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The Influence of Performance Appraisal Fairness on Employee Attitudes and Behaviour in Iraqi Kurdistan

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A Thesis Submitted to the University of Huddersfield In Partial Fulfilment of the Requirements For The Degree of Doctor of Philosophy

The University of Huddersfield Business School

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Table of Contents

Abstract ...................................................................................................................................... 8

1. Chapter One: Introduction ................................................................................................ 12
   1.1 INTRODUCTION..................................................................................................... 12
   1.2 RESEARCH BACKGROUND ................................................................................. 13
   1.3 RESEARCH PROBLEM ......................................................................................... 15
   1.4 IMPORTANCE AND CONTRIBUTION OF THE RESEARCH ........................... 16
   1.5 AIM AND OBJECTIVES ......................................................................................... 18
   1.6 THE CONTEXT OF IRAQI KURDISTAN ............................................................. 19
   1.7 BANKING SECTOR IN KURDISTAN ................................................................... 23
   1.8 CHOICE OF THE CONTEXT ................................................................................. 25
   1.9 THE STRUCTURE OF THE THESIS ..................................................................... 26

2. Chapter two: Performance Appraisal Fairness, Employee Attitudes and Behaviours ....28
   2.1 INTRODUCTION ..................................................................................................... 28
   2.2 PERFORMANCE APPRAISAL............................................................................... 28
   2.3 FAIRNESS OF PERFORMANCE APPRAISAL .................................................... 34
       2.3.1 Procedural fairness ............................................................................................. 37
       2.3.2 Distributive fairness ........................................................................................... 41
       2.3.3 Interactional fairness .......................................................................................... 43
       2.3.4 Performance appraisal fairness from an Islamic perspective............................. 46
   2.4 SOCIAL EXCHANGE THEORY ............................................................................ 49
   2.5 NORM OF RECIPROCITY ...................................................................................... 51
   2.6 EMPLOYEE ATTITUDES AND BEHAVIOURS .................................................. 53
       2.6.1 Job satisfaction ................................................................................................... 55
       2.6.2 Organisational commitment ............................................................................... 57
       2.6.3 Trust in management .......................................................................................... 62
       2.6.4 Organisational citizenship behaviour ................................................................. 64
   2.7 CONCLUSION ......................................................................................................... 67

3. Chapter Three: Research Framework ............................................................................... 73
   3.1 INTRODUCTION..................................................................................................... 73
   3.2 HYPOTHESIS DEVELOPMENT ............................................................................ 75
       3.2.1 Job satisfaction as a mediator of the relationship between performance appraisal
              fairness and organisational citizenship behaviour .................................................. 75
3.2.2 Trust in management as a mediator of the relationship between performance appraisal fairness and organisational citizenship behaviour ............................................. 78
3.2.3 Affective and normative commitment as mediators of the relationship between performance appraisal fairness and organisational citizenship behaviour .............. 81

3.3 SUMMARY .............................................................................................................. 84

4. Chapter four: Research Methodology and Methods ......................................................... 86
4.1 INTRODUCTION ..................................................................................................... 86
4.2 RESEARCH PHILOSOPHY .................................................................................... 86
4.3 RESEARCH METHODOLOGY .............................................................................. 89
4.4 RESEARCH STRATEGY ........................................................................................ 89
4.5 SEQUENTIAL RESEARCH .................................................................................... 90
4.6 RESEARCH POPULATION AND SAMPLE SELECTION ................................... 91
4.6.1 Target Population ............................................................................................... 91
4.6.2 Sampling Design ................................................................................................ 91
4.6.3 Sample Size ........................................................................................................ 92
4.7 DATA COLLECTION PROCEDURES ................................................................... 92
4.8 MEASURES.............................................................................................................. 93
4.8.1 Measures at time 1 ............................................................................................. 93
4.8.2 Measures at time 2 ............................................................................................. 94
4.8.3 Measures at time 3 ............................................................................................. 97
4.9 QUESTIONNAIRE DESIGN ................................................................................... 98
4.10 QUESTIONNAIRE TRANSLATION ...................................................................... 98
4.11 PILOT STUDY ......................................................................................................... 99
4.12 DATA ANALYSIS METHODS ............................................................................... 99
4.12.1 Reliability Analysis ............................................................................................ 99
4.12.2 Confirmatory Factor Analysis .......................................................................... 100
4.12.3 Independent sample t-test and ANOVA .......................................................... 101
4.12.4 Mediation analysis ........................................................................................... 101
4.13 ESTIMATION OF MEDIATION EFFECTS ......................................................... 110
4.14 ETHICAL CONSIDERATION .............................................................................. 113
4.15 SUMMARY ............................................................................................................ 113

5. Chapter Five: Data Analysis and Results ....................................................................... 114
5.1 INTRODUCTION ................................................................................................... 114
5.2 SAMPLE CHARACTERISTICS .............................................................................. 114
5.3 DESCRIPTIVE STATISTICS ................................................................. 115
5.4 RELIABILITY ANALYSIS ................................................................. 116
5.5 TEST OF MULTICOLLINEARITY .................................................... 117
5.6 CORRELATION ANALYSIS ............................................................... 118
5.7 INDEPENDENT SAMPLE T-TEST AND ANOVA ............................... 119
5.8 CONFIRMATORY FACTOR ANALYSIS (CFA) ...................................... 120
  5.8.1 Confirmatory factor analysis for procedural fairness .................... 121
  5.8.2 Confirmatory factor analysis for distributive fairness .................... 122
  5.8.3 Confirmatory factor analysis for interactional fairness .................. 122
  5.8.4 Confirmatory factor analysis for job satisfaction ............................ 122
  5.8.5 Confirmatory factor analysis for trust in management .................. 122
  5.8.6 Confirmatory factor analysis for affective commitment ................. 122
  5.8.7 Confirmatory factor analysis for normative commitment ............... 123
  5.8.8 Confirmatory factor analysis for organisational citizenship behaviour... 123
5.9 HYPOTHESIS TESTING .................................................................. 124
5.10 SUMMARY ................................................................................... 133

6. Chapter Six: Discussion and Conclusions ........................................ 134
  6.1 INTRODUCTION ............................................................................. 134
  6.2 SUMMARY OF THE KEY FINDINGS ............................................. 134
  6.3 THE RELATIONSHIP BETWEEN PERFORMANCE APPRAISAL FAIRNESS
      AND EMPLOYEE ATTITUDES ............................................................... 135
    6.3.1 The relationship between procedural fairness of performance appraisal
          and employee attitudes ................................................................. 136
    6.3.2 The relationship between distributive fairness of performance appraisal
          and employee attitudes ................................................................. 136
    6.3.3 The relationship between interactional fairness of performance appraisal
          and employee attitudes ................................................................. 137
    6.3.4 The relationship between performance appraisal fairness and organisational
          citizenship behaviour ................................................................. 139
  6.4 THE RELATIONSHIP BETWEEN JOB SATISFACTION, TRUST IN
      MANAGEMENT AND ORGANISATIONAL COMMITMENT AND
      ORGANISATIONAL CITIZENSHIP BEHAVIOUR ................................. 140
  6.5 THE MEDIATING EFFECT OF JOB SATISFACTION ......................... 142
  6.6 THE MEDIATING EFFECT OF TRUST IN MANAGEMENT .................. 145
  6.7 THE MEDIATING EFFECT OF ORGANISATIONAL COMMITMENT ...... 147
List of Tables

Table 2.1 The Five Key Elements of a Performance Appraisal (CIPD, 2008) ......................... 31
Table 2.2 Summary of empirical studies on PA fairness and employee attitudes and behaviour .......................................................... 68
Table 3.1 Summary of Research Hypotheses ........................................................................ 85
Table 4.1 The main differences between positivism and interpretivism .............................. 88
Table 4.2 Dimensions of Performance Appraisal Fairness and Their Respective Scale .... 93
Table 4.3 Job Satisfaction Scale .......................................................................................... 95
Table 4.4 Trust in Management scale ................................................................................ 95
Table 4.5 Dimensions of Organisational Commitment ..................................................... 96
Table 4.6 Organisational Citizenship Behaviour Scale ...................................................... 97
Table 5.1 Sample Characteristics of Respondents ............................................................... 115
Table 5.2 Descriptive statistics ........................................................................................ 116
Table 5.3 Reliability analysis ............................................................................................ 117
Table 5.4 Pearson’s Correlations ...................................................................................... 119
Table 5.5 Fit indices of CFA for research variables ............................................................ 121
Table 5.6 Bootstrap Results for the Indirect Effect of PF on Organisational Citizenship Behaviour through Job Satisfaction, Trust in Management, Affective Commitment, and Normative Commitment ........................................ 127
Table 5.7 Bootstrap Results for the Indirect Effect of DF of Performance Appraisal on Organisational Citizenship Behaviour through Job Satisfaction, Trust in Management, Affective Commitment, and Normative Commitment .......................................................... 129
Table 5.8 Bootstrap Results for the Indirect Effect of IF of Performance Appraisal on Organisational Citizenship Behaviour through Job Satisfaction, Trust in Management, Affective Commitment, and Normative Commitment .......................................................... 132
Table 5.9 Summary of Hypothesis Testing ........................................................................ 133
Table 6.1 Summary of research objectives mapped onto the research hypotheses .......... 149
List of Figures

Figure 1. 1 Map of Iraqi Kurdistan .............................................................................................................. 22
Figure 2. 1 The Model of Performance Appraisal (Gomez-Mejia et al., 2016:233) ..................... 30
Figure 2. 2 Purposes of performance appraisal (Cascio, 2016) ......................................................... 33
Figure 2. 3 Greenberg’s model of justice perceptions applied to performance appraisal (Thurston, 2001) ...................................................................................................................... 45
Figure 3. 1 The conceptual framework of the influence of performance appraisal fairness on employee attitudes and behaviour at work .................................................................................. 74
Figure 4. 1 Direct effect .......................................................................................................................... 103
Figure 4. 2 Simple mediation .............................................................................................................. 104
Figure 4. 3 Multiple mediation ............................................................................................................ 104
Figure 4. 4 Simple moderation ........................................................................................................... 109
Figure 4. 5 A Path Diagram of the Hypothesised Model .................................................................... 112
Abstract

This study examines how aspects of performance appraisal fairness influence job satisfaction, trust in management and organisational commitment, and their links to organizational citizenship behaviour. Specifically, the study proposes that job satisfaction, trust in management and organisational commitment mediate the influence of performance appraisal fairness on organisational citizenship behaviour. Social exchange theory and the norm of reciprocity are used to provide a theoretical understanding of the linkages between performance appraisal fairness and work outcomes.

Data were collected at three separate times to yield 369 responses from employees in public sector banks in Iraqi Kurdistan. The results show that the procedural and informational fairness of performance appraisal have a low to moderate relationship with job satisfaction, trust in management, affective and normative commitment and that distributive fairness has an insignificant effect on affective and normative commitment. These four attitudes have a positive relationship with organisational citizenship behaviour. The findings indicate that job satisfaction, trust in management and the two dimensions of organisational commitment play a role in mediating the relationship between procedural and informational fairness of performance appraisal and organisational citizenship behaviour. Job satisfaction and trust in management also played a significant role in mediating the relationship between distributive fairness of performance appraisal and organisational citizenship behaviour. Affective and normative commitment do not mediate the relationship between distributive fairness of performance appraisal and organisational citizenship behaviour.

Performance appraisal characterised as fair and equitable is important to deliver desirable employee attitudes and behaviours and to reinforce employee motivation to serve banking activities and facilitate the achievement of organisational goals.

The results underpin the importance of conducting performance appraisals in ways that employees see as fair. Although studies of this kind are common in the West, this is the first study in the Kurdish culture and working context. Suggestions for further research are offered.
Dedication

To my beloved father and mother for their continual love and encouragement which have affected my success,

To my dear brothers and sisters for their unconditional love and support which helped me to accomplish this work,
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List of Abbreviations

PA       Performance Appraisal  
PF       Procedural Fairness  
DF       Distributive Fairness  
IF       Interactional Fairness  
JS       Job Satisfaction  
AC       Affective Commitment  
NC       Normative Commitment  
TM       Trust in Management  
OCB      Organisational Citizenship Behaviour  
CFA      Confirmatory Factor Analysis  
CFI      Comparative fit index  
NFI      Normed Fit Index  
IFI      Incremental Fit Index  
RMSEA    Root Mean Square Error of Approximation  
χ²       Chi square  
VIF      Variance Inflation Factor  
TOL      Tolerance Levels
Chapter One: Introduction

1.1 INTRODUCTION

This thesis explores performance appraisal fairness in relation to positive employee attitudes and behaviour toward organisations. The study centres primarily upon examining the influence of performance appraisal fairness on employee attitudes and behaviour in the public banking sector in Iraqi Kurdistan. Organisational behaviour is important because it can be directed toward improving an organisation’s effectiveness and productivity (George & Jones, 2005). The topics of fair treatment and appraisal are important because of their relationship with employee attitudes and behaviour. In the service sector, employee behaviour is significant because it is crucial to perform job activities (Schneider & Bowen, 1993). Thus, it is important to develop and sustain positive outcomes and it is difficult to avoid and avert negative outcomes (Halepota & Shah, 2011). Accordingly, it is important for managers in service industries to conduct performance appraisals in ways that employees see as fair. In the context of Middle East countries generally and Iraqi Kurdistan particularly, the phenomenon is relatively new and unclear. Consequently, it is important that managers and practitioners understand as much as possible about the employees’ perceptions of performance appraisal fairness and feelings about their jobs.

This introductory chapter begins with specifying issues related to the background of the study. Research problems are identified. The research aims, objectives, and questions are identified and the context of the study is given. The banking sector in Iraqi Kurdistan is summarised and the overall structure of the thesis is outlined.
1.2 RESEARCH BACKGROUND

Business organisations commonly engender a performance culture which is directed toward searching for approaches to develop the contributions of employees to the overall success of the organisation. It is assumed that performance management should not only lead to better service, but also the reinforcement of employees’ satisfaction, motivation and identification (Fletcher & Williams, 1996).

Performance feedback has been shown to influence an individual’s fairness perceptions (Chory & Westerman, 2009), and subsequently influence organisations through a variety of outcomes (Westerman et al., 2014). Fairness perceptions are central reactions to numerous organisational decision-making procedures comprising employment, reward, discipline and termination (Cropanzano & Greenberg, 1997). The notion of fair treatment has been specified as one of the more important issues of individuals’ reactions to performance appraisal (PA) sessions (Erdogan, 2002). According to Bretz et al. (1992), perceived fairness of PA is the most essential matter in the appraisal process. PA fairness can contribute significantly to increase individuals’ satisfaction with the appraisals, appraiser and rating feedback (Jawahar, 2007; Thurston & McNall, 2010) and their feelings of instrumental control during the process of performance evaluations and thereby promote their sense of self value and group standing (Taylor et al., 1995). Accordingly, managers are challenged to put forward and apply performance appraisal in ways that can provide accurate measures of employee performance and fairness in the distribution of the rating outcomes (Kim & Rubianty, 2011). The fair and accurate execution of PA would have a positive effect on employees’ perceptions that good performance will bring financial incentives, and this perception subsequently would increase an employee’s motivation and their job performance (Miller & Thornton, 2006; Cropanzano et al., 2001).

Desirable attitudes and behaviour play a substantial role in delivering high quality services to customers. Perceived service quality is positively related to employee attitudes and behaviour, particularly in the service sector (Schneider & Bowen, 1993). Furthermore, it is widely accepted that employees represent one of the more key resources for obtaining competitive advantage (Kehoe & Wright, 2013). Consequently, researchers have focused on human resource management practices as vehicles that policy makers can use to raise human capital (Innocenti et al., 2011).

Perceived fairness is important to all organisational decisions such as selection, compensation, performance evaluation, and especially appraisal (Jawahar, 2007). Indeed, Cardy and Dobbins
(1994: 54) proposed that “with dissatisfaction and feelings of unfairness in process and inequity in evaluations, any appraisal system will be doomed to failure.” Skarlicki and Folger (1997) argue that if individuals perceive their performance appraisals are unrelated, biased, or political then the PA process can cause high levels of dissatisfaction. So, employees who feel that they are not treated fairly respond by changing their attitudes towards their jobs (Vigoda, 2000). For example, they may be prone to engage in deviant workplace behaviour (Zoghbi-Manrique-de-Lara & Suárez-Acosta, 2014). Furthermore, unfair treatment may lead employees to be distracted from the task by focusing them on how they are being treated rather than the task itself (Westerman et al., 2014). On the other hand, perceptions of fair appraisal and treatment help to avoid negative outcomes such as increased turnover intention, job burnout and depression (e.g., Sparr & Sonnentag, 2008; Maslach & Leiter, 2008; Rubel & Kee, 2015).

