

## FAIR PERFORMANCE APPRAISAL SYSTEM AND EMPLOYEE SATISFACTION: THE MEDIATING ROLE OF TRUST IN SUPERVISOR AND PERCEIVED ORGANIZATIONAL POLITICS

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**Abstract:** The purpose of this study is to test the relationship between the fair Performance Appraisal system (FPAS) dimensions and employee satisfaction dimensions. Furthermore, this research also seeks to test the mediating effect of trust in supervisor and perceived organizational politics in the association between the fair performance appraisal and employee satisfaction. The total of 406 respondents data were collected from the banking sector of Pakistan through a convenient sampling technique. The Structural Equation Modelling (SEM) was employed to test the mediating effect of trust in supervisor and the perceived organizational politics in the association between the fair performance appraisal and employee satisfaction. The study reveals that trust in supervisor has partially mediated between the fair performance appraisal dimensions and employee satisfaction dimension whereas perceived organizational politics has fully mediated between the fair performance appraisal dimensions and employee satisfaction dimension. Previous studies have tested the performance appraisal system relationship with employee satisfaction. Whereas this research, according to the authors, is the first study, which has tested the trust in supervisor and perceived organizational politics in six different mediating models. The current study has been a pioneer in examining the mediating relationship between air performance appraisal system and employee satisfaction in the context of different appraisal techniques, appraisal process and implementation. During the performance appraisal evaluation process, organizations should monitor different aspects of employee satisfaction in order to foster a positive fair appraisal system for employees. The study framework is significant in practically testing other contexts for comparison. The managerial implications are based on the present findings to improve the appraisal system or way of evaluation in the organization.

**Key words:** performance appraisal, employee satisfaction, organization justice, trust in supervisor, perceived organizational politics

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### Introduction

In the region of Pakistan, the management practices are restricted to solely management activity of paper shuffling. Relatively large native or public companies are dominated by bureaucracy and performance appraisal management

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system (Danish et al., 2014). In such a setting, conventional practices are extremely over hawk-eyed, and performance appraisal strategies are seen to be terribly inexperienced or unconcerned. Few studies on this subject determine the effectiveness of the appraisal system in the Pakistani context (Anjum et al., 2018). Firstly, this research tries to analyse the relationship between the perception of the PA dimensions and employee satisfaction. Secondly, It has been examined the mediating role of trust and politics between the employee and his supervisor in this relationship. An overview of the political issues, which exist in the performance appraisal system has been highlighted by Spence and Keeping (2011). It has been observed that many employees who perform well are at times side-lined by those employees who are having political affiliations, or they have direct contacts with the senior management team. Employee's satisfaction has been influenced by many factors (e.g. Levy et al., 2017; Rajnoha and Lorincová, 2015). One of the factors is perceived organizational politics (Rahman et al., 2011) and second is trust in supervisor particularly in faired performance appraisal system. Both perceived organizational politics and trust in supervisor that could influence the level of employee satisfaction and these should be managed and considered by the management of Commercial banks in order to sustain the overall organizational effectiveness. A study conducted by Saleem (2015) has also approved the above statement that the influence of trust in supervisor and perceived organizational politics are much prevalent in the organizational system as it has been observed that employees often are not given rewards based on their performance. In fact, they are given rewards based on their contacts, affiliation with supervisor and political connection.

Over the last decades' researchers like, DeNisi and Murphy (2017) have asserted that appraisal reactions play a crucial role in the development of favorable job and organizational outcomes and enhance motivation to increase performance (Palaiologos et al., 2011). Of all the appraisal reactions, satisfaction has been the most frequently studied (Keeping and Levy, 2000). According to Lai Wan (2007), satisfaction is an important goal for organizations to reach, as it has been shown that profitability, productivity, employee retention and customer satisfaction are linked to employees' satisfaction. The higher satisfaction will be created through motivated employees, and it will in turn positively influence organizational performance. For a reason, satisfaction with the aspects of the appraisal process has been regarded as one of the most important reactions to PA (Jawahar and Liu, 2016). Besides, the appraisal system's effectiveness is depended not only on its technical characteristics but also on the general organizational and administrative framework, as the PA system is being not just a distributive activity, but it correlates with all the organization's other activities (Ye et al., 2012). Many theoretical models (Kurtessis et al., 2017) have examined the perceived organizational politics with outcomes or to quit the job. This research is looking towards the new paradigm regarding perceived organizational politics towards employee satisfaction in a fair appraisal system. The investigations of employee

