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**The Role of Equity in Mediating the Relationship
between Performance Appraisal and Employee
Performance in Lebanon**

By

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The Role of Equity in Mediating the Relationship between Performance Appraisal and Employee Performance in Lebanon

Farah El Sheikh Taha

ABSTRACT

The goal of this study to explore the perceptions of workers to notions of internal and external equity, and distributive and procedural justice and their impact on performance appraisal satisfaction and job performance in the country of Lebanon. A sample of 181 employees (N=181) took part in the study. The variables were measured using established scales in the literature. The collected data were analyzed using SPSS to test if the different dimensions of equity mediate the relationship between performance appraisal and job performance. It was found that equity and justice in the workplace is related to performance appraisal satisfaction and job performance. The findings shed light on the importance of equity and justice as a way to increase both appraisal satisfaction and job performance in the workplace. The findings are discussed in relation to the literature.

Keywords: Equity, Justice, Performance appraisal satisfaction, Performance Appraisal, Job Performance

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Chapter 1

Scope of the Study

This chapter includes a small introduction, the importance of the research, and the research questions.

1.1 Introduction

“How is performance appraisal measured as equitable”? Dipboye and de Pontbraind (1981) asked this question while exploring employees’ perception of equity in performance appraisal systems. Ilgen et al. (1979) state that when employees recognize their performance assessment as reasonable, performance appraisal will be an effective tool in career development and employee motivation. At the same time, when employees perceive their performance appraisal as unfair, the process becomes a source of dissatisfaction and demotivation for employees (Skarlicki and Folger, 1997). Performance appraisal procedures usually include feedback meetings, processes of accomplishing work aims, self-evaluations, and setting standards for employee performance (Ilgen et al., 1979). Performance appraisal is a set of practices to evaluate employees, grow their careers, train them, and allocate outcomes (Fletcher, 2001). Greenberg (1982) described the different perspectives of fairness of the performance appraisal system to include: (1) Distributive justice emphasizes on the outcomes gained compared to the inputs placed to determine the level of fairness of the performance appraisal systems (Greenberg, in press-a). It is the perception of the performance appraisal system that focuses on the fairness of the distribution of outcomes (Adams, 1963; Homans, 1961). Adams (1965) explained the

equity theory as a tool for employees to compare their perceived outcomes to their inputs, compared with other employees' outcomes and input ratio inside or outside the organization. Internal and external equity are two forms of distributive justice (Till and Karren, 2009). Andrews & Henry (1963) mentioned that internal equity occurs when an employee compares his/her obtained outcome over his/her input with that of his/her co-workers within the same organization. On the other hand, Weick, Bougon and Maruyama (1976) stated that external equity occurs when the employee's outcome over input is compared to that of employees of the same position in different organizations. (2) Procedural justice emphasizes on the process of the evaluation of employees to determine fairness (see Greenberg, in press-b). It is the perception of the performance appraisal system that focuses on the fairness of the components of the performance appraisal procedure (Leventhal's, 1980). Landy et al. (1978), Klasson et al. (1980), and Tang and Sarsfield-Baldwin (1996) found three main components that measure the perception of fairness in the performance appraisal process. First, the raters are assigned to assess employees' performance. Second, providing employees with standards for their performance. Third, seeking petitions. Setting an appeal process was found to be positively related to a good management system and supervision at the organization (Stratton, 1988). Kell and Motowidlo (2012) defined performance as practices and behaviors that cooperate with the organizational strategy to achieve organizational objectives. Overall, distributive, procedural and interactional justice influence employee performance (Shan, Ishaq, Shaheen, 2015).

1.2 Importance of the study

This research aims to study the relationship between performance appraisal satisfaction and employee performance with equity as a mediator of this relation. It aims to fill a research gap. Earlier, Warokka, Gallato, and Moorthy (2012) studied the mediating effect of performance appraisal on the relationship between organizational justice and work performance, and advised future researchers to study the employee perception of organizational justice as a mediator/regulator of the relationship between the satisfaction with performance appraisal and employee performance.

The dimensions of equity that will be studied in this research are the following: internal equity, external equity, distributive justice, and procedural justice, targeting workers within Lebanon. This relationship has never been tested in Lebanon. Moreover, Lebanon has fallen into a deep economic crisis in 2020, where it has practically exhausted its reserve of dollars, in a seventy percent dollarized economy (Wehbe, 2020). By April 2020, the Lebanese lira has forgone 60% of its value in comparison with the US dollar (Wehbe, 2020). Consequently, the results of this research may help human resources departments realize the impact of perception of equity on the relationship between performance appraisal satisfaction and employee performance within today's economic crisis in Lebanon.

1.3 Research Questions

This study includes the below research questions:

RQ1: Is there a relationship between performance appraisal, employee performance, and equity?

RQ2: Do the different perspectives of equity mediate the relationship between performance appraisal satisfaction and employee performance?

This research aims to answer the above research questions through a literature review and an empirical study. Chapter 2 of the thesis includes a review of the literature that clearly defines the three variables: Equity, Performance Appraisal, and Employee Performance, and includes theories connecting the variables together, and the hypothesis. In addition, Chapter 3 contains the methodology in which data has been collected to for an experimental study. Chapter 4 includes the results of the empirical study with analysis and explanation. Moreover, chapter 5 includes discussion of the results and their relationship to the organizational performance. This chapter will also include limitations of this research, future research recommendations, and managerial implications.

Chapter 2

Literature Review

This chapter includes a definition of each variable used, the relationship between the variables, supporting theories, and the hypotheses.

2.1 Equity

Equity is defined as anything of worth received, as in return giving away something with worth. Where fairness is achieved when giving and receiving are of the same worth. In compensation, equity is perceived when the pay matches the worth of the work completed. On the other hand, inequity is perceived when the pay mismatches the worth of the work completed (Andersson, 2007). As stated by Adam (1963), the employee's acknowledgement of equity is achieved by comparing his/her ratio of inputs and outcomes to that of others' inputs and outcomes inside or outside the organization. The input of an employee reflects employee's performance on tasks, level of experience and knowledge, skills and abilities, effectiveness and efficiency, and his/her organizational commitment (Abstein, 2014). However, the outputs comprise promotions, rewards, bonuses, wages, etc. (Adams, 1965; Greenberg & Ornstein, 1983). According to Adams (1963), an employee will achieve equity when his/her individual outcomes over his/her individual inputs are equal to other individual outcomes/inputs in the same or other organizations. When a worker obtains an equitable treatment in the organization, he/she becomes more effective and job committed (Rifai 2005, Parboteeah & Shim 2007).

Equity is essential in compensation systems and it appears in various settings (Akram, 2006). He stated the following equity contexts: Having equal wages for employees doing the same work, the pressure of the wage difference of employees working at other organizations, the justice of pay for those who are doing the same work at the same organization, and the employee's perception of his/her value at the organization compared to his/her pay. The organization's commitment to equity is of the same importance of its commitment to the compensation system implemented (Almansour, 2012). Hence, employee insights of fairness and unfairness are of equal importance when the organization is setting a compensation system. Bessant (2006) stated that employees who observe equity in their pay are more motivated to give better performances and achieve all the goals given to them by the organization. Overall, employees observe equity in various ways (Romanoff, Boehm, and Benson, 1986).

Homans (1961) states that distributive justice is of high relevance to the equity theory. Distributive justice mirrors the recognized fairness of the decision-making outcomes, and whether outcomes are fair or not (Colquitt et al., 2013). Brown (2001) states that employees perceive distributive justice by comparing their inputs level to their outputs level, and if any difference occurs, they will observe injustice. The implementation of distributive justice in organizations is to make sure that employees receive a fair output compared to their level of input (Kont, Jantson, 2013). Till and Karren (2009) mentions that internal and external equity are two forms of distributive justice.

Internal equity happens when the comparison takes place within the same organization (Buttner, 2015). Internal equity happens when the employee compares

his/her outcome with other colleagues at the same organization (Terpstra, Honoree, 2003). Adams (1965) defines internal equity as the extent of fairness that the employee receives while comparing himself/herself with another employee at the same organization. Within the same organization, employees may have access to pay information of other employees (Chand, 2018) and can easily know the compared employee performance, which would enable their perception of internal equity. In addition, internal equity has been negatively related to employees' turnover intentions (Buttner, Lowe, 2017). Internal equity is essential because employees tend to make up (e.g., Wills, 1991) and down organizational level comparisons (e.g., Martin, 1982) in the company (Harris et al., 2008; Sweeney and McFarlin, 2004). Studies of internal pay equity show a high relation between internal equity and the reward systems (Cheng, 2013). Moreover, studies showed that huge payment differences for employees working at the same organization might have an effect on the quality of the production, as well as the turnover rate (Bloom and Michel, 2002).

Equity comparison takes place among employees even if they are not on the same team or in the same organization. Colquitt (2013) elaborated that external equity arises when the comparing employee has the same position but works for another organization. Terpstra and Honoree (2003) mention that external equity occurs when the employee compares his/her compensation with another who has the same position at another organization. Romanoff, Boehm, and Benson (1986) state that external equity applies when employees are of same or different industries, however, they should be of same occupation and unification. External equity occurs when the organization pays the

employee a salary that matches the market salary given to a similar position employee (Crossman, 2002).

Terpstra and Honoree (2003) state that companies usually achieve external equity by setting income reviews. Measurement of the labor market is needed in order to apply external equity. When no specific wage is given to a specific position in the market, variations take place based on supply and demand fluctuation. Most of the time, organizations look for external equity when implementing their compensation systems (Chou, 2013). When organizations stress on external equity, they gain the knowledge that aids in developing a competitive compensation system compared to the market. Generally, top-level managers perceive external equity more than lower-level managers.

Brown (2001) states that internal and external equity are both used to study employee pay satisfaction. Khalifa and Truong (2011) indicated that internal equity is easier to be detected than external equity. It is easy for an employee to get data about the outcomes and inputs of his/her colleagues in the same organization, and compare it to his/her own (Khalifa; Truong, 2011). In addition, Khalifa and Truong (2011) mention that the employee becomes more understanding of inequity if the comparing employee is an outsider and his/her received outcomes are different from his/hers, since financial abilities are different among companies. However, if inequity occurs within the same company, the employee will feel dishonor and discrimination (Khalifa; Truong 2011). Absenteeism is one of the employee reactions to express inequity (Adams, 1963; Carrell and Dittrich, 1978; Cosier and Dalton, 1983; Dulebohn and Werling, 2007). When studying employees' absenteeism, internal and external equity should be studied deeply since they are considered important factors (Torre, Pelagatti, Solari, 2015). When

comparing internal to external equity, internal equity effects employee absenteeism more than external equity does (Torre, Pelagatti, Solari, 2015). Moreover, Cojuharenco (2013) states that in determining reasons of turnover, the recognition of internal equity was more significant than the recognition of external equity.

There are several scopes of equity in an organization (Torre; Pelagatti; Solari, 2015). Individuals perceive equity different from how their organization perceives it. Crawshaw (2013) mentions that organizations focus on comparing themselves with other organizations. However, individual employees compare themselves with other employees. Many researchers have perceived pay of less significant to employees (Rynes et al. 2004; Sanders et al. 2008). However, recent studies concluded that pay is an important factor for employees' motivation (Leana and Meuris 2015). The primary role of compensation systems is to encourage, attract, and keep employees (Dulebohn and Werling, 2007).

How employees recognize equity and inequity in an organization should be highly considered and adapted while implementing the organization's compensation systems. The organization's compensation strategy highly effects the employee's perception of equity. Workers consider the compensation system as fair when their received outcome matches their involvement in the organization. Moreover, the model of social comparison is highly linked to the equity theory, where employees tend by nature to compare their inputs (effort, knowledge, skills, and abilities) and their outputs (salary, promotion, bonus, and raise) to that of their coworkers (Carrell and Dittrich, 1978). Dunder (2012) adds that when workers notice any kind of inequity in the compensation system, they shift to cognitive distortion or to quit the organization.

Sweeney and McFarlin (2005) state that the equity philosophy refers salary disappointment to inequity in compensation. Williams et al. (2006) adds that salary disappointment results in increased absenteeism. Inequity creates a negative state of mind for employees that in fact follow up many departure consequences (Denisi et al., 2017). Adam (1963) elaborates that applying absenteeism as a method to overcome pay inequity differs from one person to another depending on the employee's acceptance of inequity and its impact on him/her. Moreover, Adam (1963) mentions that another result of salary disappointment is employee turnover. Inequity creates a negative state of mind for employees that follow many departure consequences (Dulebohn, 2010). Employees tend to quit their job and search for work in other companies when they perceive inequity in pay. Johns and Nicholson (1982) mention that employees working in groups may have a shared understanding of inequity and a common reaction to it. Hence, absenteeism may be a common decision taken by the group when cases of pay inequity occurs.