In addition to serving as a vehicle for averting negative work outcomes, fairness perceptions are associated with positive employee attitudes such as job satisfaction (Korsgaard and Roberson, 1995; Lira, 2014; McFarlin & Sweeney, 1992; Sparr & Sonnentag, 2008), organizational commitment (Cheng, 2014; Colquitt, 2001; Konovsky & Cropanzano, 1991; Steensma & Visser, 2007), trust in management (Byrne et al., 2012; Chory & Hubbell, 2008; Lau & Oger, 2012; Pillai et al., 1999), and behavioural outcomes such as organisational citizenship behaviour (Daly et al., 2014; Elanain, 2010; Ertürk, 2007; Fassina et al., 2008). Because PA is among the most important human resource management practices and has significant implications for improving and enhancing job performance, exploring PA fairness in the Kurdish working context is important. Understanding PA fairness is important for organisations because of its relationship with positive employee attitudes and behaviours which ultimately promote the effective functioning of the organisation. Consequently, the present research aims to empirically investigate the influence of PA fairness on employee attitudes and behaviours in the public banking sector in Iraqi Kurdistan. The study also seeks to investigate the mediating effects of employee attitudes (job satisfaction, trust in management, organisational commitment) on the relationship between PA fairness and behavioural outcomes (organisational citizenship behaviour). By testing the mediating effects, this study contributes to the literature in the fields of performance appraisal fairness and work outcomes.
1.3 RESEARCH PROBLEM

The motivation for undertaking this research is to understand perceptions of fairness in performance appraisals and thus enhance fairness perceptions in actual performance rating situations. This thesis argues that one possible explanation for the difficulties in attaining positive outcomes may be the perceived fairness of the PA process.

Problems relevant to performance appraisals can emerge from the logic of appraisers for giving inaccurate evaluations. Appraisers want to take account of what is serving their interests instead of providing accurate ratings (McCarthy, 1995). For instance, managers may overstate employees’ ratings to obtain their favour or to avert confrontation by the appraisee (Fried & Tiegs, 1995). Researchers in the field of human resource management have been interested in measuring individual performance for a long time (Arvey & Murphy, 1998; Hyde, 2001), despite the difficulty in measuring job performance and fallibility of personal human judgment makes the process of designing PA systems more complex (Berman et al., 2012). Thus, the matter challenging managers and researchers is how to make performance appraisal operate successfully despite its inherent disadvantages and the absence of alternatives (Kim, 2014). Kellough and Selden (1997) argue that the failure of pay-for-performance has happened as a result of non-existant trust in PA.

These problematic outcomes of PA undermine an effective culture based on performance that can lead to questionable assessment practices and disturb systems determined on rewarding merit (Berman et al., 2012). In spite of the problems with PA, organisations stick with the process. It remain an important aspect of human resource management even though there are questions about its efficacy (Golembiewski, 1995). From this perspective, the effective functioning of PA is important to attain desirable outcomes. For example, Giles et al. (1997) stated that a PA system characterised by effectiveness may lead to the whole evaluation process operating at an optimum performance level. The success and effectiveness of any performance evaluation greatly relies on individual reactions to key parts of the appraisal process (Cardy & Dobbins 1994). For example, Murphy and Cleveland (1995: 314) reported that “reaction criteria are almost always relevant, and an unfavourable reaction may doom the most carefully constructed appraisal system.”

Fair and efficient PA will help to improve organisational effectiveness, employee motivation, reinforce organisational culture, attract and retain employees and support total quality management (Greenberg, 1990; Roberson & Stewart, 2006; Van den Bos & Lind, 2002). There
is little hope that these desirable outcomes will occur if employees are not satisfied with the process of PA or perceive it as unfair (Lira, 2014; Othman, 2014; Thurston & McNall, 2010; Dewettinck & Van Dijk, 2013). If employees perceive PA as being unfair, they will be more likely to demonstrate negative outcomes such as higher quitting intention. On the other hand, when employees perceive PA as fair, they will be more likely to remain in the organisation (Rubel & Kee, 2015). The negative outcomes for individuals have been viewed as a costly problem for business organisations (Demir, 2011). Thus, PA fairness is needed to elicit favourable reactions to the PA and avoid negative consequences. Several studies have documented the magnitude of relationships between organisational justice and employee performance evaluations. Huselid (1995) argued that favourable work outcomes are affected by the employees’ perception and attitudes toward their jobs. Hence, in line with Huselid’s (1995) argument, examining employees’ judgments about PA fairness and how this variable influences employees’ attitudes (job satisfaction, trust in management and organisational commitment) and subsequently their behavioural outcomes (organisational citizenship behaviour) is necessary and appropriate. The key to enhancing positive work outcomes is via the implementation of fair treatment at work. Thus, this study will explore how employees’ perceptions of performance appraisal fairness influence their attitudes toward organisation (job satisfaction, trust in management and organisational commitment) and behavioural outcomes (organisational citizenship behaviour).

1.4 IMPORTANCE AND CONTRIBUTION OF THE RESEARCH

Organisational justice refers to employees’ perceptions of fairness at work. In recent years, this variable has received attention to increase understanding of organizational justice and this study examines the influence of PA fairness on employees' attitudes and behaviour.

This study was explicitly motivated by a desire to contribute to obtaining a better understanding of how PA fairness influence employees’ attitudes toward organisations and how these, in turn, influence behavioural outcomes. This study is important because it will contribute to the banking sector in a number of theoretical and practical ways. The present research is important for two key reasons. Firstly, it focuses on work-relevant outcomes that are important for organisations and their staff. According to Judge and Kammeyer-Mueller (2012, p. 344), job-relevant outcomes are important because work issues concern “people’s identities, to their health, and to their evaluations of their lives”. Employees with high job satisfaction, trust in management, organizational commitment, and organisational citizenship behaviour are
typically more willing to work toward achieving the goals of their organisations (Kim, 2005). Secondly, the research attempts to address a number of research gaps in the human resource management and organisational behaviour literatures and contribute to the PA fairness literatures by addressing a number of gaps in this area.

First, the study will enhance our understanding of the consequences of PA fairness. The findings will demonstrate the importance and influence of PA fairness in order to attain positive outcomes. Second, studies in the field of organisational behaviour have increasingly focussed on organisational justice to explain its effects on individuals’ attitudes and behaviour. Regarding the link between PA fairness and employee work outcomes, much of the research uses PA fairness as a variable to predict a variety of employee attitudes or it uses it as a variable to predict behavioural outcomes. There is a paucity of research that has examined PA fairness to explain its effects on both employee attitudes and behaviour comprising several job variables. Given this perspective, there is a need to study PA fairness that addresses both attitudinal and behavioural outcomes.

Third, the study assesses the mediating effect of employee attitudes on the relationship between PA fairness and behavioural outcomes. This will expand the field of empirical evidence by considering multiple mediating variables in an attempt to assess the causal relationships between PA fairness and aspects of employee work outcomes. It will contribute to a richer understanding of the outcome relationships between PA fairness and employee attitudes and behaviour. In light of this, the research will adopt a mediation model that contains multiple mediators which foster a deeper understanding of chain relationships between a set of variables. Previous studies show that PA fairness is positively linked to employee work attitudes such as job satisfaction, trust in management, organisational commitment. Furthermore, these four attitudes are positively related to behavioural outcomes such organisational citizenship behaviour. This research will broaden this base of study by considering multiple mediators, namely job satisfaction, trust in management, affective and normative commitment. By so doing, this research adds to the PA fairness literature by testing the mediating influence of employee attitudes on the relationship between PA fairness and behavioural outcomes.

Fourth, the research extends prior studies on the relationships between fairness perceptions and employee work outcomes by examining these relationships in the Kurdish working context. In recent years, there is an increasing interest in investigating the relationship between organisational justice and organisational behaviour. However, most studies have been
conducted in West (e.g. De Gieter et al., 2012; katou, 2015; Sousa-Lima et al., 2013) and Asia (e.g. Luo et al., 2013; Wong, 2012; Yang, 2012), and few have investigated the nature of this relationships in the Middle Eastern Region. This also applies to the association between PA fairness and employee job outcomes, where there is an increased number of studies connecting PA fairness with work attitudes and behaviours in the Western Countries (e.g. Byrne et al., 2012; Farndale & Kelliher, 2013; Lira, 2014; Lau & Oger, 2012) and Asia (e.g. Rubel & Kee, 2015; Juhdi et al., 2013), but no studies in the Kurdish working context. This research is the first serious attempt to examine employee attitudes and behaviour in Kurdistan. This will help determine the generalisability of findings acquired from empirical research implemented in developed countries. Furthermore, this research is the first study that has assessed the relationships between PA fairness and employee attitudes and behaviour in the Kurdish working context.

Finally, the research is designed to provide managers with insights into the importance of conducting performance appraisals in ways that employees see as fair, and how this helps them to manage employees effectively to draw desirable attitudinal and behavioural reactions from employees. Moreover, the results will assist managers make better decisions providing them information about how PA fairness influences employees outcomes at work. The outcome of the current research realises that implementing fair PA is related to delivering positive job attitudes and behaviour. This is considered to be a significant contribution to Kurdish organisational studies.

1.5 AIM AND OBJECTIVES

The aim of this research is to investigate whether employees’ perceptions of PA fairness influence their attitudes and behaviour in the public banking sector in Kurdistan. It is proposed that the perceived fairness in PA influences employees' attitudes toward the organisation (job satisfaction, trust in management, and organisational commitment). These, in turn, influence employees' work-related behaviour (organisational citizenship behaviour). Thus, this study has the following main research objectives.

1- To examine the mediating impact of job satisfaction on the relationship between performance appraisal fairness and organisational citizenship behaviour.

This objective relates to hypotheses 1-3 (p.78)
2- To examine the mediating impact of trust in management on the relationship between performance appraisal fairness and organisational citizenship behaviour.

This objective relates to hypotheses 4-6 (p.81)

3- To examine the mediating impact of organisational commitment on the relationship between performance appraisal fairness and organisational citizenship behaviour.

This objective relates to hypotheses 7-12 (p. 84)

1.6 THE CONTEXT OF IRAQI KURDISTAN

Iraqi Kurdistan is located in the north of Iraq, and covers an area of 80,000 km/ 30,888 sq. km (KRG, 2008). Iraqi Kurdistan, officially known as the Kurdistan region, is the Kurdish area which basically constitutes three governorates: Erbil, Suleimaniyah and Duhok. Erbil is the official capital of the Kurdistan Region which has no internationally recognised border (Stansfield, 2003). It is considered part of the Republic of Iraq, which enjoys sovereign freedom over its territory, with a population of about 4.8 million (Kurdistan Board of Investment & General Consulate France, 2011). It has a specific location bordered by the central Iraq government to the south, Turkey to the north, Iran to the East and Syria to the west. The Kurdistan Region includes governing institutions in presidency, parliament and the government are all acknowledged likewise. The Constitution specifies the limits and scope of the powers of the federal government in the region, albeit its interpretations have involved a large array of disputes (Khorshid, 2014).

The literal meaning of Kurdistan is the land of Kurds. It can be described as a geo-cultural region in area that comprise a vast majority population of Kurds, and where Kurdish culture, national identity and language have historically been centred. (Natali, 2005). In this regard, from an ethnic perspective, Kurds can be easily distinguished from their neighbours (McDowall 2004). In the past, Kurdistan was divided into several states, and it enjoyed different levels of self-government under the rule of the Ottoman and the Persian empires. Self-government ended with the emergence of new nation-states on the ruins of the Ottoman and the Persian empires namely, Turkey, Iraq, Iran and Syria (Voller, 2012). The majority of Kurds are Sunni Muslims different from Arabs, but share similarities with Iranians. Since the British Empire created Iraq after World War I from the Ottoman Empire, the Kurdish Autonomous Region of Iraq has been the site of strong conflict with different insurgencies (Gunter, 2009).
Beside Kurds, there are other small ethnic minorities which coexist with Kurds in the Kurdistan Region namely Assyrians, Chaldean and Turkmen.

Prior Iraqi regimes held powerful control over the Kurdistan Region after World War I as a result of the Lausanne Treaty (1920-1923). The KRG represents the government of Iraqi Kurdistan, which has been constituted for more than 20 years. The three governorates of Iraqi Kurdistan (Dohuk, Erbil, Sulaymaniyah) faced semi liberation in 1991, for the first time, as a consequence of succeeding the Kurdish uprising of Iraq and removing Saddam’s regime from Iraqi Kurdistan (Stansfield, 2003). The government of Iraqi Kurdistan was established in 1992 when the first elections were held. Since the formation of the KRG, the territories were developed based on nationalism in Iraqi Kurdistan, distinguishing the Iraqi-Kurd movement from its regional ethnic counterparts. The status of the KRG was officially recognised in the Iraqi constitution in 2005, ensuring the right of the Iraqi Kurds to practice the local power over all administrative requirements of the region (Natali, 2010; Khorshid, 2014). In light of its ethnic-national identity, the actions of the KRG have been widely viewed as part of broader strategy to obtain juridical independence (Klich, 2013).

Mountains are the most eminent geographic attribute of the Kurdistan region. In this regard, there is a famous Kurdish proverb which indicates that the mountains are the only friend for Kurds (Gunter, 2009). Kurds speak a Kurdish language which is part of the Indo-European language family, and their accents are close to Persian (Jwaideh, 2006). Consistent with article 121 of the Iraqi constitution of 2005, Iraqi Kurdistan exercises legislative and judicial authority which embraces all the administrative requirements of the region including service delivery. Moreover, Iraqi Kurdistan has established its own diplomatic offices abroad, and has a president and a prime minister. The democratic society has emerged in the Kurdistan Region under the auspices of the International Declaration of Human Rights, based on social justice where the citizens in Iraqi Kurdistan are enabled to shape a united and democratic region based on a federal, democratic and parliamentary Iraq, which believes in human rights and pluralism (Kelly, 2010).

Since shaping the government of quasi-independent Kurdistan, several countries established a relationship with it. KRG has a good relations with the United States and the United Kingdom, Turkey, Iran, and Iraqi Kurdistan appears to be internationally recognised. In the past five years, the relations between Iraqi Kurdistan and its neighbouring countries have been
considerably improved, particularly with Turkey which has become the primary contributor to the foreign presence in Kurdistan (O’Leary, 2008). The United States, as an international player, and Turkey as a regional player, exert a major role in delineating the political trajectory of Iraqi Kurdistan (Mohammed, 2013). KRG have enjoyed good relationships with the UK, since it helped protect the Kurdistan Region. KRG perceives these relationships as important, because it considers the UK government well-placed to contribute to the development of the Kurdistan region as a stable and prosperous democracy (KRG, 2014). Admittedly, the international benefits upon which the Iraqi Kurdistan is based are perceived as an imperative to achieving political strength and economic prosperity. Thus, in sustaining continuous economic relationships with its neighbours, the Kurdistan region would avoid risks of losing the development and prosperity it has gained since 1991 (Abbasi, 2008).

The economy of Iraqi Kurdistan is based on oil, agriculture and tourism. Iraqi Kurdistan enjoys the independent management of its resources and revenues along with economic prosperity, which has allowed it to accelerate reconstruction and development in the region, having more stability and it is considered as a safer place compared with other places in Iraq (Yasin, 2011). It is realised that the Kurdistan region has an environment that is a much stronger position to grow and thrive within a prospering economy, equal to Iraq as a whole (Abbasi, 2008). Over the past few years, the importance of the Kurdistan Region has increased as a result of two important factors. Firstly, the removal of sanctions on Iraq and secondly, the richness of its natural resources (Bryza, 2012:56). Mutual economic interests have gone beyond the mere importance following oil especially, after discovering gas. Oil is the major source of foreign investment. Exports of oil generate high levels of income reaching over 90% of the Iraqi budget, in general, and the Kurdistan Region, in particular (Alkadiri, 2012). According to different estimates, the oil production capacity of Kurdistan Region is between roughly 30-60 billion barrels of oil reserves and 22 trillion cubic feet of gas, and the revenues these resources generate for the KRG are expected to increase in the future, nearly tripling by 2020 (Mills, 2013). The agriculture sector also contributes significantly to the economy along with extractive industries, and it is essential to reduce poverty and improve economic stability (RTI International, 2008). In addition, educational development in Kurdistan region is relatively good in comparison to the rest of Iraq (Aziz 2011).