satisfaction, perceived organizational politics and trust in supervisors have become a contemporary topic in the context of management practices and organizational development such as employee's performance evaluation (Jawahar and Liu, 2016). In other words, the area of management is highly concerned about the performance and satisfaction of employees while little has been explored about the impact of fair appraisal practice, supervisor trust and organizational politics. In this regard, it is evident that this improves institutional stability and sustainability. The enterprise sustainability in emerging economies has been enhanced by micro training and social capital (Haque et al., 2019). Hence, it is important to investigate the fair performance appraisal as it also has a close linked with enterprise sustainability.

Pakistan has unique banking history indeed commencing from scratch at the time of Independence in the Asian region. However, after its emergence, it has faced lots of problems but currently it has a broad banking sector operation. The numbers of scheduled banks operating in Pakistan are 33 by the end of June 2018. The branch network position of Scheduled Banks operating in Pakistan is 13,692 according to State Bank of Pakistan record 2018. This research is based on 9 commercial banks (HBL, Bank Alfalah, Faysal Bank, Meezan Bank, Askari Bank, Muslim Commercial Bank, Al Habib Bank, Standard Chartered Bank and United Bank Limited (UBL)) operating in Karachi, Pakistan. Different appraisal techniques or methods are used to evaluate the performance of employees in these banks such as Forced Distribution Methods / Bell Curve Method, Graphic Rating Scale Method, traditional or modern approach (goal setting), Management by objective and periodical reviews. In regard to fair performance appraisal process practiced among the employees has become vital as they intend to be treated well and be perceived fairly by their employers (Javed and Tariq, 2015). These employees tend to be more committed, supported, effective and efficient in performing their tasks (Javed and Tariq, 2015), which subsequently enhance their employees' satisfaction.

Nevertheless, there is no conclusive evidence of comparative analysis to investigate the research problem. Additionally, the 9 commercial banks considered in this study have two common features that are the perceived organizational politics and trust in supervisor those have been evident in the banking sector irrespective of the method or technique used in appraisal system. Hence, the present study aims to investigate the fair performance appraisal system dimensions towards employees' satisfaction dimensions and the mediating role of trust in supervisor parallel to perceived organizational politics in the Banking sector.

### **Literature Review**

According to Asiabar et al. (2013), the methods to give the rating to employee performance to evaluate how well they are working are called Performance Appraisal Method. Depending on the organization, it can be used to evaluate the

performance of employees based on their skills, productivity level, effectiveness, quality etc. Like in Education system, students are evaluated based on their marks in quizzes, assignment, activities, projects and examination and on the basis of these the students are being rewarded with the grade. Similar to this, organization can also evaluate their employees through different appraisal methods and then rewards their operatives based on their rating. It is not only applicable to large scale organization but it also can be used in factories, trading companies and in small firms as well.

Employee satisfaction with the role of PA plays a vital role in their long-term efficiency. A hostile reaction toward the PA can affect the entire PA system although if it is built neutrally and impartially (Buchner, 2007; Corbie-Smith et al., 2011). Aureli and Salvatori (2012) think that the neutrality of a PA system depends not only on the validity and reliability of the performance appraisal balance but also on the employees' reaction. However, the question arises on employees' reaction to the performance appraisal has been given very little attention (Luthans et al., 2008). In context to results of other research work, a reaction that is getting attention among researchers is the employees' assessment of the PA (Boachie-Mensah and Dogbe, 2011). There are 3 divisions of satisfaction towards PA. Firstly, it is the Satisfaction with Ratings; consistent with that higher ratings elicit positive reactions toward the appraisal (Kacmar et al., 1996) and are associated with satisfaction with the appraisal method (Jordan and Jordan, 1993). Secondly, Satisfaction with Rater; here, the determinative role that supervisors have to reassure positive outcomes as distinct, they are primarily the employees' appraisers and supply feedback for their performance (Milkovich and Boudreau, 1997). Thirdly, another part of satisfaction is that of Satisfaction with Appraisal Feedback; Feedback is crucial thanks to its potential influence on people's response to ratings (Kluger and DeNisi, 1996). Reviewers argue that performance feedback increases job satisfaction and motivation and lots of decision-making and career development models embody a circuit action that people learn on the premise of receiving feedback on their performance.

