (2004) mentioned that turnover intention is mainly influenced by employees’ commitment and their dissatisfaction from job.

Several studies have confirmed the importance of organizational commitment as a role in influencing intention to leave (Chen & Yu, 2014; Sell & Cleal 2011; Udo, Guimarães, & Igbaria 1997) and organizational commitment’s negative relationship to intention to leave (Vecina et al., 2011; Igbaria & Greenhaus, 1992; Meyer et al., 1993; Loi, Hang-yue, & Foley, 2006). Furthermore, Wong (2002) present that organizational commitment might contribute more significantly to predict employee turnover intention, which is being agreed by Khatri et al., (2011), where it has resulted a negative relationship towards turnover intentions.

In short, it could be said that turnover occurs due to low or no organizational commitment. An employee leaves one organization because he/she cannot work with it anymore. Based on this scenario, the following hypothesis is developed:

H3: There will be a relationship between organizational commitment and turnover intention

3. Methodology

In order to test the hypotheses developed in this study, a self administered questionnaire was designed and collected within the organizations located in Klang valley because of its high population (over 4 millions) is the heartland of Malaysia’s industry and commerce. Furthermore a number of researchers have focused their research on Klang valley due to industrialization of the area. A convenience sampling—non probability sampling technique was used to select employees from organizations which conducted formal performance appraisal and training and development system in terms of utilization and applicability. Convenience sampling was used where subjects are selected because of their convenient accessibility and proximity to the researcher.

Prior to this, the respondents were asked beforehand to ensure if they had encountered such formal processes of appraisal and training and development in their current organization. A survey questionnaire was designed to study the impact made by Performance Appraisal, Training and Development on Organizational Commitment which results in Intention to leave. The respondents were asked to rate based on a 5-point Likert scale and the items were measured accordingly.

In order to ensure reliability of the questionnaire, almost all constructs were measured and adopted from past studies and peer review which is proven to be reliable where the reliability is more than 0.80. The reliability of the construct can be referred in the past researchers articles where the Performance Appraisal items were adapted from Meyer and Smith (2000); Training and Development (Meyer & Smith, 2000); Organizational Commitment (Meyer, Allen, & Smith, 1993); and Turnover Intention (Kuvaas, 2007; Meyer & Smith, 2000). A total of 150 questionnaires were distributed to the employees and only 75 questionnaires were returned, representing an approximately 50 percent response rate. Moreover, a cover letter was attached with the questionnaires to explain the research objectives and encourage employees to participate in the study. The respondents were assured that their responses will be treated with confidentiality and anonymity.

4. Results and Discussions

An objective of this research finding was to assess the interrelationships between HRM practices consists of performance appraisal, training and development, and organizational commitment and turnover intention within the context of Malaysia. The strength of the relationships between variables will determine whether the hypotheses are accepted or null therefore, rejected.

Table 1. Correlations among the variables

<table>
<thead>
<tr>
<th></th>
<th>PA</th>
<th>TD</th>
<th>OC</th>
<th>TI</th>
</tr>
</thead>
<tbody>
<tr>
<td>PA</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.730**</td>
<td>.706**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>TD</td>
<td>Pearson Correlation</td>
<td>.730**</td>
<td>1</td>
<td>.705**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>OC</td>
<td>Pearson Correlation</td>
<td>.706**</td>
<td>.705**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>TI</td>
<td>Pearson Correlation</td>
<td>-.509**</td>
<td>-.507**</td>
<td>-.702**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

Notes: PA = Performance Appraisal, T&D = Training and Development, OC = Organizational Commitment, TI = Turnover Intention, *p < 0.05; **p < 0.01
Table 1 presents the results of the intercorrelations that have performed on the variables. Based on the analysis, positively and highly correlated obtained between performance appraisal with organizational commitment ($r = .706$, $p < 0.01$). Both training and development and organizational commitment are positively and highly correlated ($r = .705$, $p < 0.01$). Furthermore, it was observed that organizational commitment and turnover intention was negatively correlated ($r = -0.702$, $p < 0.01$) and it indicated a great deal of independence of the two subscales whereby it moderately inter-correlated. Therefore, discriminant validity of the subscales established

Table 2. Coefficients (a)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td>Tolerance</td>
</tr>
<tr>
<td>(Constant)</td>
<td>.088</td>
<td>.341</td>
<td>.259</td>
<td>.797</td>
<td></td>
</tr>
<tr>
<td>1 PA</td>
<td>.487</td>
<td>.134</td>
<td>.409</td>
<td>3.643</td>
<td>.001</td>
</tr>
<tr>
<td>TD</td>
<td>.430</td>
<td>.119</td>
<td>.407</td>
<td>3.622</td>
<td>.001</td>
</tr>
</tbody>
</table>

Table 2 presents the results of the regression models. To test the hypotheses, two regressions are carried individually for the two models. These analyses indicates that performance appraisal is significantly correlated by organizational commitment ($\beta = .487$, $p < .001$). In addition, training and development is positively influenced by organizational commitment ($\beta = .430$, $p < .001$).