The KRG has experienced an explosion in foreign investment as a consequence of progress made in investment of free-market practices and entrenching security in the region. In this
regard, FDI Magazine, an organisation belonging to the Financial Times, classified Erbil, the Capital of KRG, as fifth among the top cities in the Middle East, with regards to the possibility of foreign direct investment in 2011 (FDI). The Kurdistan law of investment was issued to enhance investment and generate a good business environment in the Middle East, and to attract foreign investors in establishing businesses in Iraqi Kurdistan. This law has been targeted to eliminate legal barriers that permit the investment of foreign and national capitals that ultimately contribute positively to the economic development process (Kurdistan Regional Government, 2010). According to (KRG, 2008), private firms in the region have increased from 8,000 to over 30,000 firms, and the United States trade events have considerably increased, reaching tenfold year-on-year from 2005 to 2007 (Paasche & Sidaway, 2015). The stable situation in Iraqi Kurdistan has attracted foreign firms such as Exxon Mobil, Chevron and Total, which have signed contracts over the last years directly with the KRG without reverting to the central Iraqi government (Kirmanj, 2013). Currently, KRG have a good collaboration with foreign governments and international firms. Furthermore, sustaining good collaboration with the Arab countries is among the KRG’s priorities (Kurdistan Board of Investment & General Consulate France, 2011).

Figure 1.1 Map of Iraqi Kurdistan
1.7 BANKING SECTOR IN KURDISTAN

After removing the Regime of Saddam in 2003, the central government of Iraq, and KRG especially, began to open to the external global environment. The law of banking was issued in 2003. The law provides the legal structure of Iraq for the banking system in accordance with international criteria, and attempts to enhance trust in the banking system through constructing a system that is characterised as safe, sound, competitive and accessible in banking activities. Between 2003 and 2004, the new currency of Iraqi Dinar was issued by the Authority of Coalition Provisional to engender a single unified currency that can be used everywhere in Iraq. The old currency of the previous regime was exchanged with the new one (BKR International, 2013).

Since 2005, the banking sector in Iraq has been transferred to the new covenant, after witnessing the prosperity and reconstruction of the country, which attained many advantages, such as new technology, offering higher quality services and products. Within an increased movement and accelerated growth in the Kurdistan region, a very large number of firms are involved in business sectors, including the banking sector through opening its branches and offices (Doski & Marane, 2013). Good strategies have been planned by the Kurdistan region government to promote a program that seeks to attract domestic and external inventors to establish projects in the region. Consequently, the Kurdistan investment law which was issued in 2006, assisted banking organisations to expand its services for international firms and customers (www.theotheriraq.com). According to USAID (2008), the Kurdistan region has experienced better business programs in terms of its potential to accomplish rapid economic growth and development. Yet one of the most pertinent matters is the shortage of effective techniques in the modern banking industry. Following the boom of development in all sectors generally in the region, a multitude of international conferences on the economy of Iraqi Kurdistan were held, and numerous positive developments for Kurdistan’s financial sector were expected. It is expected that the banking sector and financial services would expand rapidly in the Kurdistan region of Iraq, since there is serious effort from HSBC to place its own-brand on high street branches in the region (www.iraqbusinessnews.com).

The Kurdistan region is considered to be the best environment for investment, because many big companies in all business sectors (including banking) have only one option to conduct investment in Iraq, through accessing the Kurdistan region, because the risk is very high in Iraq as result of an absence of security and stability (Doski & Marane, 2013).
Given the KRG has followed a policy that encourages in welcoming and absorbing foreign banks and companies, the region has witnessed a great increase in the emergence of new banks in the Kurdistan region. There are many banks operating in the Kurdistan Region, which has reached more than 84 public and 64 private banks. This situation has been improving since 2005. The Branch of Central Bank of Iraq “Harem Bank” practices a control role on foreign exchange and the Iraqi Dinar, and manages the banking industry in the region. The monetary policy in KRG is laid out by the Iraqi government through the Central Bank in Baghdad. Confidence in the banking system in the Kurdistan region is increasing with more banks entering the region, beside a growing number of foreign firms, since these firms need to obtain a better quality of banking services (Kurdistan Board of Investment & General Consulate France, 2011). Economic growth in the region and relative safety are major factors in the banking industry prospering in Iraqi Kurdistan since the liberation of Iraq in 2003 (BKR International, 2013).

The banking sector provides a wide range of banking services to the Kurdish market, such as trade financing, letters of credit, guarantees, bills discounting, domestic and external settlements, foreign exchange transactions, and working capital and project lending. Many banks also provide real estate loans and most of the real estate funding for the construction of housing projects (BKR International, 2013). Offering banking services for people plays an important role in the development of the national economy in Iraqi Kurdistan, so deals with the sector can effectively lead to achieve stability and continuous growth (Kurdistan Business Agenda, 2007).

The emergence of the oil and gas industry on one side and a large increase in foreign firms in the Kurdistan region on the other side, led to a growing demand for professional banking (Kurdistan Board of Investment & General Consulate France, 2011). The banking sector attracted, and is still attracting, large amounts of capital investment. The state owned Central Banks in the region are categorised in two forms, 14 State owned Banks and 30 private owned Banks. To date, there is more than $2.3billion investment in the Banking Sector. This amount indicates that the banking sector in the region witnessed large growth compared with other sectors such as the insurance sector. (Unegbu & Okanlawon, 2015). It is expected in the future that a multitude of banks will settle in the Iraqi Kurdistan. Furthermore, since the region is experiencing an increase in economic growth more and more firms enter the region, and they want to deal with the banks that provide better services (Kurdistan Board of Investment &
Accordingly, the range of facilities that banks provide to all parties are important to establish large projects which can sustain economic growth and aid to generate new job opportunities for the Kurdish people.

1.8 CHOICE OF THE CONTEXT

The public banking sector in Iraqi Kurdistan was selected for study for the following reasons: First, it is one of the most important sectors in the Kurdistan Region and represents a main contributor to Kurdish economic performance. The significant role of banking has been observed through its credit facilities to the Kurdish market in the form of a wide range of banking services (BKR International, 2013). Second, the banking sector plays vital role in influencing foreign investment. In particular, after witnessing the emergence of the oil and gas industry, the demand for professional banking has increased (Kurdistan Board of Investment & General Consulate France, 2011). Third, Kurdistan is a Region in a Kurdish community setting which is different from others. Specifically, Kurdish culture is different from the Western cultures. Thus, research in this setting has practical value.

Fourth, service organisations are focused largely on people. Based on Vandenabeele (2013), the contributions of people are vital for public services and they are deemed the most critical asset. This view can be applied to banking and there is an imperative to put more focus on employees’ outcomes. It is hoped that the present study will play an effective role in providing a thorough understanding of the work attitudes and behaviour of banking sector employees.
1.9 THE STRUCTURE OF THE THESIS

This thesis is divided into six chapters as depicted below.

Chapter 1: Introduction

The first chapter introduces the research topic as well as a brief introduction to the background of the study along with the research problem. The chapter also outlines the aim and objectives as well as the context of the study.

Chapter 2: Performance appraisal fairness

This chapter discusses PA fairness and employee attitudes and behaviours and their impact in organisations. The chapter reveals the existing literature in the field of human resource management practices, organisational behaviour, and justice research. Various fairness aspects of PA are discussed including PF, DF and IF. Work-related outcomes comprising job satisfaction, trust in management, organisational commitment, and organisational citizenship behaviour are also discussed. This chapter introduces the main theories that prevail in the literature on the organisational fairness-work outcomes relationship namely social exchange theory and the norm of reciprocity to help to explain the link between fairness perceptions and employee attitudes and behaviour.

Chapter 3: Conceptual framework

This chapter presents the conceptual model used in the study as well as a detailed discussion of the research hypotheses. The chapter starts by describing the conceptual model itself, and the mechanisms it tests such as the influences of performance appraisal fairness on employee work attitudes and the impact of those attitudes on work-related employee behaviour. Each of the variables employed is investigated and the research hypotheses are developed. The relationships among variables and prior research findings are discussed.

Chapter 4: Research Methodology and Methods

This chapter covers a number of methodological topics: the research philosophy, research approach, research methods, research strategy, time horizon, and data collection method and analysis technique. It justifies using a survey based-questionnaire as a data collection method and the statistical tools used to examine the data.
Chapter 5: Research analysis and results

This chapter includes the demographic profile of the survey respondents, the results of the descriptive analysis of the research variables, tests of reliability, Independent Sample T-tests and confirmatory factor analysis. The last section presents the results of hypotheses testing by PROCESS macro Software.

Chapter 6: Research discussion and conclusion

This chapter presents an overall discussion of the findings in line with the aims and objectives. The chapter also provides an overview of the main connections found between the variables. The outcome of the research hypotheses are reviewed and compared with previous studies in the field. It includes a discussion of the contributions to knowledge along with the managerial implications of performance appraisal fairness on employee outcomes, as well as recommendations regarding implementation of fair performance appraisals. This chapter describes the limitations of the present research and includes suggestions for further study. Conclusions of the study are provided.
Chapter two: Performance Appraisal Fairness, Employee Attitudes and Behaviours

2.1 INTRODUCTION

This chapter begins by presenting a review of performance appraisal. The second section discusses the fairness of PA and the importance of PF, DF and IF in performance appraisal are demonstrated. The third section discusses work-related attitudes and behaviours with respect to job satisfaction, organisational commitment, trust in management and organisational citizenship behaviour. This chapter also illustrates the importance of employee attitudes and behaviours in the workplace. Finally the chapter concludes with a summary of previous studies relevant to the present research.

2.2 PERFORMANCE APPRAISAL

This section presents a brief outline of the concept of performance appraisal (PA) and illustrates the purposes of using PA in the workplace. Theories and studies regarding employees’ perceptions of PA fairness are discussed.

2.2.1 Concept of Performance Appraisal

Performance appraisal is regarded as one of the most important human resource practices (Boswell & Boudreau, 2002; Kehoe & Wright, 2013), and is among the most widely researched subjects in the field of work psychology (Fletcher, 2001). It has been viewed as an important method in the field of management which is used to measure the performance of employees, clarify personnel decisions such as promotions, transfers, layoffs, and allocating financial rewards. Furthermore, it is deemed a supportive tool to develop employees’ capacity through providing feedback on employee job performance, determining training needs and requirements, and evaluating the achievement of organisational goals (Daley 1992; Fletcher 2001; Murphy & Cleveland 1991; Taylor et al., 1995). Thus, the use of performance appraisals in organisations aims to assess job performance, assess employee attitudes; reinforce work quality, and improve profitability and growth (Kline & Sulsky, 2009). PA has become, to a large extent, an aspect of a more strategic method to integrate the functions of human resources and organisation policies, and is now a general term that embraces a broad set of activities through which organisations attempt to evaluate employees and develop their capabilities, promote organisational development, and allocate financial incentives (Fletcher & Perry, 2001).
Performance appraisal consists of measuring work performance, which basically embodies a fundamental component of the process of PA, without identifying the actual methods employed for measurement (Kavanagh, Benson & Brown, 2007). Performance appraisal, which is an element of performance management, is considered the process by which an organisation measures and assesses employee behaviour and achievements, over a specified period of time (Walsh, 2003). Dessler (2016) defines the performance appraisal as a process in which an employee’s job performance is measured, based on performance criteria, in order to ascertain the level of work quality the individual has accomplished, and to further specify competencies which may require further training. Coens and Jenkins (2000) state that a performance appraisal is a mandated process by an organisation, in which an individual’s performance and personal attributes during a determined period are individually judged, evaluated and explained by the appraiser, and the results of the assessment are preserved by the organisation for future reference. Performance appraisals are also defined as a periodic assessment of the work level of an employee measured against particular anticipations (Yong, 1996). Similarly, Fletcher (2001:473) defined performance appraisal as “activities through which organisations seek to assess employees and develop their competence, enhance performance and distribute rewards”. Performance appraisal is a key aspect of human resource management practices that plays an important role in work development.

Irrespective of the definition of PA, the PA system that is used in the majority of organisations is structured and formal. The appraisal process typically involves a discussion between the appraisee and the appraiser covering the employee’s performance and their training needs. PA refers to a structured formal interaction between the employee and the manager, which generally takes a periodic interview form (annual or semiannual), in which employee performance is investigated and assessed (Sabeen & Mohboob, 2008). Wolff (2008) confirms that the way to solve poor performance is communication connected with clarity about goals and expectations, intervention at the appropriate time and making sure that appraisers have a clear perceptions of the core problem before implementing a solution. In this regard, Suff (2006) reports that the majority of managers use PA processes as a way to communicate their expectations to individuals. Research indicates that effective performance appraisal can enhance employee goal alignment which allows them to know to what extent that their work
relates to organisational goals and priorities (Ayers 2013). In a similar vein, PA is useful to connect employee job performance to the organisation’s expected level of performance. In turn, employees will be more involved in the PA process to discover how much of an effort they are making to their organisations (Kim, 2014).

Aswathappa (2013) reported that the information acquired from the results of PA can be used to make several human resource decisions, such as wage increase, promotion, or transfer. Furthermore, it can be also used to design evaluation programmes that contribute to build a database of individual employees. In this regard, Gomez-Mejia et al. (2016) provide a model of performance appraisal which illustrates the important role of PA in developing employee performance. This model entails identification, measurement and management of employee performance. Identification refers to specifying what area of work should be examined by the appraisers. Measurement involves make judgments about individual performance. Management is a process of providing employees with feedback and taking corrective actions such as train them to reach higher levels of performance (Figure 2.1).

![Figure 2.1 The Model of Performance Appraisal (Gomez-Mejia et al., 2016:233)](image)

Hartmann and Slapnicar (2009) indicate that appraisers conduct either a formal or informal PA. They found that formal PA has a positive effect on appraisees’ trust in their appraisers, and provides more accuracy and consistency results in comparison to informal PA. Even though the CIPD (2005) claims that there is no single correct manner to implement performance evaluation, there are five main factors to an appraisal in the context of positive dialogue (see Table 2.1).
<table>
<thead>
<tr>
<th><strong>Measurement</strong></th>
<th>Evaluating job performance against agreed targets and objectives.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Feedback</strong></td>
<td>Presenting information to employees regarding their performance and improvement.</td>
</tr>
<tr>
<td><strong>Positive reinforcement</strong></td>
<td>Focusing on what has been performed well and making constructive criticism concerning what improvements that might be required.</td>
</tr>
<tr>
<td><strong>Exchange of views</strong></td>
<td>Exchanging views regarding what has happened, how appraisees can improve their performance, the needed support from their managers to accomplish this and their ambitions for their future employment.</td>
</tr>
<tr>
<td><strong>Agreement</strong></td>
<td>Making an understanding by all parties regarding what is needed to improve job performance generally and address any matters raised in the course of the discussion.</td>
</tr>
</tbody>
</table>

Table 2.1 The Five Key Elements of a Performance Appraisal (CIPD, 2008)

Murphy and Cleveland (1991) suggest that evaluating the effectiveness of all human resource management practices is an important issue in performance appraisals. Mani (2002) notes that PA effectively assists individuals to improve their performance because they can produce specific performance feedback. They suggest that PA also assists supervisors to determine employment training needs and requirements. Moreover, they also note that effective PA leads to increased employee motivation and thus increases their productivity. On the other hand, ineffective PA may lead to inconsistent messages regarding which aspects of work performance are high and which are low, due to the probable deviation between employee behaviour and organisational rewards (Murphy & Cleveland, 1995). Therefore, the measurement of PA systems effectiveness should be taken into account when designing a PA system. Longenecker and Nykodym (1996) summarised the key features of using performance appraisal as:

1. Provides supervisors with a suitable communication technique for identifying individual goal and job performance planning.
2. Increases individual motivation and productivity.
3. Facilitates issues relevant to individual growth and development.
4. Provides a strong basis for deciding pay and salary administration.
5. Provides information for many human resource decisions.
2.2.2 Purposes of Performance Appraisal

Organisations use PA for many purposes. The differences result from differences among organisational goals. Overall, PA aims to develop the performance of individuals and/or organisations by using information respecting the behaviour of individuals at work (Selvarajan & Cloninger, 2009). On the other hand, the lack of uniform understanding of PA purposes contributes to dissatisfaction with PA (Cheng & Cascio, 2009). PA fulfils different functions in organisations, such as to promote employee performance and productivity, distinguish the strengths of an employee from his/her weaknesses, and develop employees’ skills and capabilities (Cook & Crossman, 2004; Murphy & Cleveland, 1991). Indeed, ultimately the goal of PA is often to increase performance at the organisational level (DeNisi & Gonzalez, 2000).

Gomez-Mejia et al. (2016) assert that a number of organisations use PA for developmental purposes, including specifying weaknesses and strengths and specifying training needs. Further, PA can be employed as a basis for managerial decisions in relation to selection, promotion, termination and rewards. However, past research highlighted the distinction between administrative and developmental purposes. Administrative purposes are suitable in situations where management have to make decisions about selection, rewards, promotion and termination. In these situations, performance appraisals give a picture of how an individual may have performed, whereas development purposes are to enact some type of behavioural intervention that provide developmental opportunities that contribute significantly to continuous improvement. In this form, performance appraisals provide information about how their performance conforms with the ideal performance and attempt to correct or improve behaviour (Boswell & Boudreau, 2002; Battaglio, 2014). On the other hand, some studies suggest that the common purpose of PA from the employee perspective is to measure performance, whereas the purpose of PA from the organisation’s perspective is to achieve organisations goals (Caruth & Humphreys, 2008; Youngcourt et al., 2007).