It has been assessed that there is a significant relationship between employee satisfaction and trust in the supervisor (Miao et al., 2013). In this way, it becomes apparent that there is a strong association between employees (team members) and supervisors' supports are usually attained from the senior management team of the organization. This also hints towards organizational commitment, which is a psychological bond between workers, employment and the workplace (Haque and Aston, 2016; Haque et al. 2018). Nevertheless, it is also a known fact that it is crucial to examine the integrative efforts on employee satisfaction. From the perspective of the intra-organizational perceptible, it is not currently clear whether the social relationship between employees and the supervisor tends to have an effect on the growth of the organization and performance appraisal system or not. Moreover, it has also been assessed that social setting of the organization is highly significant in the context and thus social support and social atmosphere created by

team members tend to have a critical influence on the employee performance of individuals (employees).

Numerous studies have been analyzed by using the four different types of justice without considering trust in supervisor as a mediator (Camerman et al., 2007). The Distributive and procedural-based justice system has been empirically revealed to be connected to trust in the business. In addition to this, interactional-based justice system has been directly related to the notion of trust in supervisors. Although it is apparent, studies have exhibited the perceived supervisory and support and partially mediated between the interactional justice system and trust. In this concern, the researchers or scholars have neither separated interactional justice system into its two different components (interpersonal justice and informational justice), nor revealed distributive and procedural-based justice (Nassar and Zaitouni, 2015). According to the above discussion following hypotheses are generated:

*H1: Trust in supervisor mediates the relationship between FPAS dimensions and Reactions towards last performance management system (PMS) rating*

*H2: Trust in supervisor mediates the relationship between FPAS dimensions and, reactions towards supervisors*

*H3: Trust in supervisor mediates the relationship between FPAS dimensions and Reactions to the PMS*

Spence and Keeping (2011) have successfully given an overview of the political issues, which exist in the performance appraisal system. It has been observed that many employees who perform well are at times by those employees who are having political affiliations or they have direct contacts with the senior management team. A study conducted by Saleem (2015) has also approved the above statement that the influence of politics is much common in the organizational system as it has been observed that employees are often not given rewards based on their performance. In fact, they are given rewards based on their contacts and political influences. Although there is no evidence that perceptions of performance appraisal politics have an effect on job attitudes negatively, many have found organizational politics to be a predictor of job satisfaction (Cropanzano et al., 1997, Ferris et al., 1992).

Thus, the proposed model incorporates associate degree and extends longitudinal mediational chain. Fair performance appraisal system dimensions' (Rater Confidence, setting performance expectations, providing feedback, clarifying expectations and Treatment by supervisor) expectations are negatively related to perceived organizational politics; politics, in turn, is predicted to own a negative result on employee satisfaction through its adverse influence on satisfaction subsidiary empirical proof. There is substantial proof that additional negative work attitudes are related to lower satisfaction. Thus, the proposed model incorporates projected positive relationships of employee' satisfaction to a performance appraisal dimension that captures each in-role and extra-role performance, negative

relationships of fair performance appraisal dimensions with the worker satisfaction dimensions (mediated through perceived organizational politics), and positive relationships of trust in supervisor to employee satisfaction by a path mediational chain through politics and trust. According to the above statement following hypotheses are generated:

*H4: Perceived organizational politics mediates the relationship between FPAS and Reactions towards last PMS rating*

*H5: Perceived organizational politics mediates the relationship between FPAS and reactions towards supervisors*

*H6: Perceived organizational politics mediates the relationship between FPAS dimension and Reactions to the PMS*

### **Research Framework**

The research framework is based on the organizational justice theory. The dependent variable used in the study is employee satisfaction dimensions, and the independent variable is fair performance appraisal system dimensions with two mediating variables i.e. perceived organizational politics and trust in supervisor. Subsequently, organizational justice theory has been reviewed along with developing the theoretical framework of the study and its conceptual framework. The literature study has managed to reveal that a fair performance appraisal-based satisfaction is apparently the satisfaction of employees due to the performance appraisal system. In this regard, Giles and Mossholder (1990) and Levy and Williams (2004) have further stated that the performance appraisal satisfaction has a significant impact on the productivity and efficiency of employees or human resource. In this regard, Murphy and Cleveland (1991) have stated that there is an intensive analysis based on critical factors, which tend to contribute towards the performance satisfaction.