Romanoff, Boehm, and Benson (1986) state that the organization makes several equity decisions on its way to formulating the compensation system. For instance, organizations determine the employee's pay compared with his/her colleagues at the same organization, or other employees of the same position in other organizations (Romanoff; Boehm; Benson, 1986). Carrell and Dittrich (1978) settled three concerns of equity in the compensation system of employees. An equitable compensation system pays back employees a fair return to their job (Carrell; Dittrich, 1978). In compensation systems, the social comparison theory is implemented where employees use equity while comparing their inputs over rewards (salary, promotions, and raise), with other

employee's inputs over rewards (Carrell; Dittrich, 1978). Carrel and Dittrich (1978) add that if employees recognize the compensation system as unfair or biased, they will start making less effort, the absenteeism rate will increase leading to an increase in turnover. The equity theory designates the fairness of employee pay; when the employee compares his/her pay with others in the same organization or in different organizations of the same industry (e.g., colleagues or employees in other organizations). Researches differentiated between horizontal pay dispersion when employees compare their pay level with other employees at the same organizations, and vertical pay dispersion when they compare their pay level with employees at other organizations (see Trevor et al. 2012). Internal equity has always had a concern in compensation systems (e.g., Bloom, 1999; Cowherd and Levine, 1992; Evan and Simmons, 1969; Heyman, 2005; Pfeffer and Langton, 1993; Trevor et al., 2012). Employees usually lack accurate information about the pay level of their comparison employee, so most of the time it is a subjective belief (Sieweke; Koßlner; Suß, 2016). External equity in organizations was found to be the reason for organizations to invest in high-cost compensation reviews that compare their own compensation strategies with compensation strategies of other organizations from the same industry (e.g., Bloom, 1999; Cowherd and Levine, 1992; Evan and Simmons, 1969; Heyman, 2005; Pfeffer and Langton, 1993; Trevor et al., 2012). In addition, external equity is implemented when building the compensation structure of the organization so that it can develop compensation systems that are competitive with the organizations it competes with from the same industry (Romanoff; Boehm; Benson, 1986).

Procedural justice is based on the fairness of the decision-making procedure, and to what extent they are fair, precise, and reliable (Colquitt et al., 2013: 200). Procedural justice is concerned with the justice of the process used to distribute the outcomes for the employees (Thibaut and Walker, 1975; Burton et al., 2008; Leventhal, 1980). Procedural justice is also related to treating employees justly with no bias or any type of discrimination (Thibaut and Walker, 1975; Burton et al., 2008; Leventhal, 1980). Tyler (1990) mentions that employees may perceive a reasonable decisional process, while they believe that the output distribution is unfair. Procedural equity is related to the justice of the process that is settled to make decisions on the outcomes of the employees (Terpstra, Honoree, 2003). Terpstra and Honoree (2003) mention that employee participation in setting the process of the reward system helps in achieving procedural equity at the organization. Terpstra and Honoree (2003) state that procedural equity is the highest form of equity that is found to be essential for the employee pay satisfaction, after it comes external, and then internal equity.

2.2 Performance Appraisal

Performance appraisal are a group of practices used in order to evaluate employees' performance and develop their needed skills (Fletcher, 2001). It helps employees to increase their performance and distributes the outcomes (Fletcher, 2001). The performance appraisal system in the workplace caught the attention of many researchers and scholars throughout the years (DeNisi, Murphy, 2017). DeNisi and Murphy (2017) differentiate between performance appraisal and performance management. DeNisi and Murphy (2017) state that performance management start with

performance appraisal but it continues to set goals for employees, provide them with the necessary trainings, and provide rewards to employees with an outstanding performance.

One of the typical flaws in performance appraisal is stopping at the evaluation stage, performance appraisal must be an enduring procedure (Horsoo Jnr, 2009). Employees are in need of more feedback than the performance appraisal requires (Horsoo Jnr, 2009). The performance management process should be considered as an ongoing procedure as full performance appraisal meetings can't be settled frequently in one year (Horsoo Jnr, 2009). Unending supervision of employees will occur as employees receive mini assessments and responses for their work (Horsoo Jnr, 2009). Performance management should include the following steps to be efficient: supervisors and subordinates planning tasks, providing assessments and responses, setting development plans and offering training sessions, and providing rewards for employees based on their performance (Horsoo Jnr, 2009).

For the twentieth century, performance appraisal is found to be one of the essentials of organizational success (Rasch, 2004). Rasch (2004) adds that performance appraisal is used to evaluate employee performance and use the results to develop performance. Rasch (2004) continues that performance appraisal is highly connected to performance pay plans that are essential for rewarding each employee with better compensation and bonuses. Rasch (2004) states that performance appraisal raises awareness for bad employee behaviors. All employees at the organization must receive a performance evaluation (Rasch, 2004). Kohn (1992) states that performance appraisal is used to determine the employee reward, in which Kohn (1992) believes that pay -also known here as monetary reward- is used to maintain and enhance performance at work.

Scholtes (1993) adds that performance appraisal can lead to problems between employees at the workplace. Many employees will not be benefiting from the performance appraisal which can nurture problems between them and the benefiting parties, so in this case, the problem in their performance should be specifically identified and communicated (Scholtes, 1993). In addition, performance objectives should be identified for both parties (Scholtes, 1993).

There are many trustworthy bases that question the validity of the performance evaluation process (Derven, 1990) while other bases see it as the most essential part of a healthy organization (Lawrie, 1990). Performance appraisal is a process used to improve the employee and the organization's future, it analyzes the successes and failures of each employee in order to determine his/her trainings and promotions afterward (Maund, 2001). Appraisal is the basis of the performance management process (Maund, 2001). When applied effectively and in a professional way, performance appraisal enhances the chances of employee's career development at the organization (Maund, 2001). Mohrman et al (1989) mentions the capacities of the performance management: it enhances inspiration and self-honor in employees, expands job purposes and obligations, increases communication between all level employees, helps in the distribution of rewards in a reasonable process, and finally it explains organizational aims.

Bandura (1977) mentions that there are many sources of assessment, where self-assessment is the most critical source for performance evaluation. Bandura (1977) states the following advantages for performance appraisal: the evaluator and evaluated employee are requested to have a formal meeting, awareness for the potentials of the employee will be present, specific development opportunities will be given to each

employee needed, appreciated remarks will be given by both parties, and there will be a better understanding of each role and duty. Bandura (1977) adds that this doesn't exempt some disadvantages that might occur when using performance appraisal ineffectively. Some disadvantages of performance appraisal are that the rater would apply discrimination and stereotypes at the assessment and the appraisal interviews (Bandura, 1977).

One of the most essential benefits of the performance appraisal system is that it has all the data to fight against any discrimination lawsuit given to the organization by any employee (Gray, 2002). Judge and Ferris (1993) state that one of the top human resources practices is performance appraisal. Johnson and Shields (2007) report that performance appraisal is a managerial technique. Chand and Ranga (2018) mention that performance appraisal helps the organization in achieving its goals and objectives. Performance appraisal plays a big role in enhancing productivity, it helps to identify clearer job responsibilities and tasks, it serves the company's aims and purposes, it reviews how tasks are done, and it is involved in training and development sessions (Deepa; Kuppusamy, 2014). Ari Warokka et al (2012) elaborate that the performance appraisal results in an increased employee performance. Hasan Salih Suliman Al-Qudah et al (2011) discovered that the performance appraisal practices enhance employees' effectiveness and efficiency. A.K (2010) specify that performance appraisal is now an important objective needed by each organization in order to evaluate its employees' performance correctly. Mathew and Johnson (2015) added that performance appraisal works toward the organization's success. Webb (2004) argues that performance evaluation is not only a yearly process, but also, that successful director's use

performance evaluation on a day-to-day process even through communication, for the benefit of their employees. Fletcher (2001) confirmed that performance appraisal is a supervision procedure to double check that employees' efforts and hard work is coordinated with the organizational goals and objectives. Kinicki, Prussia, Ben, and McKee-Ryan (2004) add that an effective performance appraisal system supports the workers to obtain precise, consistent, and on-time evaluation. The performance appraisal system is not only an HR set of practices, it is used as well as a tool to distribute rewards, wages, and bonuses (Chand and Ranga 2018).

The human resources implemented in organizations is effective when there are performance appraisal policies that deal with assessing employees' performance (Yalcin, 2002). Yalcin (2002) continues that there is a lack in the implementation of an effective performance appraisal system at the organizations. Rao (2005) adds that performance appraisal is the base of performance management that studies the behavior of employees. Mackey & Johnson (2000) state that performance appraisal systems track performance difficulties and find solutions for it. Kuvaas (2006) mentions that performance appraisal manages employee development throughout his/her career for communal and isolated sectors. Kuvaas (2006) says that performance appraisal is critical to set well-organized trainings for each employee in need of boosting his/her performance. Performance appraisal can create employee motivation through the feedback process, where employees are free to express their opinion about others' performance, also this will enhance employee productivity by highlighting the positive performances and fixing the negative ones (Kuvaas, 2006). Maud (2001) states that when performance appraisal is implemented in an effective manner, employees will recognize their self-worth and grow

ambitions. Wanjala and Kimutai (2015) state that the employee participation at the appraisal process lets the employee perceive the assessment as fair, also encourages him/her to perform better. Wanjala and Kimutai (2015) concludes that performance appraisal systems that ensure trainings and developments are very preferable to employees.

Murphy and Cleveland (1995) stated that traditional performance appraisal systems are hated by workers because they don't accept employees' engagement in the evaluation process. The employees feel isolated and disregarded from the evaluation process, and all the process that involve them is controlled only by their managers (e.g., Dachler and Wilport, 1978). Effective performance appraisal systems engage the employees in the evaluation process (Carroll and Schneier, 1982; Murphy and Cleveland, 1995). In addition, employee's participation at the performance appraisal process would exceed the evaluation step (Horsoo Jnr, 2009). Horsoo Jnr. (2009) mentions that employees must contribute in implementing goals and trainings needed for their improvement at the second cycle of assessment. Employees that engage in such performance planning are more likely to accept the plan and perform better (Horsoo Jnr, 2009).

The three most used appraisal methods are: Rating Scales Method, Essay Method, and Results- oriented or MBO method (Gelens, 2014). The Rating Scale method allows the employee to rate other employees' characteristics on a range from poor to excellent, traits of employees such as teamwork, communication, and timekeeping are rated in this method (Gelens, 2014). The advantages of the rating scale method are that it is formed in a consistent way, it facilitates comparison and reporting,

all employees are rated by the same appraisal procedure (Gelens, 2014). The rating scale method helps in the implementation of justice in the appraisal of all employees with the collection of easy data for understanding (Gelens, 2014). The disadvantage of the rating scale method is that the traits evaluated in the appraisal forms are not relative to all positions at the organization, therefore, the evaluation criteria for each position at the organization should be taken into account (Gelens, 2014). Moreover, another trick with the rating scale method is the selective perception problem (Gelens, 2014). Selective perception is when any employee makes good or bad judgements of another employee and searches for evidence to make these judgments real, however, they are in fact unreal (halos and horns result) (Gelens, 2014). For example, the supervisor assumed that the employee is bad, and then he started underrating him in his performance appraisal because of his wrong perceptions (Gelens, 2014). In addition, one of the problems of the rating method is perceived meaning, where the rater perceived the meaning of the characteristic being assessed in the performance form different than its actual meaning (Gelens, 2014). For example, one supervisor might understand initiative characteristic as reporting work issues to the supervisor, while another one would feel that this shows high dependence on the control of the manager (Edoardo, 2015) (Gelens, 2014).

The essay method is when the rater arranges a paper about the employee being assessed (Gelens, 2014). The essay includes positive and negative performances of the employee during that performance cycle (Fernandes, 2006). It has also a section for performance solutions for those who didn't meet standards (Gelens, 2014). The essay is written by the appraiser and it can be written sometimes in collaboration with the employee being appraised (Gelens, 2014). The advantages of the essay method are that it

helps the appraiser to address any issue relative to performance in specific to the appraiser's concern. It also facilitates self-expression with no limits, where the appraiser is free to add any comment whether positive or negative with no specific criteria (Gelens, 2014). On the other hand, the disadvantages of the essay method is that it is considered time intense and hard to report for the lack of a rating scale data (Gelens, 2014). Moreover, the writing skills of the appraiser might leave a serious distortion in the assessment (Gelens, 2014). In addition, the essay method is considered a very subjective way to do assessments in a fair way (Gelens, 2014).

Management by objectives (MBO) is considered outcome-oriented (Gelens, 2014). MBO focuses on how much objectives have been achieved throughout the performance cycle where the objectives are prearranged by the supervisor and his/her subordinate together (Gelens, 2014). In this method, the appraisee is expected to self-evaluate himself/herself and track his/her skills used to achieve those objectives, then forecast the developments needed for those skills (Gelens, 2014). The advantages of MBO are that it considers ends, helps in estimating ends, too, by comparing the skills of the employees available to the targets, then the employee can settle for an accepted job performance by an understandable standard of reaching or exceeding targets settled (Gelens, 2014). In addition, employees are assessed based on real achievements and not based on subjective views of achievement (Gelens, 2014). Moreover, results of performance can be observed, while skills and characteristics are estimated (Gelens, 2014). The disadvantages of MBO are that this method leads to impractical estimations of what can and can't be achieved (Gelens, 2014). In addition, many different objectives can make employees disordered (Gelens, 2014).