It is reported that there is an association between the purposes of PA and its outcomes for organisation and employee. For example, Gabris and Ihrke (2001) state that managers and employees will not respond favourably if the identified purpose of PA differ from the perceived outcomes. In this regard, Nurse (2005:1182) argues that “if employees consistently meet and exceed performance standards and requirements but are not appropriately rewarded, through increased pay or promotion or other appropriate forms of recognition, the linkage between performance appraisal and employee career advancement is weakened”.
Cascio (2016) identified the purposes of PA and divided them into five broadly defined functional categories as shown in Figure 2.2.

![Diagram of Purposes of PA](image_url)

**Figure 2.2 Purposes of performance appraisal (Cascio, 2016)**

In spite of different uses of PA, its main intention is to enhance organisational performance (Williams, 2002). Youngcourt et al. (2007) contend that the perception of PA purposes will influence employees’ attitudes toward PA. James (1995) argues that implementing clear purposes and fairness in PA is likely to shape the culture and the quality of work in an organisation. Therefore, the purpose of PA should be taken into account when establishing a PA system in order to produce a significant impact on employee work outcomes.
2.3 FAIRNESS OF PERFORMANCE APPRAISAL

The study of fairness and justice has been a subject of philosophical attention which extends back nearly as far as Plato and Socrates (Ryan, 1993). In organisational research, justice is deemed to be socially constructed. That is to say, an action is determined as fair if the majority of people perceive that the action is applied fairly (Cropanzano & Greenberg, 1997). Hence, linking objective aspects of decision making to subjective perceptions of fairness can be regarded as a main driver for fair treatment.

Research in the area of PA efficiency and methods for assessment has focused on employees’ perceptions of and satisfaction during the process. This trend encourages researchers and managers to investigate of the efficiency of PA systems and assess systems which contain these elements. Recent research has demonstrated that users’ attitudes toward the process of PA largely determine the effective functioning of the PA system (Roberts, 1990).

Past research has determined PA fairness as a significant criterion in judging PA effectiveness (Erdogan, 2002; Murphy & Cleveland, 1995; Roberts, 1990; Taylor, et al., 1995). PA fairness and its consequences have been investigated because it must be seen as fair and just by appraisees in order to be effective (Greenberg, 1986). Cardy and Dobbins (1994) indicate that when employees perceive the process of PA as unfair and unsatisfying, it may constrain progress.

Haar and Spell (2009) note that fairness perceptions may lead individuals to react toward PA. For example, employees will react more positively toward a PA system if they are engaged in the appraisal’s construction (Thurston & McNall, 2010). On the other hand, if employees perceive unfairness that may cause them to concentrate on how they are being treated rather than the task itself (Westerman et al., 2014). Furthermore, a lack of trust in performance appraisals will have a negative consequences on employees’ perceptions of PA (Kim & Holzer, 2014). However, Roberts (2003) argues that appraisers can address the negative consequences of PA by ensuring individual participation in the process. This provides evidence of the distinct role of fairness in the context of PA. Van den Bos et al. (1998) state that individuals would be more receptive to organisational decisions and demonstrate positive feeling toward the outcomes of these decisions when managers use fair procedures to make decisions. In this regard, it is important to the success of any PA system that the appraisers take into consideration the appraisees and their reactions to the process of PA. However, if employees
do not show their desire to accept and support the PA system, the appraisal system will become useless and often fail to achieve its outcomes (Cawley et al., 1998). In other words, PA can be rejected or accepted on the basis of fairness perceptions (Kim & Rubianty, 2011). Engaging employees in setting goals and PA standards is vital to increase their acceptance of PA regarding procedural fairness (Kim & Holzer, 2014). Therefore, appraisers should concentrate on PA fairness as an avenue of organisation improvement (Cho & Sai, 2013; Krats & Brown, 2013; Sholihin & Pike, 2013).

Dissatisfaction with ineffective PA has encouraged researchers to investigate the impact of PA on work performance. Skarlicki and Folger (1997) suggest that the process of PA can create high levels of dissatisfaction when employees view that evaluations are biased, irrelevant or political. Moreover, Nurse (2005) found that individuals who felt that the outcome of performance appraisal was not fair would also believe that their anticipations in relation to performance development were not being fulfilled. Othman (2014) points out that the main problem facing managers is that the subjective PA is much more judgmental and thus potentially viewed as unfair, inaccurate and biased. Clarke et al. (2013) show that employee perceptions of PA as biased, unrelated or political can lead to generating dissatisfaction and frustration. Thereby, employees’ perception of PA fairness is fundamental to fulfil the requirements of effective appraisal.

In this regard, Gilliland and Langdon (1998: 228) provided eight practices that foster perceptions of fairness during performance appraisal process:

- “Have employees provide input into the appraisal process.
- Ensure consistent standards when evaluating different employees.
- Minimise supervisor biases during the appraisal process.
- Ensure raters are familiar with the employees work.
- Ensure appraisal ratings are job related.
- Communicate performance expectations prior to the appraisal process.
- Avoid surprises (For example, unexpected negative evaluations) in appraisal ratings.
- Base administrative decisions on ratings”.

35
Perceived fairness in performance evaluation is a predictor of satisfaction with the performance appraisal. Many researchers have examined the fairness perceptions of performance appraisal over time. Bretz, Mikovich and Read (1992) demonstrate that individual perceptions of fairness are important, because most employees considered the evaluations neither fair nor accurate. Erdogan (2002) investigated PA systems in terms of perceived fairness and accuracy and found a number of significant factors which influenced an individual’s perception of fairness and the accuracy of the PA, involving appraiser behaviours, favourability of rating, due process characteristics and organisational culture. A study of Fortune 100 firms demonstrated the important role of fairness perceptions of PA systems among practitioners (Thomas & Bretz, 1994). Folger et al. (1992) found support for previous results by documenting three important elements, which employed to expand the implementation of fairness to the PA context. Examples of these elements comprise adequate notice, fair hearing, and judgment based on evidence.

Applying fairness in the workplace is related to different organisational outcomes and employee attitudes. Lawler (1994) asserted that appraisal reactions likely promote motivation to increase performance. Many studies have demonstrated that conducting performance appraisals in ways that employees see as fair are likely play a main role in the development of positive work attitudes and behaviours such as high job satisfaction (Brender-Ilan & Shultz, 2005; Lira, 2014; Sparr & Sonnentag, 2008; Yamazaki & Yoon, 2012), high trust in management (Chory & Hubbell, 2008; Colquitt, 2001; Cropanzano et al., 2002; Hartmann & Slapnicar, 2009), high organisational commitment (Lau & Moser, 2008; Cheng, 2014; Moorman et al., 1993; Steensma & Visser, 2007), high organisational citizenship behaviour and low turnover intention (Daly et al, 2014; Elanain, 2010; Luo et al, 2013; Sparr & Sonnentag, 2008).

Researchers in the area of organisational fairness divide the fairness concept into three main dimensions. These dimensions are procedural fairness (PF), distributive fairness (DF) and interactional fairness (IF). Procedural fairness is more related to the rules and formal proceedings, and the degree of transparency in the processes of decisions making. Distributive fairness relates to the fair distribution of outcomes. Interactional fairness is relates to the quality of treatment received by others in regard to dignity and respect (e.g., Bies & Moag, 1986; Schermerhorn 2009). The study adopts the definition of PA fairness suggested by Gupta and Kumar (2013) as “the fairness of the career system – to the whole procedure, including
establishment of performance standards, appraisal related behaviours of raters within the PA period, determination of performance rating and communication of the rating to the rate”. The rational for adopting this definition is that it provides a comprehensive conceptualisation of PA fairness including the three different types of fairness in the context of PA. This study aims to examine how fairness perceptions of performance appraisal influence employee attitudes and behaviour in the public banking sector in Kurdistan. As set out below, literature on these three forms of fairness shows an association between fairness dimensions of performance appraisal with favourable work outcomes.

2.3.1 Procedural fairness

Procedural fairness refers to the fair procedures used to evaluate performance (Erdogan, 2002). Thibaut and Walker (1975) present the concept of procedural fairness to illustrate the important role of fair procedures in overall organisational justice. Procedural fairness involves processes and procedures which organisations use to make decisions relevant to outcomes (Korsgaard & Roberson, 1995; Skarlicki & Latham, 1996; Tyler & Bies, 1990; Tyler & Lind, 1992). Similarly, Lambert (2003: 157) defined procedural fairness as “perceived fairness in the process of determining distributive outcomes, such as how pay or promotions are decided within an organization”. Niehoff and Moorman (1993) defined procedural fairness as the degree to which individuals perceive that their job performance is fairly evaluated, and their managers have the ability to evaluate their job performance in a fair way. This definition concurs with that provided by Gupta and Kumar (2013) who define procedural fairness as the fairness perceptions of procedures that managers use during PA processes and fairness perceptions of PA standards conducted by the organisation.

Early studies on PF concentrated on features that make procedures viewed as fair. Laventhal (1980) identified six procedural rules which can be used to evaluate employees’ perception of PF.

1. The consistency rule states that procedures will be considered fair if they are consistently applied across people and over time.

2. The bias-suppression rule states that procedures will be considered fair if they are free of bias from the decision maker.
3. The accuracy rule states that procedures will be considered fair if they are based on accurate information.

4. The correctability rule states that procedures will be considered fair if they contain provisions for correcting bad decisions.

5. The representativeness rule states that procedures will be considered fair if they represent the values, concerns and perspectives of all important subgroups and individuals affected by the allocative process.

6. The ethicality rule states that procedures will be considered fair if they are based upon accepted norms of morality and ethical values.

Applying the theory proposed by Leventhal (1980) above to PA, procedural rules should be used to direct performance appraisals in order to enhance and increase the employees’ perceptions of fairness in PA. To do so, requires that managers and employers make sure that PA procedures are applied consistently, free from bias, rely on accurate information, allow the employees to modify and reverse the evaluation decisions, representative of all parties concerned, and make the distribution decisions on moral norms and ethical values. However, Lind and Tyler (1988: 134) argued that "in general, Leventhal's procedural justice rules seem to be too broad to be more than a first cut" even though Folger and Konovsky (1989) stated that the procedural rules of Leventhal have been employed as a foundation of numerous studies in procedural fairness.

In the context of PA, PF is likely to be the attention focus of both employees and superiors. Employees typically consider performance evaluation to be especially important when it is connected to allocation and distribution that will identify their rewards and promotions (Lau & Lim 2002). There are two important theories which explain the importance of PF. Firstly, Thibaut and Walker’s control theory (1975) states that individuals experience a desire to control what happens to them. PA is valuable because it permits individuals control over outcomes. Secondly, Lind and Tyler’s group-value theory (1988) states that employees express the desire to be valuable members in their groups through fair procedures which make employees believe they are accepted by the rest of the group.
Erdogan (2002) notes that organisations can develop criteria for fair appraisal, but procedures cannot be fair if appraisers do not apply them. PF will diminish if appraisers do not apply fair PA criteria developed by the organisation because without appraisers’ behaviours, PF cannot exist. In this regard, studies (e.g. Erdogan, 2002; Erdogan et al., 2001) have demonstrated PF as a two-dimensional construct. The first dimension is appraiser procedural fairness, which concerns the fairness perceptions of procedures used during performance evaluations; whereas the second dimension, system procedural fairness, concerns the fairness perceptions of the PA procedures employed by the organisation. Both dimensions of procedural fairness are likely to be linked, but separate concepts.

Researchers have demonstrated the important role of procedural fairness in PA. For example, Lind and Tyler (1988) indicate that if PA is fairly and accurately operated, employees’ perceptions of PF will increase. The presence of PF in performance evaluations will assist accurate and complete information of PA and increase the potential to rectify unfair PA and maintain the benefits of employees. Employees will see the procedure of PA as fair if it includes some provisions that allow them to complain against unfair PA (Lau & Moser, 2008). Consequently, it is believed that perceived fairness procedures will significantly influence employees’ perceptions of appraisal accuracy. Due to the importance of PA in the workplace, it is appropriate for managers to use fair procedures for evaluating employee performance. This is because a high level of PF is considered an important concern for employees and organisations. There is plenty of evidence to illustrate that applying procedures in ways perceived by employees as fair and consistent and unbiased is likely to create desirable perceptions such as they feel that their organisation is reliable, trustworthy and legitimate (De Cremer et al., 2006).
2.3.1.1 Elements of Procedural fairness

There are several elements of PF. Folger et al. (1992) established a model of procedural fairness for PA that consists of three main elements; adequate notice, a fair hearing and judgement based on evidence. These elements are discussed below.

The first element is adequate notice, which comprises giving individuals knowledge of the performance evaluation. This includes developing performance standards and objectives before starting the period of appraisal. These objectives and standards must be documented, explained in a clear way, understood, and set out with individuals only held accountable for objectives and standards appropriately conveyed to them. Adequate notice also includes providing employees regular performance feedback after a suitable time, so that employees can modify weaknesses in their performance before conducting the evaluation (Folger et al. 1992). Research demonstrates that adequate notice is a vital factor in perceived PF. For example, Tang and Sarsfield-Baldwin (1996) examined two aspects of adequate notice and revealed that clear anticipation of appraisal and full understanding of the process of PA were vital factors of PF. Furthermore, frequent communication between the employee and the employer fosters individual understanding of the process and improves levels of performance and trust.

The second element is fair hearing which means that the employee has an opportunity for Self-appraisal and to appeal the rating given by the rater. This element includes generating a fair hearing by ascertaining that acceptable evidence is available to the rater. It also involves a two-way conversation concerning the evaluation (Folger et al. 1992; Leventhal, 1980). Essentially, giving the employees a chance to a fair hearing indicates that they had a voice in the decision-making process, and that their opinions have been heard and considered (Ismail et al. 2011). Therefore, a fair hearing contributes to increase the opportunity of employee participation in the process of PA and reinforce favourable relationships within social groups (Shaw et al., 2003). Many studies have supported the positive influences of a fair hearing on employees’ perceptions of PF (Linna et al. 2012; Dipboye & Pontbriand 1981; Dulebohn & Ferris 1999; Korsgaard & Roberson 1995). For example, Dipboye and Pontbriand (1981) discovered that employees would be more willing to accept negative feedback, if they engaged in the feedback session. However, Hunton et al. (1998) limited the positive effects of voice finding that increased voice did not exert a response in increased perceptions of PF.

The third element is judgment based on evidence which refers to persuading individuals that ratings are clearly and obviously linked to the level of performance (Erdogan et al. 2001). This
factor requires that appraisers implement consistent performance criteria towards appraisees in an appropriate way without distortion by subjective biases or corruption via implementing honesty norms (Poon, 2004). Folger et al., (1992) considered observation as a facet of judgment based on evidence which evaluates the sufficiency of the appraiser's knowledge of the appraisee’s performance across time. Research shows the important role of judgment based on evidence to employees’ perceptions of PF (Erdogan et al. 2001). Greenberg (1986) found that appraisal ratings depend upon recorded observations about an employee’s actual performance were more easily accepted by individuals than unrecorded appraisal ratings.

2.3.2 Distributive fairness

Distributive fairness concerns the fair allocation of returns and responsibilities and has vital importance in team based evaluations (Folger & Konovsky, 1989). It is conceptualised in terms of giving rewards that are predicted by employees and sustaining a formally structured motivation system (Gilliland & Langdon, 1998). The term distributive fairness, which was first employed by Homans (1961), refers to equitable work outcomes between individuals in social exchange relationships. In a similar vein, Lam et al. (2002:1) describe distributive fairness as “perceived fairness of the outcomes employees receive”. Some researchers, on the other hand, see distributive justice as fairness of allocations compared with what others receive (Colquitt et al., 2001; Fields, 2002). In these definitions, the concept of distributive fairness focuses on equitable remunerations and punishments and is typically based on the evaluation of outcome positivity. Likewise, Colquitt et al. (2001) defined distributive fairness in the context of performance appraisal as a correlation between an employees’ comparisons of their work outcomes and the actual rating received with the work outcomes of co-workers and the ratings that co-workers received. The equity of the rating forms the fairness perceptions.