However, it has been a notable fact that there is still a lack of empirical studies that can identify a significant and positive relationship with performance appraisal system dimensions (Setting performance expectations, rater confidence, clarifying expectations, providing feedback and treatment by supervisor) and employee satisfaction dimensions (reaction towards last PM rating, reaction towards supervisor and reaction towards PMS). For this reason, the following research is determined to investigate how trust in supervisor and perceived organizational politics mediate between employee satisfaction dimensions related to the perceived fairness of performance-based appraisal system dimensions (Setting performance expectations, rater confidence, clarifying expectations, providing feedback and treatment by supervisor). The conceptualized model has been presented in figure 1.

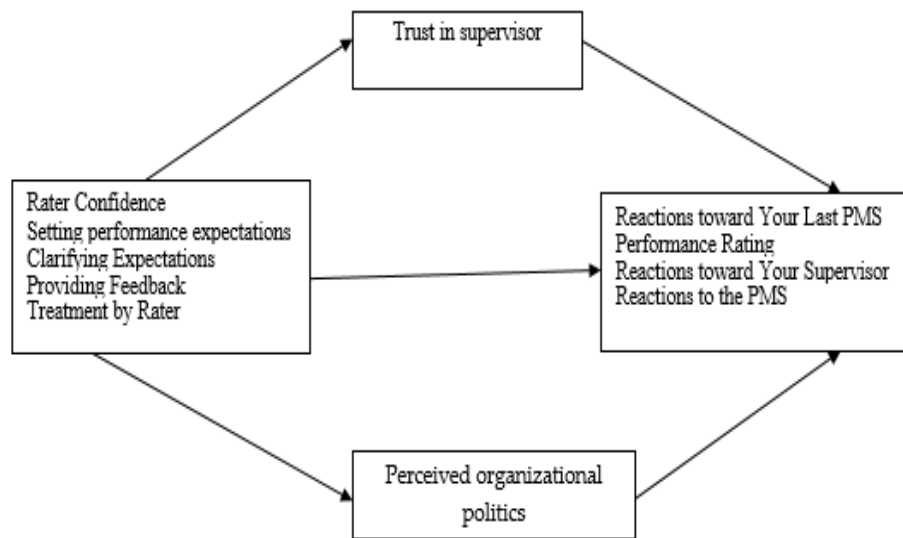


Figure 1. Conceptualized framework

### Research Methodology

This research is based on 9 commercial banks (HBL, Bank Alfalah, Faysal Bank, Meezan Bank, Askari Bank, Muslim Commercial Bank, Al Habib Bank, Standard Chartered Bank and United Bank Limited (UBL)) operating in Karachi. The overview of the performance appraisal methods followed in all these nine banks are presented in table 1.

Table 1. Performance Appraisal Method used in banks

Name of the Banks	Performance Appraisal Method Used
HBL Bank	Forced Distribution Methods / Bell Curve Method Graphics Rating Scale Method
Bank Alfalfa	Both traditional and modern approach (goal setting)
Faysal Bank	Management by objective (MBO).
Meezan Bank	Forced distribution method, i.e. bell curve
Askari Bank	periodical reviews
Muslim Commercial Bank	Annual performance Appraisal (Paired comparison analysis)
Al Habib Bank	MBO approach
Standard Chartered Bank	Cost Accounting Method (For top levels)
United Bank Limited (UBL)	Graphic rating scale method



In order to test the mediating role of trust in supervisor and perceived organizational politics with employee satisfaction, the data have been collected from the Banking sector of Karachi. In this regard, convenient sampling technique has been used, and data have been collected only from those employees who have been working for a particular organization for at least a year. This is done because employees need some time to understand the HR policies and the work and they usually make their perception after some time. Similarly, the satisfaction of employees towards the appraisal system also comes with time. Therefore, the data have been collected only from those employees who have worked for a particular organization. The structural equation modelling has been used as the statistical technique. Since there were three dependent variables and two mediators in the model, therefore, six different structural models have been employed to test the mediating effect of one mediator on one dependent variable at a time in their relationship with multiple independent variables.

