The study aimed at identifying the impact of knowledge management on the function of employee performance appraisals (it is one of the most important functions of human resources management) in Jordanian industrial public shareholding companies, relying on the descriptive analytical approach. A questionnaire has been developed and distributed on individuals of the study sample consisting of managers of departments and sections of human resources in each company. The number of questionnaire retrieved and valid for statistical analysis (294) representing (86.5%) of the distributed questionnaires. In order to analyze the study sample, reliance was placed on descriptive statistics, represented in the arithmetic means and standard deviations, in addition to the multiple linear regression analysis in hypothesis testing. The study reached a number of findings, most importantly, the presence of statistically significant impact at the level of (α=0.05) for the knowledge management including its dimensions (knowledge generation, knowledge storage, knowledge sharing, knowledge application) on the function of employee performance appraisals in Jordanian industrial public shareholding companies. The study has recommended that the Jordanian industrial public shareholding companies should follow an efficient evaluation system capable of identifying the employees’ weaknesses.