2.3 Equity's impact on performance appraisal

Some organizations might choose to implement performance appraisal systems to determine raises, rewards, or outcomes for the employees, or it might use the system to know on what bases it should train and develop each employee (Drenth, 1984). In performance appraisal systems, people acquire satisfaction of appraisal when the system meets the principles of justice studied by many researchers and also known as organizational justice (Kuvaas, 2006a, b, c; Greenberg and Folger, 1983; Landy et al., 1978; Lind and Tyler, 1988). Many theories state that the role of the employee in the appraisal system is highly connected with his satisfaction of the system (Pooyan, Eberhardt, 1989). Bretz et al. (1992) mentions that lack of employee performance appraisal training can result in inflation/deflation of performance which therefore will affect employee satisfaction. Drenth (1984) states that performance appraisal systems might result in conflicts of bias and inequity, when the rater uses the system, he has to compare between individuals in order to determine promotion distribution, training, and development required to each employee. Real and unbiased management of performance appraisal is one of the top challenges the human resources department faces nowadays (Goh, 2014; Gabris & Ihrke, 2000; Longenecker & Goff, 1992; Poon, 2004). The subjective employee evaluation and the difficulty of assessing performance make the appraisal system tough and challenging (Berman, Bowman, West, & Van Mart, 2006; Friedman, 2006). Many specialists have mentioned that failing to pay back for great performance will make the performance appraisal system untrustworthy for employees (Hair, 2011). An effective performance appraisal system would pay back rewards to employees that have high performance, which will motivate them to maintain a high

performance (Harris, 2008). Managers of the organizations are always being challenged in implementing performance appraisal systems that equitably measure performance of employees and fairly distribute the rewards (outcomes) of the evaluation (Miller & Thornton, 2006). Heyman (2005) indicates that the evaluation appraisal system shouldn't be focused only on the design used, however, it should focus on the justice of the assessment process.

The justice of the performance appraisal system appears when the following occurs: employees have equal opportunities in expressing their feelings, the presence of a well-organized evaluation program, the supervisor's knowledge of each of his/her subordinate's performance, the presence of plans to overcome employee's flaws, and the regularity of assessments (Tang, Sarsfield-Baldwin, 1996). Moreover, the manager should always depend on precise data when doing assessments, move away from any type of bias, take into consideration the opinion of all receivers, and pertain right and decent standards (Horsoo, 2009).

Milliman et al. (2002) mentions that performance appraisal activities are the tools that determine whether an employee is eligible for a promotion or not. Because not all employees are able to get promoted, this might create a sense of unfairness, which impacts the employee's perception of distributive justice (Wooten and Cobb 1999; Nurse 2005). Rubianty and Kim (2011) mention that each employee perceives fairness of the appraisal system different from the other. Distributive justice is essential in reviewing equity (Adams, 1965). The most common research of distributive justice is used in the observation of the employee's reward compared with his input in order to check equity (Tyler, 1994). Distributive Justice is concerned with the results

accomplished, or the fairness of the decisions taken (Tang, Sarsfield-Baldwin, 1996). Distributive justice helps in determining the level of employee's satisfaction with the rewards of the performance appraisal (Podsakoff, 2012). Pignata (2016) states that receiving reliable ratings and rewards based on performance accomplished are part of achieving distributive justice in the performance appraisal system. Strom (2001) states that distributive justice foresees employee self-assessments. Distributive justice in performance appraisal is known to be more subjective and has varied outcome satisfaction (Tang, Sarsfield-Baldwin, 1996). Johnson (2007) states that distributive justice is linked to the satisfaction of subjective outcomes such as performance evaluation and outcome allocation. Distributive justice was concluded to be more related in studying the employee satisfaction of the outcomes of the performance appraisal (Sieweke, 2016).

Therefore, the first hypothesis is:

H1: Perceptions of distributive justice will be positively and directly related to employees' satisfaction with the performance appraisal.

Internal equity motivates the employee to ask for fair treatment as other employees working at the same organization (Trevor et al., 2012). However, external equity motivates employees which are getting similar treatment of employees at other organizations (Johnson, 2007). The equity in giving rewards has been the main focus of many researchers for a long time (Heyman, 2005; Trevor et al., 2012). Performance management is not only concerned about performance assessment, but it takes into consideration rewarding employees on their performance, as rewards play a big role in motivating employees to keep and adjust their performance (Bannister & Balkin, 1990).

Horsoo Jnr. (2009) mentions that positive performance forces the organization to offer the employee physical rewards. Horsoo Jnr. (2009) states that the organization should pay back the employees on their performance, or else there wouldn't be any distinguishing factors between positive and negative performance. The Public Policy Issue Statement (2018) states that in order to successfully retain employees, internal equity should be implemented in order to let employees perceive fairness by rewarding them based on their performance, abilities, and requirements. In addition, external equity should also be considered in payment and welfares, where employees look at other employees' rewards at competitor organizations (Public Policy Issue Statement, 2018). Internal equity exists as a way when the employee compares his/her pay and rewards to another employee at the same organization, same organizational level, or different one (Trevor et al., 2012). The horizontal and vertical scopes of internal pay equity are found to be vital in determining employee satisfaction (Brown et al., 2003; Harris et al., 2008; Trevor et al., 2012 for horizontal equity; Harris et al., 2008; Sweeny and McFarlin, 2005 for vertical equity). But Harris and colleagues (2008) indicate that the horizontal scope of internal equity is of more importance in detecting pay satisfaction. One of the neglected studies in the horizontal scopes of internal equity is the study of the difference in pay between white and blue collars, which is definitely considered a horizontal organizational dimension (Torre, Pelagatti, Solari, 2015). As for external equity, as mentioned previously, equity is highly considered even if the compared employee is not at the same organization, however, he/she should be in the same position in another organization and in the same industry. However, higher organizational employee levels here are concerned with external equity more than those at lower managerial levels, and that goes back to the fact that employees at the high organizational levels are more

interfered with public relations, that make the compared employees' inputs and outputs more noticeable (Davis, 1997).

Hence, the second and third hypotheses are:

H2: Perceptions of Internal equity will be positively and directly related to employees' satisfaction with the performance appraisal.

H3: Perceptions of external equity will be positively and directly related to employees' satisfaction with the performance appraisal.

Procedural Justice is concerned with the level of fairness of the means in taking the decision, which is the level of justice of the process (Tang, Sarsfield-Baldwin, 1996). Procedural justice is highly involved in the measurement of the fairness of the performance appraisal's procedure, employees show organizational loyalty when the procedure of the performance appraisal is perceived as fair (Khalifa, 2011). Khalifa (2011) states that encouraging frequent feedback before evaluation, communication, the supervisor's knowledge of the subordinate's performance, and the use of ethical standards in the performance appraisal system are part of achieving procedural justice in the performance appraisal system. Sweeney and McFarlin (1993) stated that procedural justice touches the assessment of the organization and its experts. Procedural justice plays a major role in building loyalty of employees and it is a way to show the assurance of the organization. In rational procedural justice, questioning the results of the performance appraisal is hard because all employees should observe a well-organized and clear process that explains the means. Procedural justice is found to be more related when studying the employee satisfaction of the performance appraisal process (Kim,

2011). Kim (2011) states that procedural justice is linked to general evaluations of the performance appraisal system.

Therefore, the forth hypothesis is:

H4: Perceptions of procedural justice will be positively and directly related to employees' satisfaction with the performance appraisal.

Employees who perceive distributive justice focus on the outcomes distributed after the performance appraisal (Kuvaas, 2006). Distributive justice emphasizes on the integrity of the assessment's outcomes received by the employees relative to their inputs (Kuvaas, 2006). Hence, the employee is going to evaluate his assessment's outcome to others, and will feel injustice if they receive different than what he has expected (Kuvaas, 2006). However, procedural justice focuses on the fairness of the procedure followed to evaluate the employees (Kuvaas, 2006). Greenberg (1986) adds that those employees who perceive procedural justice focus on the process of the evaluation in the appraisal system, rather than focusing on how outcomes are distributed. Greenberg (1985) established that procedural justice is an unbiased procedure of carrying out performance appraisal. Greenburg (1985) further explains that procedural justice determines a set of standards for the evaluation of employees. Procedural justice is a group of fair procedures used for the distribution of resources (Leventhal; Karuza; Fry's, 1980). Procedural justice is favored to be applied in all organizational situations and not only in performance appraisal (Khan, 2005). Greenberg (1985) suggests that for the organization to be fair in carrying out performance appraisal, it's better for the rater to use diaries, in order to enhance the familiarity with the employees and their performance. Thibaut and Walker (1975) add that a fair performance appraisal system

should include the inputs of the employees available to them in the evaluation. Landy et al. (1978) adds that procedural factors are as important as distributive factors, organizations shouldn't ignore the distributive justice on their way to implementing procedures. Moreover, those who perceive interactional justice, seek fairness of the coordinators in clarifying the procedure and outcomes of the performance appraisal (Greenberg, 2004). Rubianty and Kim (2011) state that an effective performance appraisal system occurs after managing the employees' perception of fairness, and not only the system. Moreover, employees should have the chance to be engaged in the performance appraisal process, and determine the values of assessing the employees (Rubianty; Kim, 2011). Employees' participation in the performance appraisal enhances the system's fairness and equity, also it results in an increased job satisfaction in the employees (Roberts, 2003; Husain, 2011).

2.4 Performance

Kell and Motowidlo (2012) defined performance as practices and behaviors that cooperate with the organizational strategy to achieve organizational objectives. Campbell (1983) defines job performance as the extent to which workers benefit the organization in achieving its objectives. Mathew (2015) undertakes job performance as interactive, sporadic, and able for evaluation. Mathew (2015) state that job performance can be evaluated as desirable or undesirable, depending on the effectiveness of the employee. After many researches, (e.g., Motowidlo et al. 1997; Motowidlo and Van Scotter 1994), researchers found out that there are two types of employee performance in an organization, task performance and contextual performance. Task performance is defined as the work activities that are required by the employee to perform his duties, for

example, transforming wood into table (Motowidlo et al. 1997). However, contextual performance relies on voluntary actions performed by the employee, some kinds of non-required tasks that include organizational commitment (Motowidlo et al. 1997). The reason behind the importance of task performance is that it helps in achieving the organizations core objectives. However, the reason behind the significance of contextual performance is that it enhances the social and organizational environment where core tasks should be performed (Motowidlo et al. 1997).

2.5 Equity's impact on employee performance

The theory of distributive justice states that unkind feelings push workers to restore equity by adapting to new actions and behaviors leading to a new performance at their job (Adams & Freedman, 1976; Greenberg, 1990; Walster, Walster, & Berscheid, 1978). For example, demotivated employees would use actions like lowering their productivity. Moreover, in underpayment cases, employees tend to be less productive, where in cases of overpayment they will be more productive, however they will be less satisfied because of guilt (Greenberg, 1987b; Mowday, 1991). Williams (1999) concludes that as equity's perception increases, performance of employees increases, too. Shan, Ishaq, and Shaheen (2015) mention that there is a positive relationship between distributive justice and employee performance.

Pay usually determines how the organization values its employees (see Judge et al. 2010). When employees are low paid, they lower their input level by lowering their job performance (Adams and Freedman, 1976; Greenberg, 1982). However, when employees are overly paid, they would put much effort on their job performance, in order to push their input level (Adams and Freedman, 1976; Greenberg, 1982).

Therefore, the fifth hypothesis is:

H5: Perceptions of distributive justice will be positively and directly related to the employee performance at the organization.

Many researches have shown that pay for employees is linked to employee's work-related attitudes (e.g., Trevor and Wazeter 2006). Sieweke, Koßlner, and Suß (2016) state that internal equity enhances as the employee pay level is enhanced, while his/her colleague in the same organization remains the same pay or less than the first. When internal equity is enhanced, employees tend to have a better job performance (Sieweke; Koßlner; Suß, 2016). Internal equity declines as the employee gets a pay lower than the pay his colleagues in the same organization get (Sieweke; Koßlner; Suß, 2016). Sieweke, Koßlner, and Suß (2016) conclude that as internal equity decreases, it impacts the employees to have low job performance. Sieweke, Koßlner, and Suß (2016) mention that external equity enhances as the employee pay level is enhanced, while workers outside the workplace remain the same pay or less than the first. When external equity is enhanced, employees tend to have a better job performance (Sieweke; Koßlner; Suß, 2016). On the other hand, external equity declines as the employee gets a pay lower than the pay level of workers that are not in the workplace (Sieweke; Koßlner; Suß, 2016). Sieweke, Koßlner, and Suß (2016) conclude that as external equity decreases, it impacts the employees to have lower job performance.

Hence, the sixth and seventh hypotheses are:

H6: Perceptions of Internal equity will be positively and directly related to the employee performance at the organization.

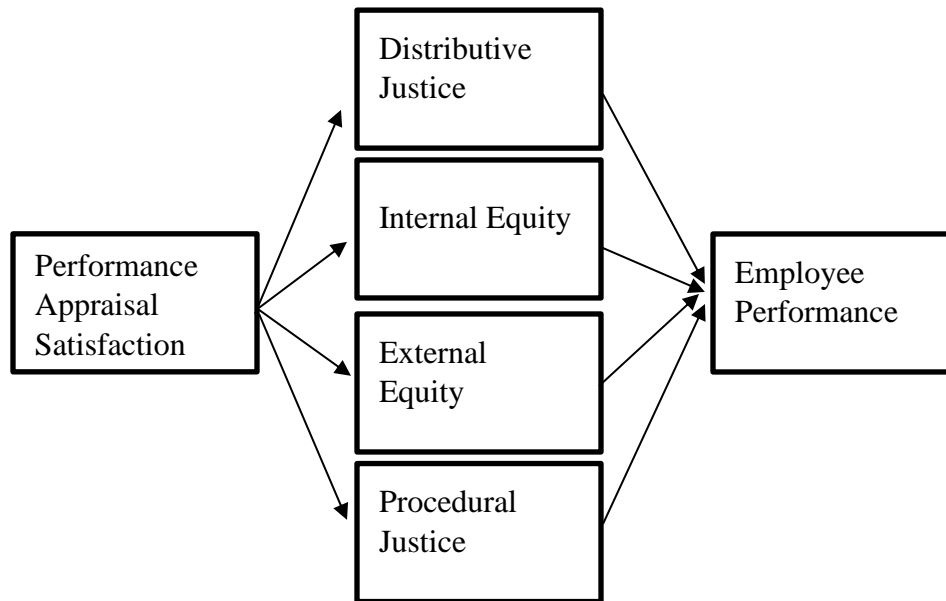
H7: Perceptions of external equity will be positively and directly related to the employee performance at the organization.