### Results, Data Analysis and Discussion

Results of the analysis have shown that trust in supervisor completely mediates the relationship between rater confidence and reaction towards last performance rating. It partially mediates the relationship between setting performance expectations, treatment by supervisor, providing feedback and reaction towards last performance rating, whereas, perceived organizational politics completely mediates the relationship between clarifying expectations and reaction towards last performance rating, which partially mediates the relationship between rater's confidence, setting performance expectations, treatment by supervisor, providing feedback and reaction towards last performance rating. The five separate mediating models are examined because it is not possible to simultaneously test the individual mediating hypotheses by examining the overall model presented in Figure 1 (Kline, 2005). See table 2 for the overall mediating results of six models. Each Hypothesis results are discussed in table 2.

Table 2. Mediating results for all six models

Mo- del	Independent Variables	Media- tor*	Dependent Variable	Direct Effect (c)	Indirect Effect (ab)	Total Effect (c')	Degree of Media- tion
1	Rater Confidence	TIS*	Reaction towards last performance rating(RL)	0.366	0.067*	0.433*	Full
	Setting Performance Expectations			0.259*	0.041*	0.300*	Partial
	Clarifying Expectations			0.039	-0.008	0.031	No
	Providing feedback			0.114*	0.061*	0.175*	Med
	Treatment by supervisor			0.0283	0.051*	0.334*	Partial



<b>2</b>	Rater Confidence Setting Performance Expectations Clarifying Expectations Providing feedback Treatment by supervisor	TIS	Reaction toward supervisor (RS)	0.160* 0.197* 0.114* 0.150* 0.302*	0.044* 0.027* -0.006 0.042* 0.035*	0.204* 0.224* 0.109* 0.192* 0.338*	Partial Partial No med Partial Partial
<b>3</b>	Rater Confidence Setting Performance Expectations Clarifying Expectations Providing feedback Treatment by supervisor	TIS	Response to the PMS	0.490* 0.137* 0.043 0.186* 0.129	0.043* 0.026* -0.005 0.038* 0.032*	0.533* 0.163* 0.038 0.225* 0.161	Partial Partial No Med Partial Full
<b>4</b>	Rater Confidence Setting Performance Expectations Clarifying Expectations Providing feedback Treatment by supervisor	POP*	Reaction towards last performance rating	0.356* 0.240* 0.000 0.120* 0.222*	0.077* 0.060* 0.031* 0.055* 0.112*	0.434* 0.300* 0.031 0.175* 0.334*	Partial Partial Full Partial Partial
<b>5</b>	Rater Confidence Setting Performance Expectations Clarifying Expectations Providing feedback Treatment by supervisor	POP	Reaction toward supervisor	0.130* 0.166* 0.079 0.139* 0.231*	0.074* 0.166* 0.079* 0.139* 0.231*	0.204* 0.225* 0.109* 0.192* 0.339*	Partial Partial Full Partial Partial
<b>6</b>	Rater Confidence Setting Performance Expectations Clarifying Expectations Providing feedback Treatment by supervisor	POP	Response to the PMS	0.443* 0.093 0.002 0.160* 0.030	0.091* 0.071* 0.036* 0.064* 0.131*	0.534* 0.164* 0.038 0.225* 0.161*	Partial Full Full Partial Full

The model fit summary in AMOS-SEM indicates the fit indices such as model approximation along with values of criteria with a definite threshold i.e. Chi Square ( $\chi^2 > 0.05$ ), Adjusted Goodness of Fit Indexes (AGFI < 0.90), Goodness of Fit Index (GFI < 0.90), Comparative Fit Index (CFI < 0.95), Configure Invariance Model/Degree of Freedom (CMIN/df < 3.00), and Root mean Square of Approximation (RMSEA < 0.10) to test the model fit. The results of model fit show CMIN/DF (1.945), CFI (0.945) GFI (0.824) AGFI (0.786) and RMESA (0.063), which has shown the model is fit.