As refer to the results generated from Table 2, performance appraisal (PA) contributes the highest to the variation of dependent variable (organizational commitment) which is 0.487 indicates the strongest beta coefficient with organizational commitment. The second variable in the ranking is followed by training and development (TD) which is 0.430. Furthermore, these 2 variables p-value is < 0.05 and significant to the dependent variable (Organizational Commitment). These variables are training and development (TD) with a p-value of 0.001 (>0.05), and performance appraisal (PA) with a p-value of 0.001 (>0.05) When a p-value is above 0.05, it indicated that these variables are not significant to the dependent variable.

Table 3. Model Summary(b)

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>R Square Change</td>
</tr>
<tr>
<td>dimension0</td>
<td>1</td>
<td>.759*</td>
<td>.576</td>
<td>.564</td>
<td>.576</td>
</tr>
</tbody>
</table>

Table 3 gives the value for Multiple R which, in the case of just one dependent variable, which is 0.759. The other statistics listed are R Square (the standard deviation of the residuals). The effect size estimated by $R^2$ is 0.576 (57.6%) and therefore a significant effect. According to Cohen (1988), when the effect size is more than 0.35 is categorized as large. Furthermore the adjusted R square (0.564) is very close to R square (0.576). This indicates the idea of how the model generalises.

Table 4. ANOVA(b)

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Regression</td>
<td>32.573</td>
<td>2</td>
<td>16.287</td>
<td>48.833</td>
</tr>
<tr>
<td>1</td>
<td>Residual</td>
<td>24.013</td>
<td>72</td>
<td>.334</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>56.587</td>
<td>74</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes: PA = Performance Appraisal, TD= Training and Development; Standardized regression coefficients are shown; N = 75. *p < .05; **p < .01; ***p < .001.
Table 4 below shows the regression ANOVA, which test for a linear relationship between the variables. F statistic= ratio of the mean square for regression to the residual mean square. From the table, the value of F is significant beyond the 0.01 level. It should be noted, however, that only examination of their scatter plot can confirm that the relationship between two variables is genuinely linear. The observed value of the F-test is 48.833. P-value (sig. = 0.000 <0.01) is very small, there is sufficient findings to support that a positive relationship between HRM practices namely performance appraisal, training and development and organizational commitment. This analysis confirmed that organizational commitment depends on performance appraisal and training and development where these two variables are independent variables.

Table 5. Model Summary\textsuperscript{b}

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>R Square</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>F</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>df1 df2</td>
</tr>
<tr>
<td>dimension</td>
<td>.702\textsuperscript{a}</td>
<td>.493</td>
<td>.486</td>
<td>.69763</td>
<td>.493</td>
</tr>
</tbody>
</table>

\textsuperscript{a} Predictors: (Constant), OC  
\textsuperscript{b} Dependent Variable: I2L

Table 5 gives the value for Multiple R which, in the case of just one dependent variable, which is 0.702. The other statistics listed are R Square (the standard deviation of the residuals). The effect size estimated by R\textsuperscript{2} is 0.486 (48.6\%) and therefore a significant effect. Furthermore the adjusted R square (0.493) is very close to R square (0.493) which gives an idea of how the model generalises.

Table 6. ANOVA\textsuperscript{b}

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>34.607</td>
<td>1</td>
<td>34.607</td>
<td>71.107</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>35.528</td>
<td>73</td>
<td>.487</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>70.135</td>
<td>74</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\textsuperscript{a} Predictors: (Constant), OC  
\textsuperscript{b} Dependent Variable: I2L

Table 6 below shows the ANOVA, which test for a linear relationship between the variables. The F statistic is the ratio of the mean square for regression to the residual mean square. From the table, the value of F is significant beyond the 0.01 level. It should be noted, however, that only examination of their scatter plot can justify the legitimate of linearity between two variables relationship. The ANOVA table shows that this model is fit. When the F statistic is “large” then the between group variation is greater than the within group variation.

Table 7. Coefficients\textsuperscript{a}

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>5.407</td>
<td>.316</td>
</tr>
<tr>
<td>OC</td>
<td>-0.782</td>
<td>.093</td>
<td>-.702</td>
</tr>
</tbody>
</table>

\textsuperscript{a} Dependent Variable: I2L

The values of the regression coefficient and constant are given in column B of Table 7. Therefore, the regression equation (Y’ = b\textsubscript{0} + b\textsubscript{X}) is as follows:

\text{Intention to Leave} = 5.407- 0.782 \text{ (Organizational Commitment)}

Table 7 illustrates the result for the regression analysis between organizational commitment and turnover intention. Organizational commitment (β = -.702, p < .001) was found to be negatively influenced by turnover intention. Therefore, when organizational commitment is low, the turnover intention is high.