In a social exchange view, DF emphasises reactions to the actual outcomes received from the other party (Adams, 1963). In the context of social exchange, Homans (1961:75) offers a rule of DF that “A man in an exchange relation with another will expect that the rewards of each man will be proportional to his costs-the greater the rewards, the greater the costs-and that the net rewards, or profits, of each man be proportional to his investments-the greater the investments, the greater the profit.” Colquitt et al. (2005) observe that many of Homans’ thoughts about distributive fairness were fully developed in equity theory. The concept of distributive fairness originated from equity theory (Adams, 1965), which asserts an individual perception of fairness. This theory explains the outcomes of inequitable allocation of wealth,
power, goods, and services in society. Employees compare the financial incentives they receive to their level of effort in relation to the effort to reward ratio of a personal comparison with those of others, as a means to identify the level of perceived fairness. In this regard, when employees experience inequity, they may feel that the rewards received are inconsistent with their work input. In this sense, individuals may feel that they are not receiving suitable remunerations or personal recognition for the effort they provide at work. Moreover, negative perceptions are likely to have an influences on an employee’s contributions and, although they can alter their perceptions of different inputs or outcome ratios, this is considered to be an unlikely scenario. Adams (1965) proposes that in addition to dissatisfaction, individuals who perceive inequity will experience tension congruent to the amount of inequity that exists. This encourages individuals to attain equity or to decrease inequity, and the power of encouragement to do so will differ according to the amount of inequity perceived.

Thurston (2001) identifies two types of structural forces that affect employee perceptions of DF in performance appraisal; decision norms and raters’ personal goals. First, employees’ perceptions of the allocations of appraisal ratings are fair if allocations are based on present social norms, like equity. Hence, the outcomes of DF could be proportional to the level of effort and work quality of the employee is believed to have made. However, when raters are seen to make decisions conforming to other allocation norms such as equality, need, or social status, they might create evaluations that are incongruent with the mainstream norms of equity and might be viewed to be unfair by employees (Leventhal, 1980). Second, employees’ perceptions of DF in performance appraisal are also influenced by personals goals of the raters. Employees will consider performance ratings as unfair if they feel that the raters are attempting to inflate the performance ratings, to play to favourites or to yield to political pressures to distort ratings (McCarthy 1995).

Several studies have shown that the perceived fairness of outcome distribution and outcomes received by employees are related with their perception of PA accuracy. For example, Brown and Benson (2003) indicate that the allocations employees receive from the feedback of PA will have an effect on their perceptions of appraisal validity. Research on DF has supported the notion that individuals care about distributing outcomes equally among all members in the workplace (Adams 1965). Chang and Hahn (2006) support the idea that DF is influenced by the receipt of ratings based on performance and recommendations for important outcomes, such as pay raises and promotions. Their study suggests that rewarding employees alone is not
adequate to reinforce their perceptions of DF. However, Smither (1998) found that ambiguity and misperceptions can be reduced if organisations effectively communicate a clearly determined motivation system based on a certain level of performance from upper management to employees. In this sense, a clear structure contributes to decrease ambiguity and misperceptions and thus increases fairness perceptions of PA (Smither, 1998). Chang and Hahn (2006) also find support for the idea that commitment to PA practice and consistency in its application leads enhances employee perceptions of DF. In addition, Dailey and Kirk (1992) assert the importance of employees’ participation when alerting rewards or appraisal systems, since it contributes to reinforce employees’ perception of DF and plays a prominent role in affecting job dissatisfaction and intentions to quit. In this regard, managers should always make sure that they are building factual beliefs regarding what allocations an individual can expect according to their contributions (Smither, 1998). Because DF focuses on the perceived fairness of outcome allocation, when inequity is viewed in relation to any certain outcome, it is likely to affect the emotions of individuals, such as happiness, anger, guilt or pride (Weiss et al., 1999). Consequently, employees who view their rewards as unfairly distributed among others in the organisation may react negatively by looking for jobs elsewhere (Harr & Spell, 2009).

2.3.3 Interactional fairness

Bies and Moag (1986) presented interactional fairness as a third type of the fairness perceptions. They focussed attention on the importance of the perceptions of fair interpersonal treatment during implementing procedures and decisions. Interactional fairness refers to the employees’ perceptions of the quality of interpersonal treatment they receive when enacting procedures (Bies 2001; Bies & Moag 1986; Colquitt, 2001). Similarly, Greenberg (2004: 357) defined interactional fairness as “the fairness of the interpersonal treatment given in the course of explaining procedures and outcomes” (Greenberg, 2004: 357). On the other hand, Bies and Moag (1986) indicated that interactional fairness addresses the individuals’ side of organisational practices and is associated with the communication parties between the source and recipient of fairness, such as respect, politeness and honesty (Bies & Moag, 1986). In the context of PA, IF concerns the way in which employees feel they are treated by their managers during PA processes. It is about the relationship between the raters and ratees regarding the treatment of others with respect and dignity during PA process (Schermershorn 2009). If the appraisee perceives that they are treated unfairly by the appraisers, he/she will be less likely to react favourably to the performance feedback. Various definitions of IF in performance appraisal have focused on the quality of interpersonal treatment in PA process (Bies 2001;
Erdogan, 2002). For example, Erdogan (2002) define it as “as the fairness of interpersonal interaction during the performance appraisal session”.

Research has viewed the association between PF and IF as contentious (Bies, 2001). Skarlicki and Folger (1997) view IF as an interpersonal type of PF and likewise as a distinct concept along with the types of PF and DF. However, justice research has contended that IF can be considered as independent from PF on the basis that it reflects the procedures enacted rather than the procedures themselves (Bies & Shapiro 1987; Skarlicki & Folger 1997). Studies have supported this view. For example, Cropanzano et al. (2002) revealed that PF was related to satisfaction with PA and trust in upper management, while IF was related to the quality perceptions of treatment received from managers. Likewise, Erdogan (2002) demonstrated that the extent to which the appraiser employs the performance evaluation system as it is designed by the organisation is an aspect of appraiser PF. On the other hand, the extent to which the appraiser takes into account politeness, and respect is a dimension of IF. He reports that various types of fairness perceptions are associated with various job attitudes and behaviours. Furthermore, Bies (2001) provides empirical evidence that maintaining a distinction between IF and PF contribute to make sense in terms of theoretical and analytical aspects. Consequently, IF fairness is deemed to be an independent component of PA fairness in this study.

IF is subcategorised into two forms; informational fairness concentrates on matters such as the sufficiency of providing explanations, and interpersonal fairness concentrates on issues such as politeness, kindness and respect (Colquitt 2001; Greenberg 1993). Informational fairness refers to “providing knowledge about procedures that demonstrate regards for people’s concerns” (84), and interpersonal fairness refers to “showing concern for individuals regarding the distributive outcomes they receive” (85). Informational fairness concentrates on providing explanations to make individuals aware about applying procedures in a certain way or allocating benefits in a specific manner, while interpersonal fairness demonstrates the degree of treating individuals with esteem, graciousness and poise by those engaged in the implementation of procedures or distributing outcomes (Colquitt, 2001). Assessing the role of managers in practicing interpersonal and informational forms will provide more understanding of employees’ perceptions about interactional fairness (Greenberg, 1993).

Greenberg (1986) was one of the first researchers to apply organisational justice theory to PA. Greenberg (1993) created a model which includes four factors that represent a more coherent and integrated model that can be employed to obtain a better understanding of a complicated
appraisal system and practices. The justice model of Greenberg (1993) could clearly explain various aspects of organisational justice. It provides a chance to study comprehensively an individual’s perceptions of fairness with regard to performance evaluation and appraisal systems. In Greenberg’s model, PF relates to how the allocation of decisions is made, whereas DF relates to outcome allocations. The structural dimensions could delineate the context of making decision for outcomes and processes, while the social dimensions delineate treatment quality in the interactions during the communication of outcomes and processes (Greenberg, 1993). Figure 2.3 illustrates Greenberg’s model (1993) of justice as applied to PA.

Thurston (2001) has designed measures to reflect each factor of fairness in Greenberg’s (1993) model. These measures are appropriate for use by researchers and practitioners to test the fairness of PA in organisations and detect which factors cause problems. In the present study, IF is defined as the interpersonal treatment received at the hands of appraisers during performance appraisal process with focusing on social sensitivity and informational justification.

<table>
<thead>
<tr>
<th>Procedural Fairness</th>
<th>Distributive Fairness</th>
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<tr>
<td><strong>Systemic</strong></td>
<td><strong>Configural</strong></td>
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<tr>
<td>Structural Dimensions</td>
<td>Relates to procedures to assign appraiser, layout standards, collect information and request appeals</td>
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<tr>
<td>Social Dimensions</td>
<td>Relates to the manner appraisers communicate with their appraisees</td>
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Figure 2.3 Greenberg’s model of justice perceptions applied to performance appraisal (Thurston, 2001)
2.3.4 Performance appraisal fairness from an Islamic perspective

Islam is a religion that introduces a comprehensive system which believes and advocates freedom, equality, and fairness. Islam prohibits negative actions at workplace such as intolerance, injustice and discrimination. In an Islam perspective, no one is better than anyone else due to his/her status or wealth, and employers are supposed to treat everyone equally with fairness (Mohammad et al., 2016). Fairness in Islam and in business means equity balance, avoiding and averting extremes, giving people their due rights, and doing jobs in an honest way (Beekun & Badawi 2005; Beekun 2012). An Islamic view of performance management can be seen into two aspects; the organisation and the employee. The practice of Islamic performance management should be based on fairness, accountability and responsibility (Ali, 2005; Krishnakumar & Neck 2002; Azmi, 2015). In order to achieve these important issues, appraisers should be informed and trained that their job is a trust from God. Hence, appraisers should not discriminate between employees on the basis of gender, colour, religion or race in their evaluation. Furthermore, they should not diffuse the weaknesses of employees even though the aim from this act is to teach other employees (Hashim, 2008). Thus, appraisers in Muslim organisations should be aware that measuring job performance in term of an Islamic perspective must take into account Islamic practices. Given the responsibility to evaluate individuals, appraisers must be accurate and fair in the process of PA (Hashim, 2008). Azmi (2015) state that the stress on the criteria and selection of the appraiser in an Islamic approach is should be ensured. On the other hand, employees have to play their roles in being sincere and honest in disclosing and informing the organisation the responsibilities and duties that they have carried out during the evaluated year. Hashim (2008) found that managing employees in Islamic approach based on Quran (the holy book of Muslims) has a positive impact on the organisational justice perceptions among the employees who demonstrated positive work attitudes. Specifically, managers should pay more attention to PA and other human resource management practices because these they are always subjected to unfairness as perceived by the employees.

Previous studies demonstrate that Islamic Work Ethic may have an important role in strengthening the relationship between fairness forms and job outcomes. Islamic Work Ethic is an essential aspect of an employee’s belief system and thus employees who have higher Islamic Work Ethic do not bother too much about the absence of organisational fairness. In this regard, when employees perceive that their organisations do not implement fair procedures and equitable distribution of rewards, these lower perceptions of fairness tend to decrease positive
outcomes such as job satisfaction and increase negative outcomes such as quitting intentions. However, employees who have greater Islamic Work ethic should be less likely to respond negatively to unfairness perceptions. According to Islamic Work ethic, job-related goals are deemed as an ethical commitment that should be fulfilled even in the lack of PF and DF (Khan et al., 2015). Similarly, Bouma et al. (2003) state that Muslim employees have a moral obligation toward the job, due to Islam stressing its relationship to the hereafter. Recent research shows compelling evidence concerning the direct and indirect impact that religious values and beliefs have on a variety of work behaviours (Elamin & Tlaiss, 2015). Accordingly, as long Islamic Work Ethic is a part of Muslim values and beliefs, individuals with higher Islamic Work Ethic would deliver positive outcomes such as higher job satisfaction and job involvement, and reduce negative outcomes such as lower turnover intention even in the situations where fairness perceptions are low (Khan et al., 2015; Mohammad et al., 2016).

The religion of Islam includes principles and practices that put emphasis on equity among people in social life. This principles and practices are rooted in Quran (the holy book of Muslims) and Hadeeth (sayings and practices of the Prophet Muhammad). In the Islamic setting, Elamin and Tlaiss (2015) demonstrate that Islam puts the emphasis on the three aspects of fairness, and it urges managers to show procedural, distributive and interactional fairness in their dealings with employees. With regard to procedural fairness, Islam induces forming contracts that clearly identify obligations regarding the work quality and quantity to be displayed by individuals. Also, these contracts should identify the procedures by which the organisation will specify benefits, compensation, promotions and leave (Ahmed, 2011). In addition, Islamic teachings refute negative practices such as favouritism and cronyism that can cause unfairness perceptions in recruiting and promoting individuals. Basically, individuals should be selected or upgraded on the basis of objective principles such as moral qualities, academic qualification and technical competency (Shaharuddin, 2005). In this sense, performance management practices from an Islamic approach are totally based on fair acts and therefore the procedures and processes must be implemented fairly (Azmi, 2015).

In terms of distributive fairness, Islamic religious teachings emphasis fair distribution of the resources embodied in a programme for redistribution of wealth and income so that every person is ensured a standard of living that is respectable and consistent with human dignity. A Muslim society that do not guarantee a basic necessities of life for human is actually not in line with the Islamic religious teachings (Possumah et al., 2013).
The emphasis on distributive fairness in terms of an Islamic approach is clearly demonstrated in different verses of Quran and Hadeeth. Numerous verses in the Quran describe fairness and honesty in trade and request for practicing a fair and equitable distribution of wealth and income in the society (Yousef, 2001). For example, regarding the fair payment, the Quran states that “those who believe and perform honorable deeds (good work) […] their earnings will never be withheld from them” (95: 06). Furthermore, Prophet Mohamad said “your wage should be based on your effort and spending”. Additionally, allocate wages in Islam must be adequate to deliver the standard of living for workers. Accordingly, payment for wages in Islam involves avoiding exploitation of employees and should be fair, adequate and timely (Ali and Al-Owaihan, 2008). Previous studies indicate that Islamic values reject the practice of exploitation of employees and require managers to be kind with the employees. Findings highlighted the importance of PA fairness and show that managers expressed their endeavours to adhere to Islamic ethical values through systems that ensure fair rewards that mirror the efforts of employees (Beekun & Badawi, 2005; Tlaiss, 2015).

With respect to interactional fairness, Islam stimulates employers to allow people considerations to take priority in organisation on issues pertained to the treatment of individuals (Ali, 2010), and stresses consultation as a policy and support of management, along with the emphasis on promoting cooperation between employees and organisations. It also recommends consultation with individuals before taking any decisions. The verses of Quran support using consultation in the process of making decision and this action is clearly illustrated in many verses such as: “consult with them about the matters (03: 159),” and “let each of you accept the advice of the other in a just way” (65: 06). It is perceived that in order to enhance and attain equality and selflessness in society, Muslim people are motivated to adopt fairness in all aspects of their interactions with others (Beekun, 2012). Furthermore, Islamic values highlight goodness in interactions and tasks at the organisational and personal levels and motivate individuals to be characterised by tolerance, forgiveness and fairness (Ali, 2010).

Managers in terms of Islamic perspectives should treat employees with respect and courtesy, and should always seek their feedback as essential component of consultation (Elamin & Tlaiss, 2015). In terms of labour relationships, Islamic teachings encourage Muslims to avoid personal interests or other considerations in their interactions with others within personal and organisational levels (Tlaiss, 2015). Ali (2010) shows that perceiving high levels of interactional fairness in Islamic settings, Muslims are fulfilling goodness in interaction which is a key standard at the workplace. Therefore, managers in Islamic working context should be
interested in sustaining interactional fairness consistent with the Islamic values that expect managers to deliver high levels of courtesy and respect in their interactions with their employees (Elamin & Tlaiss, 2015).