From the above results, it is found that Trust in Supervisor (TIS) partially mediates the relationship between three out of five dimensions (Setting Performance Expectations, Clarifying Expectations, Providing feedback and Treatment by supervisor) and the reaction towards last performance management system rating (RL), whereas, TIS does not mediate the relationship between clarifying expectations and RL. Full mediation has been observed between Rater confidence and RL. Hypothesis 2 collectively reveals the mediating relationships between the FPAS dimensions and there action towards supervisor RS. From the above results, it is found that TIS partially mediates the relationship between four out of five

dimensions (Rater Confidence, Setting Performance Expectations, Clarifying Expectations, providing feedback and Treatment by supervisor) and the RS, whereas, TIS does not mediate the relationship between clarifying expectations and RS. Hypothesis 1 collectively explores the mediation relationships between the FPAS dimensions and the RTP. From the above results, it is found that TIS partially mediates the relationship between three out of five dimensions (Rater confidence, Setting Performance Expectations, Clarifying Expectations and Providing feedback,) and the RTP, whereas, TIS does not mediate the relationship between clarifying expectations and RTP. Full mediation is observed between Treatment by supervisor and RTP. Hypothesis 4 collectively reveals the mediating relationships between the FPAS dimensions and the RL. From the above results, it is found that Perceived Organizational Politics (POP) partially mediates the relationship between four out of five dimensions (Rater Confidence, Setting Performance Expectations, clarifying Expectations, Providing feedback and Treatment by supervisor) and the RL. Whereas, POP fully mediates the relationship between clarifying expectations and RL. Hypothesis 5 collectively tests the mediating relationships between the FPAS dimensions and the RS. From the above results, it is found that POP partially mediates the relationship between four out of five dimensions (Rater Confidence, Setting Performance Expectations, Expectations, Providing feedback and Treatment by supervisor) and the RS. Whereas, POP fully mediates the relationship between clarifying expectations and RS. Hypothesis 6 collectively tests the mediating relationships between the FPAS dimensions and the RTP. From the above results, it is found that POP partially mediates the relationship between two out of five dimensions (Rater Confidence, providing feedback) and the RTP, whereas, TIS fully mediates the relationship between setting performance expectations, clarifying expectations, Treatment by supervisor and RTP.

### **Conclusion and Managerial Implications**

According to this research, 9 banks are targeted, and it is concluded that the satisfaction of employees related to fair performance appraisal system or any other issue varies from branch to branch. It has been observed that if there is any dissatisfaction of employees related to fair appraisal performance process in any 1 branch; all other branches will have the similar response. Satisfaction of employees is necessary but fair performance appraisal system has a vital role in the success of organization and employees too. If the fair performance appraisal evaluation of employees is not accurate or biases it will be the cause of demotivation of employees. Performance Appraisal should not be confidential; employees should be informed about their mistakes and positive points so that they improve their mistakes and these encourage them to know their positive points.

It is concluded that employee's response towards appraisal of performance is positive. It authenticates the proposed framework's potentiality for being utilized as an instrument for management. The conclusion has grounded on the after-effects

of the five dimensions estimating the fair appraisal evaluation and the three response dimensions have used to check the level of satisfaction with the system of appraisal. This study has made a significant contribution to the emerging body of research on fair performance appraisal system. Firstly, it confirms the effect that FPAS has on employee satisfaction such as last PMS Performance Rating Reactions and the Reactions towards Supervisor and Reactions to the PMS. Also, it has taken into consideration new variables including perceived organizational politics and Trust in supervisor as mediators. The objective is to develop an in-depth understanding of fair performance appraisal system towards employees and managers in organizations through the creation of a new model adopted from Greenberg (2011). Secondly, this research has determined that the antecedents in the model are relevant in Pakistani organizations context for understanding and developing a fair appraisal system for employees and managers. Thirdly, its developed measures based on the new model can be used to change the perception of employees and employers towards the system of Performance appraisal. The results have established that a fair performance appraisal system has been indirectly associated with employee satisfaction; instead, it is directly related to employee satisfaction through perceived organizational politics and trust in supervisor. These outcomes are reliable with the prediction of organizational justice theory, which states that fair performance appraisal systems encourage strength, and in turn, ultimately affect employee's satisfaction through their trust in supervisor and perceived organizational politics.