Studies prove that the means of the process that distributes the outcomes is of the same importance as the outcome (Kuvaas, 2006). Greenberg (1990) states that procedural justice contains two mechanisms. First, the availability or the nonexistence of a distribution process. Second, the pride and esteem level that employee's feel about a specific process (Greenberg, 1990). For the first constituent of procedural justice, employees perceive procedural justice fairly when they get involved in putting down the decision process for distributing their outcomes (Miller, 2006). For the second constituent, providing reasoning of decisions taken during the process will influence the employee's acceptance level of the distribution (Nasurdin, 2011). He concludes that as justification is provided during the process, employees perceive the process to be fair, and the employees' performance is found to increase. On the other hand, employees' involvement in setting the decision process has no effect on their perception of fairness of the procedural justice nor on their task performance (Williams, 1999). Shan, Ishaq, and Shaheen (2015) state that there is a positive relationship between procedural justice and employee performance.

Therefore, the eighth hypothesis is:

H8: Perceptions of procedural justice will be positively and directly related to the employee performance at the organization.

Figure 1: PAS, Equity, Justice, and Employee Performance



2.6 Theories supporting the study

The relationship between performance appraisal and productivity with the interference of organizational justice's perception of employees has not been explored much (Warokka, Gallato, Moorthy, 2012). Warokka, Gallato, and Moorthy (2012) state that the rareness in studying this model goes back to geographic sample limitations and authority practice perspective. Ahmed, Ramzan, Mohammad, and Islam (2011) mention that the employee perception of fairness is highly effected by its performance appraisal, which will influence the employee performance and approach.

In ‘‘the mediating role of organizational justice on the relationship between administrative performance appraisal practices and organizational commitment’’, Cheng (2014) studies the relationship between performance appraisal and organizational commitment, having organizational justice as a mediator. Cheng (2014) takes pay modifications, promotion judgements, and standards of performance as determinants of

performance management activities. Cheng (2014) concludes that distributive justice can be determined by pay modifications and promotion judgements while procedural justice can be determined by promotion judgements and standards of performance (Cheng, 2014). Cheng (2014) states that there is high contribution between organizational justice (distributive and procedural) and performance appraisal activities.

In “Impact of organizational justice on job performance in libraries”, Shan, Ishaq, and Shaheen (2015) studied the influence of organizational justice on employee job performance, by taking distributive and procedural justice as components of organizational justice. In addition, they used leader-member exchange as a mediating effect between organizational justice and employee job performance. Shan, Ishaq, and Shaheen (2015) focused in their study on the justice insight of librarians in 15 university libraries of Islamabad, Pakistan. Shan, Ishaq, and Shaheen (2015) concluded in H1 that distributive justice has a critical relationship with the employee job performance. Shan, Ishaq, and Shaheen (2015) add that employees who receive rewards that are perceived as fair are found to have an outstanding performance in their job that meets these rewards. Moreover, procedural justice is tested to have a positive relationship with employee job performance (Shan, Ishaq, and Shaheen, 2015). Librarians that have an outstanding performance are found to perceive a fair process that determines their output (Shan, Ishaq, and Shaheen, 2015). Shan, Ishaq, and Shaheen (2015) conclude that both procedural and distributive justice influence employee job performance.

Therefore, the ninth and last hypothesis is:

H9: The relationship between a satisfactory performance appraisal and employee performance will be mediated by equity.

Chapter 3

Methodology

The population, sample and sample sized are discussed in this chapter of the research.

3.1 Sample

First, surveys were filled online in an economic setting between January and February of 2020. Moreover, the target population for the research involved workers in Lebanon. The sample is convenience, where any employee who has a work experience in Lebanon is accepted to fill the questionnaire. The survey had been distributed using google forms through emails and social media for data collection. The research had adopted a snowballing approach since the questionnaires had been circulated among the participants to each other.

This survey was conducted in the English language which is considered a second language in Lebanon. In addition, the sample that is used for this research is 181 employees (N=181). In the following section there will be a discussion on the diverse tools that are used to measure the variables.

3.2 Instrument

The statement showing the aim of the research and a support of the privacy of the participants was included at the opening of the survey, and the survey got approved by the Institutional Review Board (IRB) before distributing it (see Appendix A). The

purpose of the survey is to study the mediating effect of equity on performance appraisal satisfaction and employee performance. In addition, the dimensions used to measure equity are the following: Distributive justice, internal equity, external equity, and procedural equity.

It is critical to note that the questionnaire consists of five divisions. The first part consists of six demographic questions, which include the sex, age, education, years of experience, the size of the company, and the employee's position.

The second division of the questionnaire consists of six questions that measure employees' satisfaction with the performance appraisal practices at their company. The PAS (Performance Appraisal Satisfaction) questionnaire was established by Kuvaas (2006), and it is on a 5-point Likert scale, where responses fluctuate between 1 (Strongly Disagree) and 5 (Strongly Agree). Questionnaire statements include: "I am satisfied with the way my organization provides me with feedback (PAS)" and "the feedback I receive agrees with what I have actually achieved (PAS)". The coefficient alpha of this scale attained is 0.86 (Kuvaas, 2006).

The third part of the questionnaire measure the employee's perception of distributive and procedural justice in their firm. Respondents rated their perception of justice on a 5-point Likert scale, where responses fluctuated between 1 (Strongly Disagree) and 5 (Strongly Agree). The questionnaire here is adapted from Niehoff and Moorman (1993), where five questions are taken to measure the perception of distributive justice, and six questions are for procedural justice. Examples of the statement questions used: "Overall the rewards I receive are quite fair" and "Employees are allowed to challenge or appeal job decisions made by their managers".

Moreover, Kausto et al. (2005) showed 0.8 internal validity of this scale. The Cronbach alpha of organizational justice components presented 0.9 (Moorman, Blakely, Niehoff, 1998; Niehoff and Moorman, 1993).

In the fourth part of the questionnaire participants are requested to define their insight of equity by reflecting on five rewards that are: raises, fringe benefit, promotions, incentives, and recognition. This part of the questionnaire is taken as part of a research study that aims to study the role of equity in employee organizational commitment and turnover (Roberts et al., 1999). The equity here consists of two components internal and external, where internal and external equity consists of 10 statement questions, five questions for each. Statements are answered based on a 5-point Likert scale, where responses fluctuated between 1 (Strongly Disagree) and 5 (Strongly Agree). Examples on internal and external equity statement questions are: “My raises are fair considering the raises others in this organization receive” and “My raises are fair compared to raises provided by other firms”. The Cronbach alpha of internal and external equity in the study of Roberts (1999) presented 0.83.

The fifth part measures employees’ self-assessment of their performance. Respondents rated their performance on a 5-point Likert scale, where responses fluctuated between 1 (Strongly Disagree) and 5 (Strongly Agree). The questionnaire used to measure employee performance is adapted from Fernandes and Awamleh (2006), it consists of five statements, such as: “I feel that my performance is reflective of my abilities” and “I feel that my job conditions are not allowing me to perform at high levels”.

Chapter 4

Findings

This chapter will address the findings of the research throughout analyzing the collected data using the SPSS statistical tool. The data had been collected using the google forms, and 181 respondents replied to the questionnaire.

This chapter will address the descriptive statistics for each variable, and will provide cross-tabulations to justify demographic data. Inferential statistics including Regression and Pearson correlations will be provided to validate the research hypotheses based on a margin error of 5%.

At last, interpretations will be provided to analyze and link the research findings with previous studies in the field of human resources.

4.1 Demographic variables

Table 1 Gender of Respondents

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	101	55.8	55.8	55.8
	Male	80	44.2	44.2	100
	Total	181	100	100	

The sample addressed in this research consists of 181 respondents, 101 respondents of whom are females, which is equivalent to 55.8% of the whole sample, and 80 respondents of whom are males, which is equivalent to 44.2% of the sample.

Table 2 Age of Respondents

Age					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-24	95	52.5	52.5	52.5
	25-34	59	32.6	32.6	85.1
	35-44	11	6.1	6.1	91.2
	45-54	8	4.4	4.4	95.6
	55-64	8	4.4	4.4	100
	Total	181	100	100	

Furthermore, the descriptive statistics showed that 95 respondents, constituting 52.5%, fall in the age range of 18 years to 24 years old, 59 respondents, constituting 32.6%, fall in the age range of 25 years old to 34 years old, and 11 respondents falling in the age range of 35 to 44 years old, and constituting 6.1% of the sample, were addressed.

On the other hand, 16 respondents in which 8 of them fall in the age range of 45 to 54 years old, while the other 8 respondents fall in the age range of 55 to 64 years old, each of them constitutes of 4.4% of the addressed sample.

Table 3 Education of Respondents

Education					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Baccalaureate or Technical (BT-TS)	11	6.1	6.1	6.1
	Doctorate Degree	1	1.1	1.1	7.7
	High School or Less	7	3.3	3.3	11
	Master's Degree	55	30.4	30.4	41.4
	University/ BA/ BS Degree/BE	107	59.2	59.2	100
	Total	181	100	100	

In reference to the above-mentioned descriptive statistics, 11 respondents constituting 6.1% of the sample hold a Baccalaureate or technical degree, 1 respondent

holding a Doctorate Degree, constituting 1.1%, 7 respondents holding a high school degree or a lower degree, constituting 3.3%, 55 respondents holding a Master's Degree, constituting 30.4%, and 107 respondents holding a BA/BS or BE degree, constituting 59.2%.

Table 4 Experience of Respondents

Experience					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	11-15 years	16	8.8	8.8	8.8
	16-20 years	4	2.2	2.2	11
	5 years or less	121	66.9	66.9	77.9
	6-10 years	24	13.3	13.3	91.2
	More than 20 years	16	8.8	8.8	100
	Total	181	100	100	

The above descriptive results proposed that 16 respondents have around 11 to 15 years of experience, constituting 8.8% of the sample, 4 respondents have between 16 to 20 years of experience, constituting 2.2% of the sample that addressed the questionnaire, 121 respondents have 5 years of experience or less, constituting the majority of the sample at 66.9%, and 24 respondents having between 6 and 10 years of experience holding 13.3% of the sample, and at last 16 respondents have more 20 years of experience holding 8.8% of the sample.

Table 5 Work Position

Work Position					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Middle level manager	45	24.9	24.9	24.9
	Non Managerial level	101	55.8	55.8	80.7
	Supervisory level manager	35	19.3	19.3	100
	Total	181	100	100	

Those whom answered the questionnaire are 45 respondents holding a middle level manager position, constituting 24.9%, 101 respondents holding a non-managerial level, constituting 55.8%, 35 respondents holding a supervisory level manager, constituting 19.3% of the total sample which is equal to 181 respondents.

Table 6 Company Size

Company Size					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10-50 employees	49	27.1	27.1	27.1
	251-1000 employees	23	12.7	12.7	39.8
	51-250 employees	50	27.6	27.6	67.4
	Less than 10 employees	33	18.2	18.2	85.6
	More than a 1000 employee	26	14.4	14.4	100
	Total	181	100	100	

Moreover, 49 respondents whom answered the questionnaire work in a company which is made up of 10 to 50 employees, and these constitute around 27.1% of the sample.

However, 23 respondents work in a company which consists of 251 to 1000 employees and constitutes 12.7% of the total sample, 50 employees work in a company which ranges between 51 to 250 employees, constituting 27.6%, 33 respondents work in

companies in less than 10 employees, constituting 18.2%, and at last 26 respondents work in companies which are made up of more than 1000 employees, constituting 14.4%.

4.2 Cross-Tabulations

This section of the research is conducted to test the relationship between two variables, and to shed light on demographic variables which were included in the study.

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.529 ^a	4	0.163
Likelihood Ratio	7.03	4	0.134
N of Valid Cases	181		

a. 5 cells (50.0%) have expected count less than 5. The minimum expected count is 3.54.

*Table 7 Gender * Age Cross tabulation*

Gender * Age Cross tabulation							
Count							
		Age					Total
		18-24	25-34	35-44	45-54	55-64	
Gender	Female	56	29	4	7	5	101
	Male	39	30	7	1	3	80
Total		95	59	11	8	8	181

The above cross-tabulation aims to address the relationship between gender and age. As for females and age range, the results showed that 56 females fall within the age range of 18 years old to 24 years old, 29 respondents fall in the age range of 25 to 34 years old, 4 respondents fall in the age range of 35 to 44 years old, 7 respondents fall in the range of 45 to 54 years old, and 5 respondents fall in the age range of 55 to 64 years old.