2.4 SOCIAL EXCHANGE THEORY

Social exchange theory is one of the most influential theoretical approaches for understanding organisational behaviour. It is an interdisciplinary paradigm derived from disciplines comprising anthropology (e.g., Sahlins, 1972), social psychology (e.g., Gouldner, 1960; Homans, 1958) and sociology (e.g., Blau, 1964), with the prevalent view that social exchange includes multiple interactions that create obligations (Cropanzano & Mitchell, 2005). Social exchange theory is usually employed in research as a vehicle for explaining the underlying process through which perceptions of fairness and organisational citizenship behaviours are associated (Organ, 1988). Social exchange theory describes how many kinds of social relationships can be exchanged based on the exchange of benefits between parties. In this instance, the value of the benefits received can be viewed between the organisation and the employee. Fair treatment received from the organisation can be deemed as a kind of benefit perception. Social exchange theory states that individuals become encouraged to reciprocate fair treatment from the employer. This conceptual approach also contains the norm of reciprocity; when an organisation treats individuals well, individuals reciprocate in some proportional way (Bateman & Organ, 1983). In models of workplace behaviour, the use of social exchange theory is framed based on the exchange rule or norms which the researcher depends on. Many management studies focus on expectations of reciprocity which is considered the best known exchange rule (Cropanzano & Mitchell, 2005). Blau (1964: 91) describes social exchange as the “voluntary action of individuals that are motivated by returns they are expected to bring from others”. In a series of interactions, individuals exchange many types of resources, such as money, goods, love and so forth. The underlying principle of social exchange theory is that an individual gives benefits, such as services and goods to another individual, which in turn obligates the other, and thus the individual expects a return in the future (Blau, 1964). That is, individuals who obtain these services and goods are more likely to meet these obligations by presenting benefits to repay the outcomes they obtained from other individuals in the organisation (Cropanzano & Mitchell 2005). In this regard, Blau (1964: 98) states that "the establishment of exchange relations involves making investment that constitute commitment to the other party".
The exchange perspective in the work relationship includes two types of social or economic exchange (Aryee et al., 2002; Cropanzano et al., 2003). Under this perspective, the constructs of economic and social exchange are deemed as separate entities and the strength of obligation of the other party to repay varies based on the evaluation of the value of these exchange forms. Blau (1964) also shows the distinction between social and economic exchange forms, and notes that forms of social exchange provide a sense of personal obligation, trust, and gratitude, while forms of economic exchange do not. Hence, social exchange forms focus on socio-emotional sides of the work relationship (sense of obligation and gratitude), whereas economic exchange focuses on financial returns and more tangible parts of the career relationship (Blau, 1964; Shore et al., 2006). Furthermore, Blau (1964) took the view that forms of economic exchange relationship are characterised as short term and involve specified obligations at an agreed time between people, while social exchange relationship are characterised as long term, and involve unspecified obligations in the future. If employees view their exchange relationship as social, they will feel a sense of obligation to reciprocate benefits that they receive from an organisation (i.e., favourable treatment from the organization). In order to reciprocate this favourable treatment, employees would choose to be involved in those extra altruistic behaviours which benefit the organisation, such as organisational citizenship behaviours. On the other hand, if only economic exchanges were in place, employees would only choose to be involved in organisational citizenship behaviours if they perceive that these behaviours were formally included in the scope of a job description (Cropanzano & Mitchell, 2005). In organisations, employees experience two forms of social exchange relationship: one with their employer and one with their supervisors (Masterson et al., 2000). In this regard, maintaining social exchange relationships is deemed a necessary issue (Aryee et al., 2002; Karriker & Williams, 2009).

Social exchange relationships are closely related with perceptions of organisational fairness (e.g., Aryee et al., 2002; Cropanzano et al., 2002; Konovsky & Pugh, 1994). From the perspective of the employee-employer relationship, social exchange theory suggests that receiving fair treatment from the employer signals to employees that it will be valuable and suitable for them to sustain and develop a social exchange relationship with the employer. In the context of social exchange relationships, employees must believe that they have the ability to engage and exchange benefits with the other party at work without establishing a formal agreement, and therefore employees must value the quality and kind of their exchange relationship with their employer (Blau, 1964). In light of this, when an individual views rewards and outcomes from an organisation as nearly parallel to what he/she contributes to the
relationship, an individual is more likely to stay in that organisation (Cho & Sai, 2013; Cropanzano & Mitchell, 2005). However, when an individual perceives workplace conditions to be negative and worrying, an individual is more likely to reciprocate with negative job attitudes such as job dissatisfaction, low morale and decreased organisational commitment (Crede et al., 2007).

In this study, three important social exchange variables (PF, DF and IF) were examined. Fairness dimensions of PA can be viewed as important factors in promoting work-related outcomes. Perceived fair treatment from organisation such as conducting fair appraisal delivers indicators to individuals concerning the extent to which the organisation values them. This fair treatment signals that the organisation attempts to create a social exchange relationship with its staff and thus encourage employees to maintain and develop a social exchange relationship with their organisation. Coyle-Shapiro and Conway (2004) indicated that social exchange theory has been employed accurately and is the dominant theory in explaining the employee–organisation relationship. Aryee et al. (2002) suggested that social exchange theory can be used as a means for explaining the perception of organisational fairness in relation to employee attitudes and behaviour such as job satisfaction, trust in management, organisational commitment, and organisational citizenship behaviour.

Based on social exchange theory, this research proposes that PA fairness can exert a positive influence on employee attitudes and behaviour.

2.5 NORM OF RECIPROCITY

Reciprocity or repayment in kind is probably the most famous exchange rule among norms of exchange (Cropanzano & Mitchell 2005). Norms of reciprocity (Gouldner, 1960) are an important component of social exchange theory, which proposes that people will feel a sense of obligation to return any fair treatment that they may have obtained from their organisation or supervisor. In other words, people are motivated to develop exchange relationships because they expect to acquire some benefits from the process of exchange in the future. The reciprocity norm postulates that there is a general or societal rule, such as - when one party helps another party, and then the second party is required to help the first party or at least not harm them (Lilly & Virick, 2013). In order to achieve this, both parties must be committed by particular rules of exchange. In light of this, rules of exchange will be the basis for directing exchange processes (Cropanzano & Mitchell 2005). Furthermore, the concept of reciprocity embodies a process of reciprocation regarded as a continuous circle, because the exchange parties will take
into consideration the previous returns when conducting exchange relationships in the future. Accordingly, employees who take the view that the organisation treats them in a fair manner will feel obligated to repay in a similar manner or reciprocate these favours with desirable job outcomes (Aryee et al., 2002). Organ (1990) suggests that reciprocation would contain organisational citizenship behaviours.

The norm of reciprocity is gradually developed during the social exchange process. Employees are motivated to exhibit organisational citizenship behaviour in an organisation in which social exchanges are characterised by the quality of relationships (Aryee, et al., 2002; Konovsky & Pugh, 1994). That is to say, a higher degree of quality of social exchange relationships are more likely to encourage individuals to be involved in behaviours that have positive results for the organisation over a period of time, because individuals tend to determine the welfare of an organisation with their own and because they may feel a sense of obligation to uphold the organisation (Rhoades, Eisenberger, & Armeli, 2001). Accordingly, the quality of social exchange between the employee and another party will create obligations on the part of employee to reciprocate through positive behaviours.

The norm of reciprocity is the criterion that explains how one should act in the context of social exchange relationships, and those who adopt this norm are required or obligated to behave in a reciprocal way. This logic led Gouldner (1960) to propose that the reciprocity norm is a universal principle. However, some researchers in social psychology have introduced the idea that people vary in the extent they want to endorse reciprocation, whether positive or negative, which is contingent upon the recipient’s valuation of the benefits received (Clark & Mills, 1979). Not all people reciprocate at the same level. Furthermore, research has also delineated the norms of reciprocity. Eisenberger et al. (2004) argue that the negative orientation of reciprocity comprises the tendency to return negative treatment for that treatment which is perceived to be negative. On the other hand, the positive orientation of reciprocity comprises the tendency to return positive treatment for that treatment which is perceived to be positive. Their findings demonstrate that employees with high negative reciprocity are increasingly viewed as malevolent and angrier, which indicates a cathartic method of exchange.

From a rational perspective, the organisation and the employee have joint objectives of increasing their returns by helping each another. On the other hand, the rule of rationality indicates that people, in their own right, are rational beings who have the tendency to make decisions that increase the returns of both parties when the two parties in the exchange
relationship are acting toward achieving a common objective (Lilly & Virick, 2013). In this regard, the principles of rationality and reciprocity are mutually consistent because both parties (employees and employer) are expected to choose the joint aim, maximise returns and reciprocate with positive behaviours (Katou, 2015; Lehmann-Willenbrock et al., 2012; Wong, 2012; Zeinabadi & Salehi, 2011). Specifically, these studies investigated the relationship between organisational fairness and several work outcomes, and found that perceived fairness was positively related to high trust, high organisational commitment, and high job satisfaction, which in turn related to organisational citizenship behaviour. Hence, if employees perceive their performance appraisals to be fair, they are more likely to fulfil their obligations toward the organisation by delivering organisational citizenship behaviours. Theories focusing on the norm of reciprocity in organisational relationships served as a basis of the proposed model in the present study.

2.6 EMPLOYEE ATTITUDES AND BEHAVIOURS

The study of employee attitudes and behaviour is important because it can have important tangible returns for organisations (Judge et al, 1995). Individual attitudes are defined as "a persistent mental state of readiness to feel and behave in a favourable or unfavourable way towards a specific person, object, or idea". This definition indicates that attitudes arise from a person’s experience toward a certain individual or objects in his or her world, and result in a reaction in the form of positive or negative feelings about that individual or object. In organisations, employees display several attitudes toward their work, co-workers, managers, or the organisation as a whole. According to Rollinson et al. (1998), an individual shapes his/her attitudes through experiencing people, events, and objects, particularly those most familiar for that person.

Akgunduz and Cin (2015) demonstrate that negative attitudes emerge due to unfair treatment. For example, when employees perceive their managers do not treat them fairly, they may want to leave the organisation. Moreover, a high level of withdrawal intention send signals to organisations that they may lose its competent staff (Tanova & Holtom, 2008), which in turn can have a negative effect on the quality of services delivered to customer and cause high costs (Nadiri & Tanova, 2010).

The antecedents and consequences of employee work attitudes and behaviours have been of central interest to researchers for much of the last century (Dipboye et al., 1994). Eisenberger
et al. (1990) found that fewer absences, high performance, high innovation, and desirable work attitudes were outcomes for those employees who perceived that the organisational management and human resource management was concerned about them. These work outcomes are important for organisations because they lead employees to cooperate voluntarily with their co-workers (Tyler and Blader, 2000).

Studies generally show that employees experiencing higher fairness are likely to have positive attitudes and behaviours toward their jobs, while those experiencing lower fairness are more likely to show negative attitudes and behaviours. Three different meta-analysis have summarised issues for this study (see Cohen-Charash & Spector, 2001; Colquitt et al., 2001; Viswesvaran & Ones, 2002). Job satisfaction, trust, organisational commitment, organisational citizenship behaviours, and job performance have a strong relationship with organisational justice.

Judge et al. (1995) state that employee attitudes continue to be of interest for a number of reasons, beginning from understanding their psychological causes (i.e., job attitudes are a result of interesting psychological processes) to the practical (i.e., work attitudes have pervasive influences on life attitudes, and job attitudes are related to behaviour). Job satisfaction and organisational commitment have received a substantial amount of attention. As such, Purcell and Kinnie (2007) assert that it is logical to build the connection from employee to organisational level performance through a serial influence of work-related responses, because it is the employee’s work outcomes that have a direct effect on organisational results, and the strength of this is driven by the level of positive employee attitudes and behaviours.

While employees have a multitude of attitudes at their workplace that affect various aspects of their behaviour, this study has focused on four major attitudes and behaviour, namely job satisfaction, trust in management, organisational commitment and organisational citizenship behaviour. These job outcomes have important implications in the work setting.
2.6.1 Job satisfaction

Job satisfaction is one of the most widely studied attitudes over the last 50 years (Rayton, 2006). It is deemed to be the most important job attitude from the perspectives of researchers and practitioners (Saari & Judge, 2004). Cranny et al. (1992) stated that job satisfaction is the most extensively discussed concept in the disciplines related to human resource management, organisational behaviour, industrial-organisational psychology, and social psychology. In this regard, Locke (1976) reports that between 1957 and 1976 3,350 articles appeared on job satisfaction.

Researchers define job satisfaction in different ways (Mudor & Tooksoon, 2011). Job satisfaction can be defined as "the collection of feelings and beliefs that people have about their current jobs" (George & Jones, 2005: 80). The most widely used definition of job satisfaction was introduced by Locke (1976, p. 1304), who defined it as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences". This definition is similar to that provided by researchers (e.g., Judge et al., 2012; Robbins, 1998) who focus on desirable feelings of employees regarding their jobs. However, Hopkins (1983, p. 23) focuses on individual needs in his definition. He defines job satisfaction as “the fulfilment or gratification of certain needs of the individual that are associated with one’s work”. This is similar to that introduced by Weiss et al. (1967) who concentrate on congruence between individuals’ needs and the reinforcement system in the workplace. This research adopts the definition of job satisfaction provided by Locke (1976) which is widely used in previous studies.

In contrast, there is no consensus on one definition of job satisfaction as all related theories focus on only part of the construct (Furnham, 2005) because researchers have used a number of theories to explain the construct of job satisfaction. These theories generally take two forms, namely process and content theories. Process theories try to explain the interaction among set of constructs in their association to job satisfaction "job satisfaction is determined by the extent of discrepancy between what the job offers and what the individual expects, what the individual needs, and what the individual values" (Gruneberg,1979). Equity theory, expectancy theory and goal setting theory are regarded as examples of these theories. On the other hand, Content theories try to determine predictors of satisfaction and dissatisfaction in the workplace. Maslow’s hierarchy of needs (1954), Herzberg’s “two factor theory” (1959) and McGregor’s “Theory X and Y” (1960) are some examples. Most of these theories are classified as content
theories because they are basically an "attempt to specify the particular needs that must be attained for individual to be satisfied with his job" (Locke, 1976).

Job satisfaction can be identified through intrinsic and extrinsic motivation factors. Intrinsic motivation can contribute to satisfaction where employee feelings are being satisfied, such as accomplishment feeling and enjoying work; whereas extrinsic motivators refer to the factors of working context, which contains pay, conditions, physical working, hours of work, security, supervision, company policies and administration (Naumann, 1993; Blau 1999; Smerek & Peterson, 2007). According to early theorists (e.g., Maslow & Herzberg), job satisfaction is influenced by individuals’ willingness to meet personal needs which involve intrinsic and extrinsic needs. In light of this, employees feel greater satisfaction with their jobs, specified by the extent to which job characteristics meet their needs at the workplace (Ting, 1997). Therefore, this study has merged both external and internal aspects in shaping the conceptual foundation to determine the construct of job satisfaction. Furthermore, according to Sousa-Poza and Sousa-Poza (2000), job satisfaction is identified by a balance between work role inputs (effort) and work role outputs (pleasure). Based on the idea that a human has basic and universal needs, individuals who feel their basic needs are met in their present situation will become happy. Accordingly, job satisfaction depends on forging a balance between employee job inputs, such as effort, working time inputs and employee job output, such as pay, status, working conditions, and fringe benefits. If job outputs are equal or relevant to job inputs, then an individual’s job satisfaction will increase (Sousa-Poza & Sousa-Poza, 2000).

Job satisfaction influences several factors such as productivity, absenteeism, job retention, tardiness and low morale. This suggests that employees who have high job satisfaction are more productive compared with others who have low job satisfaction and less likely to quit the workplace or be absent. Recently, the view has become somewhat complicated. While job satisfaction likely contributes to more productivity, it has been shown that this process can also work interchangeably: exhibiting high productivity can be a source of job satisfaction (Morley & Heraty, 1995). According to Rad and Yarmohammadian (2006), employees who are highly productive and remain on job for longer periods show high levels of job satisfaction. Gunlu et al. (2010), Koys (2001) and Pang et al. (2015) demonstrated that the lack of job satisfaction causes an increase in absenteeism, higher turnover, lower morale, lower performance, and lower productivity. Logically it appears that employees with higher job satisfaction are more productive and more engaged (Yang, 2009). However, the association between employees’ job
satisfaction and productivity has been acknowledged to be more complicated. Mullins (2002: 646-647) gave several factors that influence employee job satisfaction:

- “Individual factors include personality, education, intelligence and abilities, age, material status, orientation to work.
- Social factors include relationships with co-workers, group working and norms, opportunities for interaction, informal organisation.
- Cultural factors include underlying attitudes, beliefs and values.
- Organisational factors include nature and size, formal structure, personal policies and procedures, employee relations, nature of the work, technology and work organisation, supervision and styles of leadership, management systems, working conditions.
- Environmental factors include economic, social, technical and governmental influences”.

Furthermore, while these factors are correlated with each other, each is an independent construct. Thus satisfaction with one aspect does not mean satisfaction with all other aspects (Kavanaugh et al., 2006). Within this context the consequences of job satisfaction will contribute to important job-related variables. Furthermore, job satisfaction has a positive effect on increasing organisational citizenship behaviour (Daly et al., 2014; Organ & Ryan, 1995; Paillé et al., 2015; Senen & Basim, 2012), and decreasing turnover intention (Brimhall et al., 2014; Garcia-Chas et al., 2014; Paillé et al., 2015; Tschopp et al., 2014). Hence, employees with greater job satisfaction are more likely to deliver positive job outcomes.