The outcome of this research depends upon the dimension of employee's satisfaction towards different dimensions of the fair appraisal system. Scale of employee's satisfaction has been considered an important input towards evaluating the fair system of appraisal. Measuring the fair system of appraisal has been proposed to have various components. Keeping and Levy (2000) suggest that employee satisfaction towards fair appraisal has been considered as the most important factor by so many researchers, as acceptance depends on this variable. As well as organizations will also apply the fair system in accordance with the validity of an appraisal itself (Jawahar and Liu, 2015). The study of Ibeogu and Ozturen (2015) indicates that feelings of unfairness and dissatisfaction in the process of fair appraisal and inequity perception in evaluating may "fate" failure in the system of appraisal. DeNisi and Murphy (2017) also emphasize the responses of employee satisfaction those are always important, and sometimes opposite response may defect the most carefully build fair appraisal system. To develop a new appraisal process for evaluating and procedures for organizations, employee feedback and satisfaction play a vital role in its future amendments (Kim and Holzer, 2016). According to this study, it highly recommends that importance of employee feedback and level of satisfaction towards fair appraisal system can be used by different organizations for the assessment purpose. Whereas, employee satisfaction has been the most useful scale for appraisal feedback, the study of Imran et al. (2018) states that it has been defined in different ways that are

frequently confounded and inconsistent by the so many additional theories in the variable (Keeping and Levy, 2000).

In Pakistan, the management system is being restricted to the older versions of HR practices, and every employee is rewarded equally regardless of the performance. Most of the organizations either public or private are not focusing on employee productivity and skill level. They are just concerned with the work that has to be done. This is a bureaucratic nature of management science (Danish et al., 2014). In Pakistan's context very limited researches have been taken place on the effectiveness of the appraisal system, and because of this fair performance system, it is limited to very limited organizations in Pakistan. Most of the organizations have no idea about the importance of the appraisal system; thus productivity is minimal as well in organizations (Ducharme et al., 2005).

Future studies, however, should replicate these findings in different settings in order to compare results from different job contexts. Regarding the impact of fair performance appraisal on employee satisfaction, the findings of this study reveal that four out of the Five (rater confidence, setting performance expectations, treatment by supervisor, providing feedback and clarifying expectations) are directly or indirectly associated with reaction towards supervisor and PMS. In accordance with Keeping and Spence (2011), the results have shown that rater's confidence, providing feedback and setting performance expectations are significantly related to reaction towards last performance rating; and finally, the clarifying expectations and treatment by the supervisor are related to the reaction towards PMS. Furthermore, in line with, Dello et al. (2017), it is found that fair performance appraisal system dimensions such as rater confidence, setting performance expectation and providing feedback are significant determinants of employee satisfaction. Similarly to what happened with perceived organizational politics, employee satisfaction mediates the relationship between fair performance appraisal dimensions and reacts towards the last PM rating. Thus, it is likely that individuals high in both rater confidence and setting performance expectations develop a feeling of satisfaction easily with the work itself and, consequently, they develop an effective satisfaction with the organization. The result regarding rater confidence is consistent with previous findings, indicating the positive reaction related to appraisal system and employee satisfaction (Jundt et al., 2015).

As Lau et al. (2017) suggest, organizational politics may affect satisfaction, but the culture is also a factor affecting the fair performance appraisal process. The results of the present study suggest that managers of organization departments should consider the fact that different aspects of supervisor role may play a key part in the development of employee satisfaction during the early career of first-line officers. Thus, concerning human resource practices, managers should design a clear channel of communication to help them to become aware of performance appraisal process that might prevent every level employee from developing a sense of politics to the organization so that they may avoid them. Banking organizations, as well as other public organizations, could handle this performance appraisal process

by increasing the availability of interaction with supervisors and improving their ability to change organizational culture in an organizational setting. This would mean introducing human resource practices that would ensure, for example, the employees have realistic expectations (i.e. the information they receive before appraisal is accurate and comprehensive), those expectations are met, and the junior employees feel satisfied and supported by the firm.