On the other hand, 39 respondents are males and fall in the age range of 18 to 24 years old, 30 respondents fall in the age range of 25 years to 34 years old, 7 respondents fall in the age range of 35 years to 44 years old, only 1 respondent falls in the age range of 45 to 54 years old, and 3 respondents fall in the age range of 55 years old to 64 years old.

It showed a Pearson Correlation of 6.52, which means the relationship between the gender variable and the age variable is 6.52%.

Chi-Square Tests			
	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	53.289 ^a	8	0
Likelihood Ratio	51.325	8	0
N of Valid Cases	181		

a. 8 cells (53.3%) have expected count less than 5. The minimum expected count is .77.

*Table 8 Work Position * Experience Cross tabulation*

Work Position * Experience Cross tabulation							
Count							
		Experience					Total
		11-15 years	16-20 years	5 years or less	6-10 years	More than 20 years	
Work Position	Middle level manager	4	1	25	8	7	45
	Non Managerial level	2	0	83	14	2	101
	Supervisory level manager	10	3	13	2	7	35
Total		16	4	121	24	16	181

The above cross-tabulation aims to study the relationship between the work position and the experience level among the respondents. The results showed that 4 employees holding the position of the middle-level manager have around 11 to 15 years of experience, only 1 respondent has between 16 to 20 years of experience. Furthermore,

25 respondents have around 5 years or less of experience, 8 respondents have 6 to 10 years of experience, and 7 respondents have more than 20 years of experience.

In addition, 2 respondents which hold non-managerial positions have between 11 to 15 years of experience, 83 respondents have 5 and below years of experience, 14 respondents have between 6 to 10 years of experience, and 2 respondents have more than 20 years of experience.

At last, there are 35 respondents which hold a supervisory level, 10 of them have between 11 to 15 years of experience, 3 of them have between 16 to 20 years of experience, 13 have 5 or less years of experience, 2 of them have between 6 to 10 years of experience, and 7 of them have more than 20 years of experience.

As for the Pearson Correlation of the work experience and the working position, it scored 53.2% which is considered a strong relationship.

Chi-Square Tests			
	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	13.325 ^a	10	0.206
Likelihood Ratio	13.211	10	0.212
N of Valid Cases	181		

a. 11 cells (61.1%) have expected count less than 5. The minimum expected count is .19.

Table 9 Education * Work Position Cross-tabulation

Education * Work Position Cross-tabulation					
Count					
		Work Position			Total
		Middle level manager	Non Managerial level	Supervisory level manager	
Education	Baccalaureate or Technical (BT-TS)	1	4	6	11
	BE Degree	0	0	0	0
	Doctorate Degree	1	0	0	1
	High School or Less	2	5	0	7
	Master's Degree	17	28	11	56
	University/ BA/ BS Degree/BE	25	63	18	106
Total		45	101	35	181

The above cross-tabulation reveals the relationship between the education demographic variable and the work position variable. There are 11 respondents which hold a baccalaureate or technical degree, 1 of them is a middle level manager, 4 of them are holding non-managerial levels, and 6 of them are holding supervisory levels.

One respondent is holding a Doctorate Degree which is a middle level manager.

Seven respondents are holding high school diplomas, two of them are middle level managers, and five of them are in non-managerial level positions.

As for the 56 master's degree respondents, 17 of them are holding middle level manager positions, 28 are holding non-managerial level positions, and 11 are holding supervisory level managerial positions.

At last, 106 respondents hold a BA/BS/BE degree, where 25 respondents are in middle level positions, 63 are in non-managerial positions, and 18 are in supervisory level positions.

As for the Pearson Correlations, it scored 13.3%, which means the relationship between the educational levels and working experience is 13.3% which is considered a bit weak.

4.3 Validity and Reliability Analysis

Table 10 Component Matrix

Component Matrix	
	Cronbach Alpha
Employee Performance	0.82
Performance Appraisal Satisfaction	0.822
Distributive Justice	0.785
Procedural Justice	0.85
Internal Equity	0.916
External Equity	0.809

Validity and reliability analysis was conducted to test the validity of the data collected based on an indicator called Cronbach Alpha. According to the rule of thumb, the following can be noted:

- If the Cronbach Alpha is below than 0.5, then the data collected is not valid and reliable.
- If the Cronbach Alpha is between 0.5 and 0.7, then the collected data is valid and reliable but contains bias.
- If the Cronbach Alpha is above 0.7, then the collected data is valid and ready for statistical analysis.

The above test shows that the employee performance variable scored (0.820), PAS scored (0.822), distributive justice scored (0.785), procedural Justice scored (0.850),

internal equity scored (0.916), and external equity scored (0.809) which means that the data collected is valid and reliable and ready for statistical analysis.

4.4 Variables Statistics

This section will address the analysis of the questionnaire by using the descriptive analysis method, the N represents the number of respondents that answered the questionnaire, the minimum and maximum represent the scale that is used in the research which ranges from 1 “strong disagree” reaching 5 “strongly agree”. As for the mean, it represents the average answer of the respondents for each statement, and the standard deviation represents the deviation and margin error for each statement.

4.4.1 Performance Appraisal Satisfaction Descriptive Statistics

Table 11 Performance Appraisal Satisfaction Descriptive Statistics

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
I am satisfied with the way my organization provides me with feedback (PAS).	181	1	5	3.79	1.049
The feedback I receive on how I do my job is highly relevant (PAS).	181	1	5	3.92	1.027
My organization is good at providing recognition for good performance (PAS).	181	1	5	3.75	1.11
The feedback I receive agrees with what I have actually achieved (PAS).	181	1	5	3.87	0.939
I think that my organization attempts to conduct performance appraisal satisfaction in the best possible way (PAS).	181	1	5	3.48	1.2
My organization seems more engaged in providing positive feedback for good performance than criticizing poor performance (PAS).	181	1	5	3.29	1.103

Valid N (listwise)	181				
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The above table represents the descriptive statistics of the questions related to the performance appraisal satisfaction variable. It can be noticed that the number of respondents that replied to the questionnaire is 181 respondents, and all of them have answered the questions based on a scale of 1 “Strongly Disagree” to 5 “Strongly Agree”. It can be noticed that each statement had a different mean, and the analysis will be explained deeply as follows:

Most of the respondents replied neutral to the statement which states that “I am satisfied with the way my organization provides me with feedback (PAS)” since it scored a mean of 3.79, which falls into the neutral category according to the used scale in this research. This means that most of the employees in the addressed company are neutral about the feedback that they receive from their managers in the workplace.

The respondents scored a mean of 3.92 on the statement “The feedback I receive on how I do my job is highly relevant (PAS)” and it falls into the neutral category. This means that most of the respondents feel neutral about the feedback they receive from their supervisors in the workplace, and that managers should provide more feedback in order to help employees develop their skills in the workplace and become more effective and efficient in their tasks.

The respondents stated that “My organization is good at providing recognition for good performance (PAS)” is neutral and scored a mean of 3.75. This means that recognitions are not provided on an efficient basis which can be considered a main factor that leads to turnover intention, and by that, minimizing productivity in the workplace.

The answers stated that “The feedback I receive agrees with what I have actually achieved (PAS)” is neutral since it scored a mean of 3.87. Some employees think that they are receiving positive feedback for the work implemented in the workplace, and some employees are not receiving the required feedback to develop their skills in the workplace. Thus, enhancing the feedback process in the addressed company is considered as an important factor to retain employees and boost productivity.

Furthermore, most of the respondents replied neutral to the statement “I think that my organization attempts to conduct performance appraisal satisfaction in the best possible way (PAS)” since it scored a mean of 3.48 falling into scale “3” in the Likert scale. The analysis reveals that the organization is not conducting performance appraisal satisfaction in an efficient and effective manner which can also be considered a factor leading to employee turnover.

At last, the respondents responded by neutral to the statement “My organization seems more engaged in providing positive feedback for good performance than criticizing poor performance (PAS)” since it scored a mean of 3.29 falling into the neutral scale. The organization should be engaged more in terms of providing feedback about the employees to boost performance and achieve objectives in an effective and efficient manner.

4.4.2 Distributive and Procedural Justice Descriptive Statistics

Table 12 Distributive and Procedural Justice Descriptive Statistics

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
My work schedule is fair	181	1	5	3.71	1.113

I think that my pay is fair	181	1	5	3.13	1.249
I consider my work load to be quite fair	181	1	5	3.45	1.077
Overall the rewards I receive are quite fair	181	1	5	3.18	1.141
I feel that my job responsibilities are quite fair	181	1	5	3.6	1.084
Job decisions are made by my manager in a biased manner	181	1	5	3.08	1.211
My manager makes sure that all employee concerns are heard before Job decisions are made	181	1	5	3.71	1.094
To make job decisions, my manager collects accurate and complete information	181	1	5	3.72	1.049
My manager clarifies decisions and provides additional information when requested by employees	181	1	5	3.46	1.108
All job - related decisions are applied consistently to all affected employees	181	1	5	3.25	1.106
Employees are allowed to challenge or appeal job decisions made by their managers	181	1	5	3.34	1.137
Valid N (listwise)	181				

As for the statements related to the distributive justice variable and by referring to the above descriptive statistics, the results showed that respondents responded neutral to the statement “My work schedule is fair” since it scored an average of 3.71. This means that the work schedule should be improved by the addressed company to provide better work-life balance for employees. Providing work-life balance can be considered as a main competitive advantage for the company, and it helps in retaining talents and minimizing employees’ turnover rate in the organization.

The employees replied neutral to the statement “I think that my pay is fair” which means that the majority of the employees are not getting a fair pay according to the tasks that they are handling in the workplace. It can be noticed that this statement scored a mean of “3.13”. It is recommended that performance appraisal satisfactions should be practiced well in the workplace, in order to compensate employees based on their performance, and by that distributive equity can be achieved.

The respondents stated that they feel that the workload in the workplace is fair, and it can be noted in the table that the statement “I consider my work load to be quite fair” scored a mean of 3.45. This is a good indicator which means that the employees are handling tasks in a fair manner, and through it, a good culture and workplace climate can be created, thus leading to higher productivity.

The statement which states that “Overall the rewards I receive are quite fair” scored a mean of 3.18, which is neutral. This is also considered as a good indicator for the company meaning that they are compensating their employees in the workplace, but although it is recommended to implement more compensation benefits to retain talented employees, and enhance their productivity as well.

The statement “I feel that my job responsibilities are quite fair” scored a mean of 3.60 which means that the job responsibilities are distributed fairly in the workplace. This is considered as a good factor as well, since employees will not feel that they are overwhelmed by work because there is some equity in the workplace.

The statement “Job decisions are made by my manager in a biased manner” scored a mean of 3.08, which means that the decisions are made by the manager in the workplace in a biased manner.

As for the statements related to the procedural justice, the results were as follows: the statement “My manager makes sure that all employee concerns are heard before Job decisions are made” scored a mean of 3.70. The mean is approximately reaching the agree scale which means that most of the employees are ranging between neutral and agree regarding the managers efforts in the workplace to handle all the required concerns to take the required decision in the job.

The statement “To make job decisions, my manager collects accurate and complete information” scored a mean of 3.71 which means it is neutral, but it is near agree scale which is “4”. This is considered a good factor since employees state that their managers in the workplace are collecting accurate and complete information to implement the required decision which can lead to boosting employees’ productivity in the workplace, and by that achieving higher performance.

The statement “My manager clarifies decisions and provides additional information when requested by employees” scored a mean of 3.46 falling into the neutral scale. This means that most of the respondents neither agree nor disagree that their managers are clarifying the decisions and provide additional information which is required by employees. As a matter of fact, this has both positive and negative effects on employees’ performance. The positive effect is that there might be confidentiality in the workplace, and some information should not be shared with the employees. As for the negative side, this eliminates employee engagement in taking decisions, which might

demotivate some talented employees and might result in some miscommunication practices that highly effect performance.

As for the statement “All job-related decisions are applied consistently to all affected employees”, it scored a mean of 3.25, which is neutral. This means that employees neither agree nor disagree that all the decisions addressed in the organization might not affect all employees.

At last, “Employees are allowed to challenge or appeal job decisions made by their managers” scored a mean of 3.34, which is considered a neutral response. This is considered a negative factor since it works on eliminating employee engagement in the workplace, and by that some employees might become demotivated from performing well.

4.4.3 Internal and External Equity Descriptive Statistics

Table 13 Internal and External Equity Descriptive Statistic

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
My raises are fair considering the raises others in this organization receive	181	1	5	3.55	0.951
Considering what my co-workers received, my fringe benefits are about right	181	1	5	3.2	0.97
My promotion opportunities are fair compared to those of my coworkers	181	1	5	3.4	1.047
I receive the same opportunity as my peers to participate in incentive programs	181	1	5	3.3	1.1
My raises are fair compared to raises provided by other firms	181	1	5	3.27	1.115
My recognition is fair considering the recognition others in this organization receive	181	1	5	3.43	1.071

My fringe benefits are fair compared to fringe benefits in other firms	181	1	5	3.22	0.777
My promotion opportunities are fair compared to promotion opportunities in other firms	181	1	5	3.19	0.829
My incentive awards are fair compared to incentive awards in other firms	181	1	5	3.11	0.912
My recognition is fair compared to recognition in other firms	181	1	5	3.14	0.973
Valid N (listwise)	181				

The following results aimed to address the internal and external equity variables, and the results will be reported as follows:

For the statements questioning the internal equity, the respondents replied as neutral and stated that “My raises are fair considering the raises others in this organization receive” since it scored a mean of 3.55. This means that the employees are fairly satisfied with the raises they are receiving with respect to other employees in the workplace. Of course, the raises might vary according to the job position the employee is handling in the workplace, and according to the tasks each employee is handling. For example, the raise of a manager should be higher than the raise of a junior employee.