This study suggests the possibility that commitment shown by organizations towards employee through investment of HRM practices allows employees to correspond by being more committed towards the organization. In other words, when employees are provided with better performance appraisal system and training and development, it will lead to higher organizational commitment. This high commitment would help employees to retain in the organization. The results derived from the data collected also indicated that
performance appraisal factor contribute highly than Training and development where the beta value is 0.487.It means that 48.7% of commitment depends on a performance appraisal system.

One of the implications for managers in this context of conducting performance appraisal and training and development programmes are that the managers should stay attentive to the fact that only those employees who perceive these HRM practices as fair and beneficial would tend to commit and, in turn, have lower turnover intention. This supports the study of (Abdullah et al., 2011) where it is proven that performance appraisal motivates and contributes to turnover intentions of an employee. On the other hand, in the aspect of training, the study of Tannenbaum, Mathieu, Salas, and Cannon-Bowers in 1991 also supports the findings that the level of commitment escalates when they are exposed to trainings as they feel more confident about themselves. The more committed the employees were, the more they desired training. Thus, the performance appraisal and training and development programmes should be tailored in a way to attain maximum possible confidence of the employees. According to Li and Butler (2004), the confidence of employees in the performance appraisal can be gained by getting them involved in the process of making choices relevant to their tasks. In this way, employees would be able to autonomously participate (self-reported performance) in the overall performance appraisal process and would feel satisfied with the performance appraisal procedure (Cawley, Keeping, & Levy, 1998).

The findings also suggest that organizations may deploy HRM practices to employees by providing training courses and other career development programs to enhance their skills and abilities. To gain confidence of the employees in the performance appraisal system, their involvement in the performance management process should be encouraged and they should be well educated about how to monitor and evaluate their own performance. Moreover, provision and reception of feedback regarding performance appraisal should take place at all the superior-subordinate tiers and not only on top notches. Foon, Leong & Osman, (2010) explains further by reinstating employees’ low commitment and its detrimental effect if proper strategies, practices are not at practiced which subsequently increases the turnover intention in the organization. In addition, the findings of this study on organizational commitment and turnover is justified with several past studies where there is a negative relationship between organizational commitment and turnover intention (Salleh, Nair, & Harun, 2012; Beheshitfar & Allahyary, 2013; Park, Christie, & Sype, 2014). This means that by the turnover rate can be lowered through the development of committed workforce. The findings of this study explores and contributes to the understanding of the effects of the HRM practices of performance appraisal and training and development on the individual employees in terms of organizational commitment and their turnover intention, and the factors which may affect the perceptions of employees about the extent of fairness and justice in the policies deployed. One of the implications for managers is that how should they incorporate satisfaction factors within the processes of performance appraisal and training and development.

Overall, the investigation regarding the effects of the HRM practices, namely performance appraisal and training and development, on the organizational commitment reveals that these two HRM practices do have a noticeable influence on the commitment of an individual employee towards the organization which, in turn, reduces the turnover intention of the employee to a great extent.

5. Conclusion

The above study suggests that the HRM practices not only enhances the productivity and performance of the employees (Kuvaas, 2006), but well-designed HRM practices may also gain commitment of the employees and may positively affect their attitudes and behavior. It is further supported empirically that there is a significant relationship effect between HRM practices and organizational commitment and turnover intention. The implications involve significant impact for organizations in attaining competitive advantage. Organizational commitment and employees’ turnover intention may result detrimental repercussions on the organizations due to Performance Appraisal and Training and Development. In a nutshell, implementation of effective HRM Practices is imperative for both employee and organization which can lead to better productivity and performance.

Future studies should be relatively focused on the effects of performance appraisal and training and development on the aspects such as job satisfaction, retention and other suitable variables. Studies should also be conducted to further test the empirical evidence and the intrinsic relationship between the HRM practices and organizational commitment highlighted in this study and how the evaluative performance appraisal gets affected by the development procedures devised by an organization. Researchers can include other relevant variables such as organizational rewards, support from supervisor, work-family support, and favourable condition of job and career development in examining the organizational commitment of employee (Haq, Jindong, Hussain & Anjum,
2014). Moreover, researchers can estimate a wide range of targeted respondents in order to get more accurate and reliable results.

Although this study has drawn attention towards the relationship that exists between the HRM practices and behavior of the employees, but the scope of this study is limited. One of the limitations is the sample used, i.e. the group of employees is mainly from Klang Valley. Furthermore, this research was conducted across a large number of organizations and thus, it is difficult to determine the distinct factors of the HRM practices devised by various organizations which may affect the perception of employees towards the equity of the performance appraisal schemes. Another limitation being the variables which have been reported by the employees themselves and the possibility of bias and the resulting distortion in the overall inference cannot be ignored.

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