The following research consists of various limitations such as to find the mediating effect of overall trust in supervisor and perceived organizational politics between Perceived Fair Appraisal system and employee satisfaction. In future perceived organizational politics dimensions including 9 items must be measured to view the individual effects of mediation. There are other various factors including Employee performance, Employee involvement, Employee satisfaction and motivation etc, can be identified through the system of Perceived Fair Appraisal. Moreover, the present research emphasizes the banking sector. In future, it can be replicated by other industries such as educational, industrial and telecom sector.

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### SPRAWIEDLIWY SYSTEM OCENY WYDAJNOŚCI A SATYSFAKCJA PRACOWNIKÓW: MEDIACYJNA ROLA ZAUFANIA DO NADZORU I POSTRZEGANEJ POLITYKI ORGANIZACYJNEJ

**Streszczenie:** Celem artykułu jest zbadanie związku między sprawiedliwymi wymiarami systemu oceny wydajności (FPAS) a wymiarami zadowolenia pracowników. Ponadto badania te mają również na celu analizę pośredniego wpływu zaufania na przełożonego i postrzeganej polityki organizacyjnej w do rzetelnej oceną wyników a satysfakcji pracowników. Łącznie z sektora bankowego Pakistanu za pomocą celowej techniki zbierania próby badawczej, zgromadzono 406 wypełnionych formularzy ankiet. Modelowanie równań strukturalnych (SEM) wykorzystano do przetestowania pośredniego wpływu zaufania do przełożonego i postrzeganej polityki organizacyjnej w związku między rzetelną oceną wyników a zadowoleniem pracowników. Badanie ujawnia, że zaufanie do przełożonego miało częściowo znaczenie w relacjach między wymiarami oceny rzetelnych wyników a wymiarem satysfakcji pracowników, podczas gdy postrzegana polityka organizacyjna miała duże znaczenie w relacjach między wymiarami oceny rzetelnych wyników a wymiarem satysfakcji pracowników. Wcześniejsze badania testowały relację systemu oceny wydajności z satysfakcją pracowników. Badania te, według autorów, są pierwszym badaniem, które sprawdzało zaufanie do przełożonego i postrzeganie polityki organizacyjnej w sześciu różnych modelach mediacji. Obecne badanie jest pionierskim w badaniu związku pośredniczącego między systemem oceny wyników a satysfakcją pracowników w kontekście różnych technik oceny, procesu oceny i wdrażania. Podczas procesu oceny wyników organizacje powinny monitorować różne aspekty zadowolenia pracowników, aby wspierać pozytywny system uczciwej oceny pracowników. Ramy badania są istotne w praktycznym testowaniu innych kontekstów dla porównania. Implikacje zarządcze opierają się na obecnych odkryciach w celu ulepszenia systemu oceny lub sposobu oceny w organizacji.

**Słowa kluczowe:** ocena wydajności, zadowolenie pracowników, sprawiedliwość organizacyjna, zaufanie do nadzorczy, postrzegana polityka organizacyjna

### 公平绩效评估体系和员工满意度：信任在监督者和感知组织政治中的中介作用

**摘要：**本研究的目的是检验公平绩效评估系统（FPAS）维度与员工满意度维度之间的关系。此外，本研究还试图在公平绩效评估与员工满意度之间的关联中检验信任在主管和感知组织政治中的中介效应。共有406名受访者通过方便的抽样技术从巴基斯坦银行业收集数据。采用结构方程模型（SEM）来检验主管信任的中介效应以及公平绩效评估与员工满意度之间关联的感知组织政治。该研究表明，对主管的信任部分介于公平绩效评估维度和员工满意度维度之间，而感知组织政治则完全介于公平绩效评估维度和员工满意度维度之间。以往的研究测试了绩效考核体系与员工满意度的关系。据作者说，这项研究是第一项研究，它在六种不同的中介模型中测试了对主管和组织政治的信任。目前的研究是在不同的评估技术，评估过程和实施的背景下，研究空中绩效评估系统与员工满意度之间的中介关系的先行者。在绩效考核评估过程中，组织

应监督员工满意度的不同方面，以便为员工建立积极的公平评估体系。研究框架在实际测试其他背景以进行比较时具有重要意义。管理方面的影响是基于目前的调查结果，以改进组织中的评估系统或评估方式。

**关键词：**绩效评估，员工满意度，组织公平，主管信任，组织政治感知。