2.6.2 Organisational commitment

Organisational commitment has also been studied extensively (Buitendach & De Witte, 2005). According to Allen and Meyer (1996), organisation commitment is a main variable in explaining and understanding the relationship between the organisation and the employee and has been a central topic because the prominent role it impacts on important variables such as absenteeism, turnover intention, organisational citizenship behaviour and job performance (Elanain, 2014; Zayas-Ortiz et al., 2015). Organisations obtain benefits from employees who have greater organisational commitment in terms of low levels of job movement, high levels of productivity and work quality (Mathieu & Zajac, 1990).
Organisational commitment represents a total systematic reaction of individuals towards the organisation for the specified tasks which they perform (Colquitt et al., 2001). It has been defined as the psychological attachment of individuals in the workplace, which goes beyond passive loyalty (Mowday et al., 1979). Similarly, Judge and Kammeyer-Mueller (2012: 349) define organisational commitment as “an individual’s psychological bond with the organisation, as represented by an affective attachment to the organisation, internalisation of its values and goals, and a behavioural desire to put forth effort to support it”. Meyer et al. (1993) refer to organisational commitment as three separate dimensions namely affective, normative, and continuous commitment. According to Meyer and Herscovitch (2001), the commitment of employees can take several foci like the organisation, the job, the career, the managers and co-workers. However, according to Jones (1996) research on organisational commitment has been developed and conceptualised leading to difficulties making comparisons across studies. This research uses the definition provided by Meyer et al. (1993) which is extensively adopted in organisational research.

Organisational commitment can be characterised by three relevant components: (a) a robust confidence in and acceptance of the organisation's values and objectives; (b) enthusiasm to exercise significant energy on behalf of the organisation; and (c) a strong aspiration to preserve affiliation in the business. Commitment compromises a robust belonging with the organisation, such as employees who are eager to present something in order to contribute to the organisation's interest (Mowday, et al., 1979). Meyer and Allen further explain that delving into organisational commitment with its components is necessary to figure out the nature of the psychological state. Meyer and Allen (1993) propose three components, namely affective, normative, and continuance commitment. These three components are very widely accepted concepts and measures in the area of organisation commitment research (Hackett et al., 1994).

The importance of commitment emerges from its relationship with important attitudes and behaviours. Hence, it is necessary to investigate how organisational commitment impacts on employee attitudes and behaviours. Several studies have found that high organisational commitment leads to better job performance (e.g., Benkhoff, 1997; Cohen, 1991; Chen et al., 2006; Seyler et al., & Carvalho, 1998).

Organisational commitment is used to predict desirable outcomes. For example, employees with high organisational commitment show lower absenteeism, reduced turnover intention, less burnout and higher job satisfaction (Garcia-Cabrera & García-Soto, 2011; Hwang & Hopkins,
2012; Panaccio et al., 2014; Zopaiatis et al., 2014). Furthermore, committed employees are more likely to pursue a path of action on fostering the organisation’s interests such as engaging in organisational citizenship behaviour (Dagenais-Cooper & Paillé, 2012; Farzaneh et al., 2014; Sesen & Basim, 2012).

2.6.2.1 Dimensions of Organisational Commitment

2.6.2.1.1 Affective commitment

Affective commitment is a positive form of organisational commitment and the one that employers are more willing to want to see in their staff since it is most relevant to positive work outcomes such as remaining in the organisation and engaging in both in-role and discretionary effort (Meyer and Allen, 1997). Most research defines affective commitment in terms of individual’s identification with the organisation’s goals and values (Meyer & Allen, 1991; Porter et al., 1974; Zhou & George, 2001). For example, Zhou and George (2001) refer to affective commitment as the strength of individual’s desire to stay a part of the organisation because they agree with the organisation’s goals and values. In a similar vein, Porter et al. (1974: 604) define it as "the relative strength of an individual’s identification with and involvement in a particular organisation. Such commitment can generally be characterised by at least three factors: (a) a strong belief in, and acceptance of the organisation’s goals and values; (b) a willingness to exert considerable effort on behalf of the organisation; (c) a definite desire to maintain organisational membership".

Organisational commitment compromises some type of psychological link between the employee and the organisation. O'Reilly and Chatman (1986) suggested that identification occurs when an employee feels proud to be a part of an organisation. In this regard, individuals who are affectively committed are likely to demonstrate a strong feeling of affiliation and identification (Rhoades et al., 2001). According to Judge et al (1995), affective commitment is similar to attitudinal commitment and concerns the employee’s emotional attachment to the organisation. Attitudinal commitment is the most commonly investigated.
2.6.2.1.2 Normative commitment

Normative commitment refers to a sense of obligation to continue working for the organisation. An employee who is normatively committed is mostly interested about what others would think of them for leaving. This construct contributes to determining the degree that an individual wants to, needs to, or should stay with an organisation. It provides a comprehensive view of the relationship between the organisation and the employee (Zhou & George, 2001). Moreover, employees with strong feelings of normative commitment feel they ought to stay working with their organisations because it is the right thing to do (Meyer & Allen, 1997). That is, employees commit to continue employment because of feelings of obligation.

Normative commitment involves the absorption of subjective norms. Normatively committed employees work in ways that are congruent with their own and others’ ideas concerning appropriate behaviours and work in ways that are consistent with the organisation’s goals and values (Hackett et al, 1994). Consequently, employees deliver desirable behaviours because they feel it is the right and moral thing to do (Allen & Meyer, 1990).

Greenberg and Baron (2003: 163) defined normative commitment as “a feeling of obligation to stay with the organisation because of pressures from others”. Similarly, Meyer and Allen (1991: 67) define normative commitment as “a feeling of obligation to continue employment; employees with a high level of normative commitment feel that they ought to remain with the organisation”. Whereas Jaros et al. (1993) introduced a detailed definition of normative commitment which distinguished it from affective and continuous commitment as follows:

"the degree to which an individual is psychologically attached to an employing organisation through internalisation of its goals, values and mission. This form of commitment differs from affective commitment because it reflects a sense of duty, an obligation or calling to work in the organisation, but not necessarily emotional attachment. It differs from continuance commitment because it does not necessarily fluctuate with personal calculation of inducements or sunk costs".

The above definition is consistent with the definition provided by Meyer and Allen (1993). According to Bartlett (2001), the relationship between employees and their organisation may differ among the three types of commitment. However, studies have suggested that empirically distinguishing normative commitment from affective commitment is difficult. This view is
supported by results which demonstrate that many antecedents of normative commitment are equally correlated with affective commitment (Solinger et al., 2008).

2.6.2.1.3 Continuance commitment

The third dimension of organisational commitment is continuance commitment which represents an employee’s perceived costs of continuing working for an organisation (Judge et al., 1995). Continuance commitment is about “awareness of the costs associated with leaving the organisation; employees remain because they need to do so” (Meyer & Allen, 1991: 67). Tetrick (1995: 590) describe continuance commitment as “an exchange framework through which performance and loyalty are offered in return for material benefits and rewards”. It depends on the estimation of the costs related with leaving the organisation (Meyer & Allen, 1991).

Employees who are closely tied up with the organisation due to high costs of leaving remain because they need to do so (Meyer & Allen, 1997). Costs include losing pension accruals, friendship ties with co-workers, and a lack of alternatives (Greenberg & Baron, 2003). Meyer and Allen (1991, 1997) also suggest that an availability of alternatives, or a lack thereof, can affect an employee’s level of continuance commitment. For example, employees who perceive a high number of job opportunities will present a lower level of continuance commitment than employees who perceive that they have few job opportunities. Weisner (2003) found that organisations do not see continuance commitment as a positive commitment. In brief, measuring continuous commitment assesses their continued working for the organisation on the basis of perceived costs of quitting and availability of alternative job opportunities.

In summary, organisational commitment consists of three dimensions: affective, normative and continuance commitment. In this research, affective and normative commitment were examined.
2.6.3 Trust in management

Trust has many advantages for organisations and employees (Carnevale & Wechsler, 1992). Trust is one of the main constructs in any interaction among individuals in the workplace. It is important to organisations because it is a critical determinant in influencing individuals’ attitudinal and behavioural outcomes (Chan et al., 2008; Schoorman et al., 2007) which influence the effectiveness of a whole organisation (Lapidot et al., 2007). According to Carnevale and Wechsler (1992), trust plays a prominent role in providing a robust support for security and confidence in the intentions and acts of organisational leaders, managers and supervisors. This view is mirrored in theories of trust and its impact on employee attitudes, behaviours and performance in the workplace (Dirks & Ferrin, 2001). Staples (2001) found trust to be strongly related with positive job attitudes such high job satisfaction, high self-perceptions of performance, and low job stress. In this sense, trust leads to increased desirable job behaviours such as cooperation, communication and commitment to organisational goals (Dirks & Ferrin, 2001). Andrews (1994) contends that the absence of trust is a main cause of failure that undermines work performance. In this regard, decreased trust “entails a state of perceived vulnerability or risk that is derived from individuals’ uncertainty regarding the motives, intentions, and prospective actions of others on whom they depend” (Kramer, 1999: 571).

Trust has been defined as “a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behaviour of another” (Rousseau et al., 1998: 395). Cook and Wall (1980: 39) propose that trust is “the extent to which one is willing to ascribe good intentions to and have confidence in the words and actions of other people”. These two definitions indicate that building trust among people is based on favourable anticipations or confidence in the actions of another party. In this context, employees who have a greater degree of trust in their organisation and its management they feel more confidence that their managers will not subject them to harm or improper risk (Appelbaum et al., 2000). Robinson (1996: 576) on the other hand contends that trust refers to “one’s expectations, assumptions, or beliefs about the likelihood that another’s future actions will be beneficial, favourable, or at least not detrimental to one’s interests”. This study uses the definition suggested by Robinson (1996) which is widely used for measuring organisational trust.
Studies on trust concentrate on work behaviours which create trust such as integrity, honesty and predictability of behaviours (Ellis & Shockley-Zalabak, 2001). Simons (1999) and Walker et al. (2010) state that the truster thinks positively that the trusted person will act in a manner that is valuable to the truster. However, Mayer et al. (1995) indicate that trust may lead to probable risk actions that make a truster vulnerable if the trusted party does not behave in a way that is anticipated. This view clearly illustrates the association between trust and the critical issue of risk. Trust, per se, is not holding risk, but is rather a preparedness to hold risk. In light of this, trust is based on the anticipation that the other will act out a certain performance to the benefit of the truster, regardless of the ability to monitor and control the other party (Mayer & Gavin, 2005).

Though different views exist regarding definitions of trust, there is a clear consensus that it has important consequences for an organisation. Robinson (1996) found that when employees had trust in their employers, this had a direct influence on the positive contributions employees made to their organisations. Watson (2005) found that employees’ trust in supervisors increased perceptions of work environment safety, which was negatively related to risk taking behaviour. Indeed, Tyler and Degoe (1996) point out that the purpose of gaining employees’ trust in management is to increase compliance with organisational rules which can facilitate the execution of organisational change. Employee trust increases attitudes such as job satisfaction and organisational commitment (e.g., Aree et al., 2002; Korsgaard et al., 1995; Lau & Sholihin, 2009; Pillai et al., 1999). Employees with high levels of trust exert cooperative contributions in form of organisational citizenship behaviour (e.g., Bai et al., 2012; Katou, 2015; Konovsky & Pugh, 1994; Zhu & Akhtar, 2014), and reducing intention to quit (e.g., Akgunduz & Cin, 2015; Bobbio & Manganelli, 2015; Colquitt et al., 2007; Costigan et al., 2011).
2.6.4 Organisational citizenship behaviour

Organisational citizenship behaviour (OCB) compromises valuable behaviours that are voluntary not part of employees’ formal role requirements (George and Brief 1992; Organ, 1988). The important function of organisational citizenship behaviours for fostering organisational effectiveness has been recognised by practicing managers. Studies highlight the vital role of OCB for virtually all types of organisations and observe that OCB contributes to organisational effectiveness in several ways (Cohen & Vigoda, 2000; Katz & Kahn, 1978; Organ, 1997). Meta-analyses demonstrate that OCB is related to many indices of group and organisational effectiveness via minimising disputes, providing flexibility, and shaping psychological and organisational contexts (Chiaburu & Byrne, 2009; Bergeron et al., 2013; Podsakoff et al., 2009).

It is necessary to define employee behaviours in order to determine which is performed in-role or extra-role. Morrison (1994) emphasises that understanding how employees define their job responsibilities is important to completely understand organisational citizenship behaviour and determines that employees engage in OCB because they perceive that the behaviours they are delivering are basically in-role or needed by the organisation, and thus, are rewarded, while extra-role behaviours are not. OCB is considered extra-role behaviour, not recognised by the formal reward system which enhances efficiency and effectiveness. Examples of OCB include volunteering, helping co-workers, making innovative suggestions for improving work, and transferring a favourable picture of the organisation to outsiders (Bowling et al., 2012; Organ, 1988). In this regard, Morrison (1994) suggests that an employee is more likely to act a behaviour that he/she determines as in-role than one that is determined as extra-role. Therefore, the association between individuals’ conceptualisations of job roles and their subsequent behaviour has been raised (Coyle-Shapiro et al. 2004; Hoffman et al. 2003). The distinctive role of OCB has become entrenched in management studies.

OCB is one of the most important work outcomes performed by employees; such behaviours increase effectiveness beyond formal role requirements, contractual sanctions or reward system (Organ, 1990). The different definitions of OCB in organisational research indicate that OCB is a desirable behaviour that go beyond job requirements that contributes to support organisational performance (Borman, 2004; LePine et al., 2002). Organ’s (1988) defines OCB as “individual behaviour that is discretionary, not directly or explicitly recognised by the formal reward system, and that in the aggregate promotes the effective functioning of the
organization” (Organ, 1988: 4). While some researchers argue that OCB may lead to monetary allocations as a result of their contributions in organisation (MacKenzie et al., 1991; Podsakoff & MacKenzie, 1994). In summary, OCB is distinct behaviour which is not mandated by the organisation and contributes significantly to overall organisational effectiveness.

Researchers primarily view it as a multi-dimensional construct (Markoczy et al., 2009). Organ (1988) and Podsakoff et al. (2000) classified OCB into five sub-components: civic virtue, conscientiousness, altruism, courtesy, and sportsmanship. These dimensions are defined as follows:

1. Altruism includes all discretionary behaviours that assist an individual with an organisational task or prevent the occurrence of problems related to the job.

2. Conscientiousness embodies the different situations in which individuals perform particular role behaviours that go beyond job requirements. These behaviours include obeying rules and regulations, not coming in late without permission, not taking unnecessary breaks and so on. The conscientious employees acts based on an appropriate personal code of behaviour.

3. Sportsmanship demonstrates readiness to tolerate certain organisational circumstances without complaining. Individuals who do not complain or do not or raise petty grievances when others inconvenience them are representing good sportsmanship. Examples of sportsmanship include favourable behaviour even when things do not go their way, willingness to sacrifice personal interests for the good of the work group, and not offending others when they do not follow their suggestions.

4. Courtesy refers to actions that prevent serious problems or displaying actions in advance to reduce problems.

5. Civic virtue refers to active involvement in the political life of the organisation.

Furthermore, there are several different typologies of organisational citizenship behaviour. For example, Finkelstein (2006), LePine et al. (2002), Podsakoff et al. (2000), and Williams and Anderson (1991) divided OCB into two broad approaches. First, organisational citizenship behaviour valuable to an organisation (OCBO) which includes behaviours aimed at the organisation as a whole. Second, organisational citizenship behaviour valuable to employees (OCBI) which includes behaviours targeted at the specific employees within the organisation.
OCBI is closely related to altruism (Organ & Konovsky, 1989), whereas OCBO is related to civic virtue and conscientiousness. However, some studies suggest that OCB is unidimensional (Allen & Rush, 1998; Deckop et al., 1999). These unidimensional conceptualisations usually choose items from existing OCB scales (e.g., Podsakoff et al., 1990; Smith et al., 1983) to establish total scores in order to measure their components. Based on prior studies, the current research examines OCB on the basis of the following four dimensions: altruism, civic virtue, conscientiousness, and sportsmanship.

