

# Impact of Performance Evaluation on Employee Productivity

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#### ABSTRACT

The purpose of this cross-sectional study is to explore the impact of performance evaluation on employee productivity in organizations in Pakistan. Mostly the organizations face low productivity level due to the performance appraisal system. Most of the reactions from employees are seen after the evaluation. As the organizations play vital role in developing the economy of the country. The significance of the relationship was explored on the survey based on primary data collection. This study uses reliability analysis, correlation and regression as well as descriptive analysis. Data was carried out and with the help of regression analysis the relationship between performance evaluation and employee productivity was seen. As a result, they have a positive and significant relationship with each other. It indicates that employees are well aware of importance of performance appraisal system. The study shows that if the organization encourages its employees through performance appraisal their productivity will increase and encourages communication and interaction at all levels in the organization for the sake of knowledge sharing, view mistakes of the employees as the opportunity to learn and reward them based on such criteria, it will be able to motivate them intrinsically and extrinsically both. It has leave room for the future researches in way that they can find the impact of both dependent and independent variable. The data gathered was through SPSS. The technique used was regression analysis. The finding states that aims on performance organized which is a part of evaluation system.

**Keywords:** Performance appraisal, Human resource management, Employee Productivity.

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