Employees stated neutral with preference to the statement “Considering what my co-workers received, my fringe benefits are about right” which scored a mean of 3.20. This means that the fringe benefits received by the organization satisfy the needs of some employees in the workplace. This is considered a good indicator for retaining talents in the workplace.

The respondents replied by neutral to the statement “My promotion opportunities are fair compared to those of my coworkers” scoring a mean of 3.40, which means that

the promotion opportunities are to some extent fairly distributed among employees and each employee is satisfied with the promotion opportunity with respect to his position. This is considered as a good factor meaning that equity and justice are practiced.

The respondents stated that “I receive the same opportunity as my peers to participate in incentive programs” since it scored a mean of 3.30 which means that equity is implemented and that employee satisfaction is achieved through the means of incentive programs.

As for the external equity statements, the respondents replied as neutral for the statement “My raises are fair compared to raises provided by other firms” since it scored a mean of 3.27. They require getting higher raises since they consider it to some extent not fair with respect to some raises paid in other organizations.

Respondents stated that “My recognition is fair considering the recognition others in this organization receive” since it scored a mean of 3.43, it is considered as neutral in the scale used in the research. They are aiming to get higher recognitions in the workplace since it is considered to some extent low compared with other organizations.

The respondents stated neutral about the statement “My fringe benefits are fair compared to fringe benefits in other firms” since it scored a mean of 3.22. This means some employees are satisfied with the fringe benefits received, and some are not aiming for higher fringe benefits given in other firms.

The respondents replied neutral about the statement “My promotion opportunities are fair compared to promotion opportunities in other firms” since it

scored a mean of 3.19. This means that employees are fairly satisfied with the promotion opportunities provided in their company with respect to the promotion opportunities provided by other companies.

At last, the respondents replied as neutral for both statements “My promotion opportunities are fair compared to promotion opportunities in other firms” and “My recognition is fair compared to recognition in other firms” since it scored a mean of 3.11 and 3.14 consecutively.

4.4.4 Performance descriptive statistics

Table 14 Performance Descriptive Statistics

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Overall, I am a very good performer	181	1	5	4.22	0.777
I always reach my performance target	181	1	5	4.19	0.829
I consider my performance better than the average employee in this firm	181	1	5	4.11	0.912
I feel that my performance is reflective of my abilities	181	1	5	4.14	0.973
Valid N (listwise)	181				

Referring to the above descriptive statistics which aims to measure the employee performance in the workplace, the results stated that the employees agree that they have good performance in the workplace, they are achieving their performance targets on time, they consider their performance better than the average employee in this firm, and that

their performance reflect their abilities since the mean scored for this variable ranges from 4.11 till 4.22 which falls into the “agree” scale.

4.5 Regression Analysis

In order to study the mediating effect, several regressions will be undertaken according to the Baron and Kenny (1986) mediation model. The first regression studies the relationship between the independent variable (Performance appraisal satisfaction) and the dependent variable (Employee Performance). The second, studies the relationship between the independent variable and the mediators (Distributive justice, Procedural Justice, Internal Equity, and External Equity). The third, studies the relationship between the dependent variable and the mediator. As for the fourth and last, it tests the last hypothesis to confirm if the four mediators mediate the relationship between the independent variable and the dependent variable.

4.5.1 Regression One: Relationship between Performance Appraisal Satisfaction and Employee Performance

Table 15 Model Summary

Model Summary					
Model	R	R Square		Adjusted R Square	Std. Error of the Estimate
1	.842 ^a	0.71		0.708	0.648

a. Predictors: (Constant), Performance appraisal satisfaction

Table 16 Collinearity

Collinearity			
		Performance	Performance Appraisals
Pearson Correlation	Performance	1	0.064
	Performance Appraisals	0.064	1
Sig. (1-tailed)	Performance	.	0.019
	Performance Appraisals	0.019	.
N	Performance	181	181
	Performance Appraisals	181	181

Table 17 Regression Analysis: PAS and Employee Performance

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.149	0.227		-5.071	0
	Performance appraisal satisfactions	41.636	1.991	0.842	20.912	0

a. Dependent Variable: Performance

The above regression studies the relationship between the independent variable which is performance appraisal satisfaction and the dependent variable which is employee performance. The significance level shows a level of 0.000 which is lower than 0.05 which means that there is a significant relationship between performance appraisal satisfactions and performance.

However, the results show Beta= 0.842, $t(181) = 20.912$, $R^2 = 0.710$ and $f\text{-sig} = 0.000$. The T-Test which is the result of dividing the $B=41.636$ over the standard error= 1.991 scored a level of 20.912 which is above 2, thus there is a direct relationship between performance appraisal satisfactions and employees' performance.

This means that a one unit increase in performance appraisal satisfaction appears to result in an increase of 0.842 units of the job performance.

It can be noted that based on the R-Square, 71% of the variance in the mentioned model is explained by performance appraisal satisfaction with respect to employees' performance.

It can be noted in the collinearity statistics that there is no collinearity between the dependent and independent variables since it scored a coefficient of 0.064, which is lower than 0.7, which means that the relationship between variables is correlated.

4.5.2 Regression Two: Relationship between Distributive Justice, Procedural Justice, External Equity, Internal Equity, and Employee Performance

Table 18 Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.396 ^a	0.157	0.132	0.01829

a. Predictors: (Constant), Procedural Justice, Distributive Justice, External Equity, Performance appraisal satisfaction Internal Equity

Table 19 Regression Analysis: Distributive Justice, Procedural Justice, External Equity, Internal Equity and Performance

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.093	0.364		0.256	0.798
	Distributive justice	7.932	3.607	0.132	2.199	0.002
	Procedural justice	12.877	5.195	0.25	2.479	0.014
	External equity	9.799	3.931	0.221	2.493	0.014
	Internal equity	7.34	2.733	0.093	2.685	0.04

a. Dependent Variable: Employee Performance

The regression analysis had been conducted to test the relationship between the mediators (distributive justice, procedural justice, internal equity, and external equity) and the dependent variable (employee performance), and to validate the research

hypotheses based on a margin error of 5%. It can be noticed that distributive justice showed the following results: Beta= 0.132, $t(181) = 2.199$, $R^2 = 0.157$, a significance level= 0.002. The T-Test which is the result of dividing the $B=7.932$ over the standard error=3.607 scored a level of 2.199 which is above 2. Thus, there is a direct relationship between distributive justice and employee performance, and by that, distributive justice tends to impact performance by 13.2 units.

Procedural justice has a significance level of (0.014) and a T-Test of (2.479), external equity has a significance level of (0.014) and a T-Test of (2.493), and internal equity has a significance level of 0.040 and a T-Test of (2.685). This means that the alternative hypotheses are accepted and the null hypotheses are rejected.

$$Y = A + BX1 + BX2 + BX3 + BX4$$

Employee Performance = 0.798 + 0.132, Distributive Justice + 0.250, Procedural Justice + 0.221 External Equity + 0.093, and Internal Equity.

This means that:

- For every 1 unit increase in distributive justice, the employee performance is affected by 0.132 units.
- For every 1 unit increase in procedural justice, the employee performance is affected by 0.25 units.
- For every 1 unit increase in external equity, the employee performance is affected by 0.221 units.
- For every 1 unit increase in internal equity, the employee performance is affected by 0.093 units.

This leads us to the validation of the below hypotheses:

H5: Perceptions of distributive justice will be positively and directly related to the employee performance at the organization is accepted.

H6: Perceptions of Internal equity will be positively and directly related to the employee performance at the organization is accepted.

H7: Perceptions of external equity will be positively and directly related to the employee performance at the organization is accepted.

H8: Perceptions of procedural justice will be positively and directly related to the employee performance at the organization is accepted.

Furthermore, it is noted that the R scored 39.6% which means that there are about 59.4% of the variables which tend to affect employee performance that had not been addressed in this research.

Moreover, based on the R-Square, 15.7% of the variance in the mentioned model is explained by distributive justice, procedural justice, internal and external equity with respect to employees' performance.

4.5.3 Regression Three: Relationship between Distributive Justice, Procedural Justice, Internal Equity, External Equity and Performance appraisal satisfaction

Table 20 Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.731 ^a	0.535	0.524	0.01674

a. Predictors: (Constant), External Equity, Distributive Justice, Procedural Justice, Internal Equity

Table 21 Regression Analysis: Distributive Justice, Procedural Justice, Internal Equity, External Equity and PAS

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.025	0.007		3.769	0
	Distributive Justice	0.314	0.07	0.309	4.469	0.001
	Procedural Justice	0.217	0.093	0.208	2.332	0.021
	Internal Equity	0.218	0.099	0.175	2.202	0.014
	External Equity	0.159	0.079	0.156	2.016	0.045

a. Dependent Variable: Performance appraisal satisfaction

The above regression analysis studies the relationship between procedural justice, distributive justice, internal equity, external equity, and the performance appraisal satisfaction. Distributive justice showed the following results: Beta= 0.309, $t(181) = 4.469$, $R^2 = 0.535$ and $f\text{-sig} = 0.001$. The T-Test which is the result of dividing the $B = 0.314$ over the standard error $= 0.070$ scored a level of 4.469 which is above 2, thus, there is a direct relationship between distributive justice and performance appraisal satisfaction, and by that, distributive justice tends to impact performance appraisal satisfaction by 30.9. Procedural justice has a margin error of (0.021) and a T-Test of (2.332), internal equity has a margin error of (0.014) and a T-Test of (2.202), and external equity has a margin error of (0.045) and a T-Test of 2.016. Since all the variables scored a margin error below than 0.05, then the null hypothesis is rejected and the alternative one is accepted.

The following equation can be formulated:

$$Y = A + BX_1 + BX_2 + BX_3 + BX_4$$

Performance appraisal satisfaction = 0.000 + 0.309 distributive justice + 0.208 procedural justice + 0.175 internal equity + 0.156 external equity.

This can lead us to the following:

- For every 1 unit increase in distributive justice, the performance appraisal satisfactions will be affected by 0.396 units.
- For every 1 unit increase in procedural justice, the performance appraisal satisfactions will be affected by 0.39 units.
- For every 1 unit increase in internal equity, the performance appraisal satisfactions will be affected by 0.175 units.
- For every 1 unit increase in external equity, the performance appraisal satisfactions will be affected by 0.156 units.

This can lead us to the validation of the following hypotheses:

H1: Perceptions of distributive justice will be positively and directly related to employees' satisfaction with the performance appraisal satisfaction is accepted.

H2: Perceptions of Internal equity will be positively and directly related to employees' satisfaction with the performance appraisal satisfaction is accepted.

H3: Perceptions of external equity will be positively and directly related to employees' satisfaction with the performance appraisal satisfaction is accepted.

H4: Perceptions of procedural justice will be positively and directly related to employees' satisfaction with the performance appraisal satisfaction is accepted.

It is noted that the R scored 73.1%, which means that there is 26.9% of the variables having effect on the performance appraisal satisfaction and are not studied in this research. In addition, based on the R-Square, 53.5% of the variance in the mentioned model is explained by internal equity, external equity, distributive justice, and procedural justice with respect to performance appraisal satisfaction.

4.5.4 Regression Four: Relationship between performance appraisal satisfaction with respect to employees' performance taking internal and external equity, distributive justice & procedural justice as mediators

Table 22 Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.396 ^a	0.157	0.132	0.01829

a. Predictors: (Constant), Procedural Justice, Distributive Justice, External Equity, Performance appraisal satisfaction, Internal Equity

Table 23 Regression Analysis: PAS, Internal equity, External equity, Distributive justice, Procedural justice & Employee Performance

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.101	0.007		14.289	0.05
	Performance appraisal satisfaction	0.242	0.087	0.3	2.785	0.006
	Internal Equity	0.403	0.121	0.462	3.324	0.001
	External Equity	0.214	0.087	0.27	2.471	0.014
	Distributive Justice	0.211	0.002	0.318	10.55	0.045
	Procedural Justice	0.004	0.001	0.276	2.92	0.004

a. Dependent Variable: Employee Performance

The regression analysis had been conducted to test the relationship between the variables, and validating the research hypotheses based on a margin error of 5%. It can be noticed that performance appraisal satisfaction showed: Beta= 0.300, $t(181) = 2.785$, $R^2 = 0.157$, $f\text{-sig} = 0.006$. The T-Test which is the result of dividing the $B = 0.242$ over the standard error = 0.087 scored a level of 2.785 which is above 2. Internal equity has a margin error of (0.01) and a T-Test of (3.324), external equity has a margin error of (0.014) and a T-Test of (2.471), distributive justice has a margin error of (0.045) and a T-Test of (10.55), and procedural justice has a margin error of (0.004) and a T-Test of

(2.920). All of the above variables scored a significance level lower than 0.05. This means that the alternative hypotheses are accepted and the null hypotheses are rejected.

$$Y = A + BX1 + BX2 + BX3 + BX4 + BX5$$

Employee's productivity = 0.050 + 0.30 performance appraisal satisfaction + 0.462 internal equity + 0.270 external equity + 0.038 distributive justice + 0.276 procedural justice.

This leads us to the validation of the below hypotheses:

H9: The relationship between a satisfactory performance appraisal satisfaction and employee performance will be mediated by equity is accepted.

This means that:

- For every 1 unit increase in performance appraisal satisfaction satisfactions, the employee's productivity is affected by 0.30 units.
- For every 1 unit increase in internal equity, the employee performance is affected by 0.462 units.
- For every 1 unit increase in external equity, the employee performance is affected by 0.27 units.
- For every 1 unit increase in distributive justice, the employee performance is affected by 0.318 units.
- For every 1 unit increase in procedural justice, the employee performance is affected by 0.276 units.

The R scored 39.6%, which means that there is 60.4% of variables which effects the relationship between performance appraisal satisfaction and employee performance

that has not been addressed in this research. It can be noted that based on the R-Square, 15.7% of the variance in the mentioned model is explained by performance appraisal satisfaction, taking internal equity, external equity, distributive justice, and procedural justice as mediators with respect to employee performance.

Moreover, performance appraisal satisfaction variable scored a Beta of 0.30 units with respect to employee performance, with the mediation of internal and external equity it tends to affect the employee performance by 0.462 and 0.27 units respectively.

Furthermore, with the mediation of both distributive and procedural justice, it tends to effect performance by 0.318 and 0.276 units respectively.

It can be noticed that internal equity and distributive justice have a stronger mediation effect than external equity and procedural justice on both performance appraisal satisfaction and employee performance.

At last, it can be noted that in regression one the Beta between performance appraisal satisfaction and employee performance was 0.842, and in regression four where the mediators (distributive justice, procedural justice, internal equity, and external equity) are applied, it can be noticed that the Beta of performance appraisal satisfaction had decreased to 0.300.

As well for the significance level, in regression one it scored a level of 0.00 between performance appraisal satisfaction and employee performance, as in regression four after including the mediations in the regression analysis it can be noticed that the significance level increased to 0.006 but still falls in the 5% margin error which means that it is still significant.

It can be concluded that the mediation which took place is partial mediation, since all the variables are still significant.

4.6 Structure Equation Modeling

Figure 2: Structure Equation Modeling

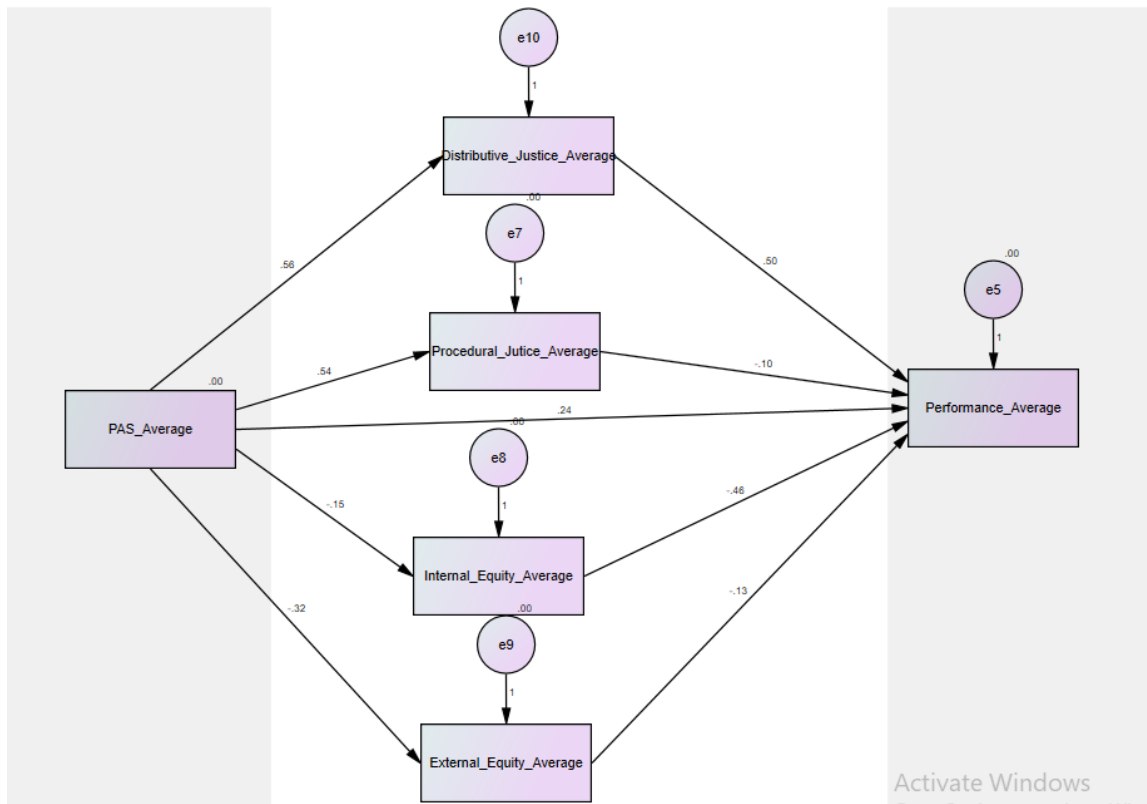


Figure 1 present estimated SEM models for Performance Appraisals Satisfaction and Performance. Standardized coefficients, based on bootstrapping, are displayed on the figure.

We present only the mediation effects that were statistically significant based on the R-Mediation test detailed in data analysis section. Performance: the χ^2 value was

significant in this model due to the sample size ($n = 181$). However, this model gave a very good fit in all other indices.

One direct pathway linked the SES factor to Performance (standardized regression weights $\beta = .24, p > 0.01$). Three mediating pathways appear in the model linking PAS to performance: in the first mediating pathway, Internal Equity mediated the link between PAS to performance. To elaborate, higher performance appraisal satisfaction led to better internal equity ($\beta = .16, p > 0.01$) which in turn led to better employee performance ($\beta = .46, p < 0.001$).

The second indirect pathway indicated that the external equity mediated the link between PAS and performance. That is, higher PAS produced a higher score in this factor ($\beta = .32, p < 0.001$), which led to better performance ($\beta = .14, p < 0.01$).

In the third mediating pathway, “Distributive justice” served as a mediator between PAS to performance: PAS impacted Distributive Justice ($\beta = .56, p < 0.001$) and Distributive Justice affected performance ($\beta = .50, p < 0.01$).

In the fourth mediating pathway, “Procedural justice” served as a mediator between PAS to performance: PAS impacted Procedural Justice ($\beta = .54, p < 0.001$) and Procedural Justice influenced performance ($\beta = .10, p < 0.01$).

4.7 Pearson Correlations

Pearson Correlations test had been conducted to study the relationship between the variables whether it is positive or negative based on an indicator called Pearson Coefficient. If the Coefficient is positive, then the relationship tends to be a proportional

relationship, and if the Coefficient showed a negative sign, then the relationship tends to be an inverse relationship.

Table 24 Pearson Correlations: Performance, PAS, Internal and External Equity

Correlations					
		Performance	Performance appraisal satisfaction	Internal Equity	External Equity
Performance	Pearson Correlation	1	0.064	.277**	.261**
	Sig. (2-tailed)		0.394	0	0
	N	181	181	181	181
Performance appraisal satisfaction	Pearson Correlation	0.064	1	.607**	.632**
	Sig. (2-tailed)	0.394		0	0
	N	181	181	181	181
Internal Equity	Pearson Correlation	.277**	.607**	1	.956**
	Sig. (2-tailed)	0	0		0
	N	181	181	181	181
External Equity	Pearson Correlation	.261**	.632**	.956**	1
	Sig. (2-tailed)	0	0	0	
	N	181	181	181	181

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

The Pearson Coefficient showed a proportional relationship between “Performance and Internal Equity” since it scored 0.277 which is equivalent to 27.7%, meaning that as Internal Equity increases in the workplace, the employee’s performance will be affected by 27.7%.

As for the relationship between employee performance and External Equity, it tends to be a positive relationship, since it scored a coefficient of 0.261 which is equivalent to 26.1%. This means that as the external equity increases in the workplace, the employees’ performance tends to be affected by 26.1%.

This leads us to validate the following hypotheses:

H6: Perceptions of Internal equity will be positively and directly related to the employee performance at the organization is accepted.

H7: Perceptions of external equity will be positively and directly related to the employee performance at the organization is accepted.

Moreover, the above Pearson Correlations showed a positive relationship between performance appraisal satisfaction and internal equity since it scored a Pearson Coefficient of 0.607 which is equivalent to 60.7%. This means, for every 1% increase in internal equity, the performance appraisal satisfaction will be affected by 60.7% positively since the Pearson Coefficient is positive.

In addition, the above Pearson Correlations showed a positive relationship between performance appraisal satisfaction and procedural justice 0.632 which is equivalent to 63.2%, this means that for every 1% increase in external equity, the performance appraisal satisfaction is affected by 63.2% positively.

This leads us to validate the following hypotheses:

H2: Perceptions of Internal equity will be positively and directly related to employees' satisfaction with the performance appraisal satisfaction is accepted.

H3: Perceptions of External equity will be positively and directly related to employees' satisfaction with the performance appraisal satisfaction is accepted.

Table 25 Pearson Correlations: Performance, PAS, Distributive and Procedural Justice

Correlations					
		Performance	Performance appraisal satisfaction	Distributive	Procedural
Performance	Pearson Correlation	1	0.064	0.132	.306**
	Sig. (2-tailed)		0.394	0.076	0
	N	181	181	181	181
Performance appraisal satisfaction	Pearson Correlation	0.064	1	.635**	.633**
	Sig. (2-tailed)	0.394		0	0

	N	181	181	181	181
Distributive	Pearson Correlation	0.132	.635**	1	.613**
	Sig. (2-tailed)	0.076	0		0
	N	181	181	181	181
Procedural	Pearson Correlation	.306**	.633**	.613**	1
	Sig. (2-tailed)	0	0	0	
	N	181	181	181	181

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

Referring to the above Pearson Correlations, there is a significant positive relationship between employees' performance, and distributive Justice scoring a Coefficient of 0.132 which is equivalent to 13.2%, meaning that distributive justice tends to affect employee performance by 13.2%.

In addition, the results showed that the relationship between employee performance and procedural justice is 0.306 which is equivalent to 30.6%, meaning that procedural justice tends to affect employee's productivity by 30.6%.

This leads us to validate the following hypotheses:

H8: Perceptions of procedural justice will be positively and directly related to the employee performance at the organization is accepted.

H5: Perceptions of distributive justice will be positively and directly related to the employee performance at the organization is accepted.

Moreover, the above Pearson Correlations showed a positive relationship between performance appraisal satisfaction and distributive justice since it scored a Pearson Coefficient of 0.635 which is equivalent to 63.5%. This means, for every 1% increase in distributive justice, the performance appraisal satisfaction will be affected by 63.5% positively since the Pearson Coefficient is positive.

In addition, the above Pearson Correlations showed a positive relationship between performance appraisal satisfaction and procedural justice of 0.633 which is equivalent to 63.3%, this means that for every 1% increase in procedural justice, the performance appraisal satisfaction is affected by 63.3% positively.

This leads us to validate the following hypotheses:

H1: Perceptions of distributive justice will be positively and directly related to employees' satisfaction with the performance appraisal satisfaction is accepted.

H4: Perceptions of procedural justice will be positively and directly related to employees' satisfaction with the performance appraisal satisfaction is accepted.

Finally, the relationship between "Employee Performance and Performance appraisal satisfaction" tends to be a positive relationship since it scored a Pearson Coefficient of 0.064 which is equivalent to 6.4%, meaning that as performance appraisal satisfaction increase in the workplace, the employee's performance tends to be affected by 6.4%

This leads us to validate a part of the following hypothesis:

H9: The relationship between a satisfactory performance appraisal satisfaction and employee performance will be mediated by equity is accepted.

Chapter 5

Discussion

5.1 Introduction

This part of the research addresses the discussion and findings, also the contribution of the research to theory and practice. In addition, it discusses the limitations and recommendations for future research.

5.2 Discussion

5.2.1 Distributive Justice and Employee Satisfaction with PA

My first hypothesis concerned about perceptions of distributive justice will be positively and directly related to employees' satisfaction with the performance appraisal. This hypothesis was supported. On average, the higher the distributive justice and performance appraisal satisfaction is in the workplace, the higher the employee satisfaction will be. These results, along with several other studies that reported similar findings (Kellough & Lu, 1993; Miller & Thornton, 2006), provided empirical support for this hypothesis.

5.2.2 Internal equity and Employee Satisfaction with PA

The second hypothesis which is concerned with perceptions of internal equity will be positively and directly related to employees' satisfaction with the performance appraisal being accepted based on the respondents' answers. The higher the internal equity is implemented in the workplace, the higher the job satisfaction will be leading to higher performance. Performance appraisals can be used as a tool to assess internal

equity in the workplace. These results were supported by many scholars including (Yiseth, 2016, Wang et al, 2010).

5.2.3 External Equity and Employee Satisfaction with PA

The third hypothesis which states that “Perceptions of external equity will be positively and directly related to employees’ satisfaction with the performance appraisal” had been supported by this study based on the responses collected from the questionnaires and the data analyzed using SPSS. One of the most challenges of organizational management is employee performance. Applying viable ways to push employees to attain better job performance as well as enhance organizational competitiveness is a major objective of each commerce, thus the higher the external equity is, the higher the employee satisfaction will be in the workplace. This can be done as using performance appraisals to assess the importance of equity in the workplace. These results were supported by many scholars including (Josephat, 2012, Liao 2012).

5.2.4 Procedural justice and Employee Satisfaction with PA

The fourth hypothesis which states that “Perceptions of procedural justice will be positively and directly related to employees’ satisfaction with the performance appraisal” had been supported in this research. Procedural justice is associated with the processes adopted in policy making that affect workers such as wages and equity of the work structure in general. In other terms, it concerns equity of the mechanism by which judgments are taken within the organization. The creation of a compensation system is considered an internal process in the organization. Since justice is applicable to internal systems, procedural justice relates to how judgments regarding these procedures and

processes should be performed in a balanced and clear manner. These findings comply with many scholars including (Tansel, 2014, Vermeeren, 2014 and Wu, 2011).

5.2.5 Distributive justice and Employee Performance

The fifth hypothesis which states that “Perceptions of distributive justice will be positively and directly related to the employee performance at the organization” was supported in this research. Distributive justice addresses the employees’ view of fairness on the results of decisions. Procedural justice is based on the fairness of processes, which leads to the job result and increases. The findings of the research comply with many scholars including (Hussienian, 2007, Seyyed, 2008, and Yaghubi, 2009).

5.2.6 Internal Equity and Employee Performance

The sixth hypothesis which states that “Perceptions of Internal equity will be positively and directly related to the employee performance at the organization” had been supported in this research. This hypothesis had been supported by many scholars for instance Tang et al. (2006) found that internal equity was a determinant of satisfaction since the amount of income received contributed to pay satisfaction among employees in the workplace. As for Banerjee (2008), he inspected variables influencing cultural minorities’ recognitions of working environment inequality in Canada, and added that minorities’ desires of equity as well as their experiences of discrimination prejudiced insights of discrimination.

5.2.7 External Equity and Employee Performance

The seventh hypothesis which states that “Perceptions of external equity will be positively and directly related to the employee performance at the organization” is accepted. For instance, Perry (2013) found a strong relationship between external equity and job satisfaction. Equity theory shows the higher the external equity is the higher the

detrimental effects of self-esteem and physical well-being will be which will lead to positive employment outcomes such as employment quality and monetary rewards.

5.2.8 Procedural Justice and Employee Performance

The eighth hypothesis which states that “Perceptions of procedural justice will be positively and directly related to the employee performance at the organization” is supported in this research. Widespread literature reinforces procedural equity theories of fulfillment. In general, studies suggest that if organizational methods are perceived as fair, then contributors will be more fulfilled, more eager to agree on the resolution of that method, and more likely to form positive thoughts and attitudes regarding the organization (Bingham, 2017; Tyler and Lind, 2012).

5.2.9 PAS and Employee Performance using Equity as a mediator

The ninth hypothesis which states that “The relationship between a satisfactory performance appraisal and employee performance will be mediated by equity” is supported in this research. Extensive literature supports the relationship between performance appraisals and employee performance using equity as a mediator. Some of these scholars include (Fatt, 2010, Nabatchi, 2007).

5.3 Significance to Theory

Organizational justice is a part of equity that affects fair perceptions of employees within a company (Hamlett, 2014). Researchers have taken advantage of organizational justice to examine its impact on employees’ performance (Bin Abdullah, Anamalai, Ismail bt, & Ling, 2015). Fair understanding of performance appraisal satisfaction can influence employee performance (Hamlett, 2014). The present study findings provide information

on how different dimensions of equity effect the relationship between performance appraisal satisfaction and employee performance in Lebanon.

5.4 Significance to Positive Social Change

Achieving organizational fairness and equity in the workplace can be done by the implementation of performance appraisal satisfaction, the thing which can lead to higher productivity in the workplace, and by that enhancing the organizational image among its competitors. Absence of fair PAs in organizations can result in demotivating employees, leading to higher employee intention and burnout.

Incorporating justice and equity will contribute to improvements in the organization's policies, organizational image, work processes and potentially improving employees' performance in the workplace. Fairness must be maintained through incentive, workplace feedback, transparency and accuracy. Researchers have looked at the insight and value of the PAs of their staff and noted that it is likely that improvements to the PA systems would be beneficial to improve organizational performance. The aim of this research was to study the role of equity in mediating the relationship between performance appraisal satisfaction and employee performance in Lebanon. This study added to the existing literature on fairness perceptions of employees at work to enable managers to implement performance appraisals satisfaction in an effective and efficient manner (Nair & Salleh, 2015).

5.5 Practical Implications

For university researchers and scholars, the findings of this research have a variety of practical and theoretical implications. HR managers and professionals in universities

and other organizations will benefit from this study since it focuses on explaining the role of equity in mediating the relationship between Performance Appraisal Satisfaction and Employee Performance in Lebanon.

These findings will lead to designing successful HR approaches to enhance employee performance through fairness, justice, and performance appraisal satisfaction. HR managers are advised to design a successful recruiting and selection procedure and conduct comprehensive training and development opportunities, equity, and performance appraisals satisfaction to enhance employees' performance in the workplace.

This analysis presented the results on justice, equity, and performance appraisal satisfaction with employee performance. Managers and human resources staff can build employee knowledge of PAs and similar practices to promote justice and implement it efficiently and effectively in the workplace. Some awareness campaigns may involve workers' engagement in the preparation, creation and execution of PAs, knowledge sharing, training, and rewards.

Human resources teams, institutions and organizations, provided are utilized properly during the PAS and its implementation and should take advantage of the knowledge given in this survey in order to guarantee an effective implementation of PAS.

This research helps both managers and scholars to consider justice, equity, and Performance Appraisal Satisfaction and link them to employees' performance. While the literature on PAS has been accessible for several years, this research focuses on equity and justice and looks at the views of equity and justice on workers success in Lebanon.

5.6 Limitations

This research has several limitations including the data that had been gathered from a convenient survey and all findings are focused on defined variables. It is, moreover, a well-known phenomenon that it is impossible for workers to say the facts due to confidentiality issues. They filled the questionnaires based on what they felt could be the correct response instead of what they actually believe.

The questionnaire was considered lengthy since it included a long list of questions that may have given certain participants anxiety and stress and is considered time consuming to fill out. Due to this reason, some refused to fill the questionnaire.

Furthermore, most of the research participants were between 18 and 24 years of age because older employees didn't join the survey. This is because the research concept is somewhat unique to the context in which the analysis was carried out, and the participants which filled the questionnaires had some limited experience, this is considered a main limitation in the survey.

In addition, the gender of the respondents is more females than males, which could create a limitation in terms of answering the questionnaire, where females are known to be more sensitive and soft in their answers than males.

Finally, the sample size addressed is considered low since it was limited to 181 respondents, and for such research to maintain more accurate findings a sample of 250 respondents is required to be more effective and efficient in data collection and in reporting the results according to Saunders (2009).

5.7 Future Research and Recommendations

Employers must prioritize employment equity so that employees can receive fair treatment at work. The performance of employees can be improved by involving justice and equity in every department. If equity is implemented, employees will feel secured and safe at work. However, inequality in a company can hinder employees' performance and can lead to a high turnover intention.

The study recommended that managers, employers, and the whole organization ensure that equity is implemented in every level of decision-making, thus safeguarding the employee's security, leading to better efficiency and productivity.

The paper will also serve as a guide to ensure organizational justice and help organization and management in the field.

However, further studies are needed to better understand the relationship between organizational justice, equity, and performance appraisal satisfaction and employee performance. The impact of different types performance appraisal on organizational justice and workplace behavior can be addressed in future studies, since that workplace behavior is considered one of the factors impacted by performance appraisals satisfaction.

Another recommendation is to examine the models with other mediating factors such as interactional justice. Other mediators could have different results and give a closer look at the relationship among these variables.

5.8 Recommendations for Managers

It is recommended for managers to prioritize diversity of jobs for workers to be treated fairly at work. This can be done by including fairness and equality in any agency,

workers' morale will be increased. Employees would feel secured and comfortable at work once equity is applied. But inequalities in an organization will impair the success of workers and contribute to a high intention of turnover.

The study suggested for managers that management, employers, and the entire of the company ensure justice across all policy making levels is applied, thus ensuring the safety and effectiveness of employees.

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Appendix A

Consent to participate in a Survey/Questionnaire

I would like to invite you to participate in my research by completing this questionnaire. This research is directed as part of a human resources management graduate thesis research at the Lebanese American University (LAU). This research aims to study the mediating effect of different dimensions of equity on the relationship between performance appraisal satisfaction (PAS) and employee performance in Lebanon.

There are no known risks, harms or discomforts associated with this study beyond those encountered in normal daily life. The information you provide will be used to develop a better understanding of the effect of equity on performance appraisal and employee performance. You will not directly benefit from participation in this study. The study will involve 181 participants. Completing the survey will take 5 minutes of your time.

By continuing with the survey, you agree with the following statements:

1. I have been given sufficient information about this research project;
2. I understand that my answers will not be released to anyone and my identity will remain anonymous. My name will not be written on the questionnaire nor be kept in any other records;

3. I understand that all responses I provide for this study will remain confidential. When the results of the study are reported, I will not be identified by name or any other information that could be used to infer my identity. Only researchers will have access to view any data collected during this research however data cannot be linked to me;

4. I understand that I may withdraw from this research any time I wish and that I have the right to skip any question I don't want to answer;

5. I understand that my refusal to participate will not result in any penalty or loss of benefits to which I otherwise am entitled to;

6. I have been informed that the research abides by all commonly acknowledged ethical codes and that the research project has been reviewed and approved by the Institutional Review Board at the Lebanese American University;

7. I understand that if I have any additional questions, I can ask the research team listed below;

8. I have read and understood all statements on this form; and

9. I voluntarily agree to take part in this research project by completing the following survey.

For questions, please contact:

Farah El Sheikh Taha +961 71 115 219 farah.elsheikhtaha@lau.edu

If you have any questions about your rights as a participant in this study, or you want to talk to someone outside the research, please contact the:

IRB Office, Lebanese American University 3rd Floor, Dorm A, Byblos Campus

Tel: 00 961 1 786456 ext. (2332)

Select the best response:

Gender:

- ☐ Male
- ☐ Female

Age:

- ☐ 18-24
- ☐ 25-34
- ☐ 35-44
- ☐ 45-54
- ☐ 55-64

Education level:

- ☐ High School or Less
- ☐ Baccalaureate or Technical (BT-TS)
- ☐ University/ BA/ BS Degree
- ☐ Master's Degree
- ☐ Doctorate Degree

Years of work experience:

- ☐ 5 years or less
- ☐ 6-10 years

- 11-15 years
- 16-20 years
- More than 20 years

Work position:

- Non Managerial level
- Supervisory level manager
- Middle level manager

Company Size:

- Less than 10 employees
- 10-50 employees
- 51-250 employees
- 251-1000 employees
- More than a 1000 employee

Please rate the following questions:

Performance Appraisal

Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I am satisfied with the way my organization provides me with feedback (PAS).	1	2	3	4	5
The feedback I receive on how I do my job is highly relevant (PAS).	1	2	3	4	5
My organization is good at providing recognition for good performance (PAS).	1	2	3	4	5
	1	2	3	4	5

The feedback I receive agrees with what I have actually achieved (PAS).					
I think that my organization attempts to conduct performance appraisal in the best possible way (PAS).	1	2	3	4	5
My organization seems more engaged in providing positive feedback for good performance than criticizing poor performance (PAS).	1	2	3	4	5

Distributive justice and procedural justice

Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
My work schedule is fair	1	2	3	4	5
I think that my pay is fair	1	2	3	4	5
I consider my work load to be quite fair	1	2	3	4	5
Overall the rewards I receive are quite fair	1	2	3	4	5
I feel that my job responsibilities are quite fair	1	2	3	4	5
Job decisions are made by my manager in a biased manner	1	2	3	4	5
My manager makes sure that all employee concerns are heard before Job decisions are made	1	2	3	4	5
To make job decisions, my manager collects accurate and complete information	1	2	3	4	5
My manager clarifies decisions and provides additional information when requested by employees	1	2	3	4	5
All job - related decisions are applied consistently to all affected employees	1	2	3	4	5
Employees are allowed to challenge or appeal job decisions made by their managers	1	2	3	4	5

Internal Equity and External Equity

Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
My raises are fair considering the raises others in this organization receive	1	2	3	4	5
Considering what my co-workers received, my fringe benefits are about right	1	2	3	4	5
My promotion opportunities are fair compared to those of my coworkers	1	2	3	4	5
I receive the same opportunity as my peers to participate in incentive programs	1	2	3	4	5
My recognition is fair considering the recognition others in this organization receive	1	2	3	4	5
My raises are fair compared to raises provided by other firms	1	2	3	4	5
My fringe benefits are fair compared to fringe benefits in other firms	1	2	3	4	5
My promotion opportunities are fair compared to promotion opportunities in other firms	1	2	3	4	5
My incentive awards are fair compared to incentive awards in other firms	1	2	3	4	5
My recognition is fair compared to recognition in other firms	1	2	3	4	5

Performance

Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Overall, I am a very good performer	1	2	3	4	5
I always reach my performance target	1	2	3	4	5
I consider my performance better than the average employee in this firm	1	2	3	4	5
I feel that my performance is reflective of my abilities	1	2	3	4	5
I feel that my job conditions are not allowing me to perform at high level	1	2	3	4	5