These forms of OCB can have many antecedents (e.g., Brief & Motowidlo, 1986). OCB is more likely to be influenced by several factors in the working context. For example, Daly et al. (2014), Elamin and Tlaiss (2015), Ertürk (2007), and Williams and Anderson (1991) found that organisational justice has a positive influence on organisational citizenship behaviour. Considerable evidence shows that OCB is more likely to be influenced by several work-related variables. For instance, Konovsky and Pugh (1994), Paillé et al. (2015), Wang (2015), Zayas-Ortiz et al. (2015) revealed that high levels of job satisfaction, trust in management and organisational commitment lead to increased OCB. Furthermore, it has been argued that organisations with higher levels of OCB have reduced absenteeism and reduced turnover which in turn lead to improved performance (Coyne & Ong, 2007; Podsakoff & Mackenzie, 1997; Whitman et al., 2010). In addition, OCBO has been found to exert a positive effect on job performance evaluations (e.g., MacKenzie et al., 1999; Podsakoff, et al. 2009; Vilela et al., 2008). Podsakoff et al. (2009) suggested that determining the influences of OCB on effective functioning allows both researchers and managers to accurately measure the positive and negative consequences that lead to citizenship behaviour. Because of the OCB connection to employee attitudes and fairness perceptions of PA, this study focuses on examining the influence of PA fairness on OCB through the mediating effect of work attitudes and uses social exchange theory (Blau, 1964) and the norm of reciprocity (Gouldner, 1960) to develop hypotheses investigating why individuals display OCB.
2.7 CONCLUSION

This chapter has provided reviews of the associated concepts of performance appraisal fairness, job satisfaction, organisational commitment, trust in management and organisational citizenship behaviour. The relevant empirical studies are shown in Table 2.2. Performance appraisal plays an effective role in detecting weaknesses and strengths of employees and it is important to improve work performance. Understanding different job attitudes and behaviours and their connections to workplace is important as it plays an axial role for individuals, organisations and societies. These attitudes and behaviour are drivers of job performance. Previous studies indicate that implementing fair appraisals is an essential pillar for attaining desirable attitudes and behaviours. Procedural fairness, distributive fairness and interactional fairness are key dimensions in forming employee job attitudes and behaviours. Performance appraisal fairness contributes significantly to enhance positive work outcomes such as job satisfaction, organisational commitment, trust in management and organisational citizenship behaviour. Performance appraisal fairness also contributes significantly to avoid and avert negative work outcomes such as absenteeism, turnover intention and lower productivity. In the context of employment relationships, employee perceptions of fairness in their performance appraisals determine the nature of the relationship between organisation and employee. For example, if employees receive fair appraisal they become more willing to discharge their obligations via positive work outcomes. Consequently, if organisations want to sustain and develop a good relationship with employees they should conduct performance appraisals in ways that employees see as fair.
Table 2.2  Summary of empirical studies on PA fairness and employee attitudes and behaviour

<table>
<thead>
<tr>
<th>No</th>
<th>Author(s)/Year</th>
<th>Country</th>
<th>Context</th>
<th>Key Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Magner et al. (1994)</td>
<td>USA</td>
<td>Colleges and Universities</td>
<td>Procedural and distributive justice of performance appraisal significantly predict organisational commitment and trust in department head. Procedural justice is significantly and negatively correlated with turnover intention, while distributive justice is not. Procedural justice is more important than distributive justice in predicting work-related outcomes.</td>
</tr>
<tr>
<td>2</td>
<td>Korsgaard &amp; Roberson</td>
<td>USA</td>
<td>Nation-wide retail organisation</td>
<td>Empirical analysis indicates that perceptions of instrumental and non-instrumental voice are uniquely associated with appraisal satisfaction. However, only non-instrumental voice is uniquely associated with trust in managers.</td>
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<tr>
<td></td>
<td>(1995)</td>
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<td></td>
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<tr>
<td>3</td>
<td>Tang &amp; Sarsfield-Baldwin (1996)</td>
<td>USA</td>
<td>Medical centre</td>
<td>Procedural and distributive justice of performance appraisal have a positive relationship with job satisfaction and organisational commitment.</td>
</tr>
<tr>
<td>4</td>
<td>Boswell &amp; Boudreau</td>
<td>USA</td>
<td>Production equipment facility</td>
<td>Procedural justice is positive predictor of attitudinal outcomes such as satisfaction with performance appraisal and appraisers. On the other hand, distributive and interactional fairness have no significant role in predicting these attitudinal outcomes.</td>
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<tr>
<td></td>
<td>(2000)</td>
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<tr>
<td>5</td>
<td>Masterson et al. (2000)</td>
<td>USA</td>
<td>Public university</td>
<td>Procedural and interactional justice in their performance appraisal are positively related to organisational commitment and organisational citizenship behaviour. Fair perceptions of performance appraisal procedures also related to higher levels of satisfaction with the appraisal system and trust in management.</td>
</tr>
<tr>
<td>6</td>
<td>Leung et al. (2001)</td>
<td>USA &amp; Hong Kong</td>
<td>Universities</td>
<td>Employees who perceived interpersonal treatment in feedback delivery demonstrated an increase in satisfaction and trust with the supervisor and feedback acceptance, as well as greater organisational commitment.</td>
</tr>
<tr>
<td>7</td>
<td>Cropanzano et al. (2002)</td>
<td>USA</td>
<td>Large state university</td>
<td>Procedural justice in performance appraisal is significantly related to trust in top management and satisfaction with performance appraisal.</td>
</tr>
<tr>
<td>8</td>
<td>McDowall &amp; Fletcher (2004)</td>
<td>UK</td>
<td>International new media agency</td>
<td>Overall fairness rating and sub-dimensions of procedural justice have a positive impact on attitudinal outcome measures. Job satisfaction was increased when performance evaluations are perceived as fair. Organisational commitment was not related to the overall fairness rating or to any dimensions of the justice.</td>
</tr>
<tr>
<td>9</td>
<td>Poon (2004)</td>
<td>Malaysia</td>
<td>Universities</td>
<td>Empirical analysis supports the notion that when employees perceive their performance evaluations to be manipulated for self-interest and used for punishing individuals, they exhibited a decrease in job satisfaction. These perceptions also have negative indirect effect on employees’ intention to quit through decreased job satisfaction. This manipulation of evaluations would be likely to be perceived as unjustified and unfair; hence this would have negative consequences in the form of lower job satisfaction and higher quitting intention.</td>
</tr>
<tr>
<td>10</td>
<td>Brender-Ilan &amp; Shultz (2005)</td>
<td>Israel</td>
<td>International clothing retail store</td>
<td>Perceived procedural and distributive fairness of the supervisor assessment method have a significant impact on increased job satisfaction. Employees also experienced greater job satisfaction with procedural fairness perceptions than distributive fairness perceptions.</td>
</tr>
<tr>
<td>11</td>
<td>Steensma &amp; Visser (2007)</td>
<td>Holland</td>
<td>Dutch treasury department</td>
<td>Positive relationship was found between fair procedures of performance appraisal sessions and several work outcomes: motivation, organisational commitment and satisfaction with the performance appraisal session.</td>
</tr>
<tr>
<td>12</td>
<td>Lau et al. (2008)</td>
<td>Australia</td>
<td>Health services sector</td>
<td>Fairness of performance evaluation procedures is significantly related to organisational commitment, trust in supervisor, distributive fairness and job satisfaction. Fairness of performance evaluation procedures also related indirectly to job satisfaction through a mediating effect of organisational commitment, trust in supervisor and distributive fairness.</td>
</tr>
<tr>
<td>13</td>
<td>Chory &amp; Hubbell (2008)</td>
<td>USA</td>
<td>Universities</td>
<td>Procedural, distributive and interactional fairness in performance evaluation contribute significantly to an increase trust in management. Trust was a mediator of the relationship between the three dimensions of performance appraisal fairness and the antisocial organizational behaviour and communication.</td>
</tr>
<tr>
<td>14</td>
<td>Sparr &amp; Sonnentag (2008)</td>
<td>Germany, Austria &amp; Switzerland</td>
<td>Two different industries</td>
<td>Each of the feedback fairness components (procedural, distributive and interactional fairness) are important in enhance organisational behaviour and showed the feedback fairness role in promote job satisfaction and reduce turnover intentions.</td>
</tr>
<tr>
<td>No.</td>
<td>Authors (Year)</td>
<td>Country</td>
<td>Sector</td>
<td>Findings</td>
</tr>
<tr>
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</tr>
<tr>
<td>15</td>
<td>Hartmann &amp; Slapničar (2009)</td>
<td>Slovenia</td>
<td>Commercial banks</td>
<td>Formal use of the performance appraisal system has a significant direct impact on employees trust in supervisor, as well as indirect impact. High level of fairness perceptions in procedural fairness contribute to high level of trust. Procedural fairness in performance evaluation process played a mediating role on the relationship between performance evaluation and trust. Perceived quality of performance feedback also played a mediating role on the relationship between performance evaluation and trust.</td>
</tr>
<tr>
<td>16</td>
<td>Thurston &amp; McNall (2010)</td>
<td>USA</td>
<td>Air Force</td>
<td>Empirical findings revealed that perceptions of procedural fairness were positively related to satisfaction with the performance appraisal system, which in turn significantly related to behaviours toward the organisation. Perceptions of interactional fairness were positively related to satisfaction with the supervisor, and subsequently significantly related to helpful behaviours toward the supervisor.</td>
</tr>
<tr>
<td>17</td>
<td>Heslin &amp; VandeWalle (2011)</td>
<td>USA</td>
<td>Universities</td>
<td>An empirical examination demonstrated the importance role of fair procedures to predict employee attitudes and behaviour and indicated that implementation of fair procedures in performance appraisal has direct impact on organisational commitment and organisational citizenship behaviour. Performance appraisal procedural fairness also has an indirect impact on organisational citizenship behaviour through a mediating effect of organisational commitment.</td>
</tr>
<tr>
<td>18</td>
<td>Palaiologos et al. (2011)</td>
<td>Greece</td>
<td>Private commercial companies of medium &amp; large size</td>
<td>Both procedural and distributive fairness are strongly related to employees’ satisfaction with ratings. Interactional fairness also is significantly related to satisfaction with appraiser, while satisfaction with feedback is not confirmed. Maximising perceived fairness of performance appraisal is ground for creating more satisfied employees that will have a positive contribution to their assessment process.</td>
</tr>
<tr>
<td>19</td>
<td>Selvarajan &amp; Cloninger (2012)</td>
<td>Mexico</td>
<td>Universities</td>
<td>Both procedural and interactional fairness are significant predictors of performance appraisal satisfaction for employees attending an executive education program.</td>
</tr>
<tr>
<td>No.</td>
<td>Authors (Year)</td>
<td>Country/Industry</td>
<td>Setting/Role</td>
<td>Key Findings</td>
</tr>
<tr>
<td>-----</td>
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</tr>
<tr>
<td>20</td>
<td>Yamazaki &amp; Yoon (2012)</td>
<td>Japan, China, Hong Kong, Malaysia, &amp; Thailand</td>
<td>Multinational retail business markets</td>
<td>The more fairness perceptions of performance evaluation system in terms of procedures and transparency among Asian managers, the greater satisfaction will be demonstrated with their jobs in MNC subsidiaries.</td>
</tr>
<tr>
<td>21</td>
<td>Byrne et al. (2012)</td>
<td>U.S</td>
<td>Technology manufacturing firm</td>
<td>Procedural, distributive and interactional fairness in performance appraisal affect employee trust and perceived supervisory support positively. Interactional fairness is the most important dimension in predicting employee trust and perceived supervisory support.</td>
</tr>
<tr>
<td>22</td>
<td>Farndale &amp; Kelliher (2013)</td>
<td>UK</td>
<td>Organisation of Change Management Consortium</td>
<td>An empirical examination explored and identified the important role of performance appraisal fairness to predict work-related outcomes (organisational commitment and trust in senior management) of members of the Change Management Consortium. Trust in senior management exerted a moderating role on the relationship between performance appraisal fairness and organisational commitment.</td>
</tr>
<tr>
<td>23</td>
<td>Flint et al. (2013)</td>
<td>Canada</td>
<td>Call centre</td>
<td>An empirical investigation identified the significant role of procedural fairness is reducing negative outcomes (turnover intention) and indicate that organisational commitment has a partial mediation influence on the relationship between procedural justice and turnover intention, while supervisory commitment has a full mediation influence on the relationship between interpersonal justice and turnover intention.</td>
</tr>
<tr>
<td>24</td>
<td>Juhdi et al. (2013)</td>
<td>Malaysia</td>
<td>Different industries banks, insurance &amp; finance and higher educational institutions</td>
<td>Human resource management practices including employees’ perceptions of procedural justice in performance appraisal affect turnover intentions negatively through the mediating effect of organisational commitment.</td>
</tr>
<tr>
<td>25</td>
<td>Lira (2014)</td>
<td>Portugal</td>
<td>Civil servants sectors</td>
<td>Procedural, distributive and interactional justice have a prominent role in determining employee satisfaction toward the performance appraisal.</td>
</tr>
<tr>
<td></td>
<td>Study</td>
<td>Country</td>
<td>Industry/Setting</td>
<td>Findings</td>
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</tr>
<tr>
<td>26</td>
<td>Cheng (2014)</td>
<td>Taiwan</td>
<td>Manufacturing electrical &amp; electronic products</td>
<td>The execution of administrative performance appraisal practices has positive impact on employees’ perceptions of organisational justice and that the level of perceived organizational justice, in turn has positive impact on organisational commitment. Perceptions of organisational justice mediated the impact of administrative performance appraisal activities on organisational commitment.</td>
</tr>
<tr>
<td>27</td>
<td>Harrington &amp; Lee (2014)</td>
<td>USA</td>
<td>Federal government</td>
<td>Perceived fairness of performance appraisal contributes significantly to both intrinsic motivation and job satisfaction.</td>
</tr>
<tr>
<td>28</td>
<td>Rubel and Kee (2015)</td>
<td>Bangladesh</td>
<td>Private hospitals</td>
<td>Performance appraisal fairness is positively associated with employee job satisfaction and the level of job satisfaction is negatively related to quitting intentions. Job satisfaction exerted a partial mediation effect in this relationship.</td>
</tr>
</tbody>
</table>
3.1 INTRODUCTION

PA fairness is an interesting concept in the field of job performance because it enhances organisational efficiency through improving work performance. From a psychological perspective, it is important to study the effects that emerge from the interactions among attitudes and behaviours in the workplace. The theoretical framework for this study identifies the nature of the exchange relationships between perceived PA fairness and reciprocation in the form of positive work attitudes and behaviour. This framework is based on the social exchange theory and the norm of reciprocity. Twelve hypotheses were derived from the literature and the assumptions of social exchange theory and the norm of reciprocity. The research framework is divided into three sections. The following sections discuss the mediating role of job satisfaction, trust in management, affective and normative commitment on the relationship with the three components of PA fairness (PF, DF and IF) and organisational citizenship behaviour. The research framework is depicted in Figure 3.1.

Drawing on Figure 3.1, the current study argues that the greater the perception of PF, DF and IF in performance appraisal, the more the employee is satisfied with their job, which will, in turn, eventually increase organisational citizenship behaviour. It is also expected that the greater the perception of PF, DF and IF, the higher the level of trust in their management, which will, in turn, eventually deliver organisational citizenship behaviour. Furthermore, the higher the perceptions of PF, DF and IF in performance appraisal, the higher the level of affective and normative commitment, which will result in higher organisational citizenship behaviour.
Figure 3.1 The conceptual framework of the influence of performance appraisal fairness on employee attitudes and behaviour at work

<table>
<thead>
<tr>
<th>Independent</th>
<th>Mediator</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procedural Fairness of performance appraisal</td>
<td>Job satisfaction</td>
<td>Organisational citizenship behaviour</td>
</tr>
<tr>
<td>Distributive Fairness of performance appraisal</td>
<td>Trust in Management</td>
<td></td>
</tr>
<tr>
<td>Interactional Fairness of performance appraisal</td>
<td>Affective Commitment</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Normative Commitment</td>
<td></td>
</tr>
</tbody>
</table>
3.2 HYPOTHESIS DEVELOPMENT

Social exchange theory and the norm of reciprocity are applied in explaining the theoretical framework of this study. Guided by the conceptual framework, twelve hypotheses were developed to formalise the relationship between PA fairness and job satisfaction, trust in management, affective and normative commitment and organisational citizenship behaviour.

The theoretical framework is categorised into three main sections. The first section presents the mediating role of job satisfaction on the relationship between PA fairness and organisational citizenship behaviour. The second discusses the mediating role of trust in management on the relationship between PA fairness and organisational citizenship behaviour. The last section discusses the mediating role of organisational commitment on the relationship between PA fairness and organisational citizenship behaviour.

3.2.1 Job satisfaction as a mediator of the relationship between performance appraisal fairness and organisational citizenship behaviour

In this research job satisfaction is considered as an intervening variable impacting from PA fairness to organisational citizenship behaviour. Specifically, PF, DF and IF contribute to higher job satisfaction. In parallel, job satisfaction can play a crucial role to increase organisational citizenship behaviour. That is to say, this study proposes that PF, DF and IF can have an indirect impact on organisational citizenship behaviour through the mediating role of job satisfaction. Modelling of the indirect path indicates that accounting for job satisfaction may offer more insights into the linkages between PA fairness and organisational citizenship behaviour. Therefore, this could disclose additional mechanisms through which employees’ perception of PA fairness can be linked to their work behaviour. Accordingly, a consideration of mediating variables such as job satisfaction may offer a more thorough understanding of the fair appraisal-work behaviours relationship for employees operating in the different organisations.

Social exchange theory (Blau, 1964) expects that when an individual or body does a favourable act to another, the recipient of the favourable act will be forced to reciprocate. Meeting these obligations affects the employees’ attitudes and behaviours within the workplace which, in turn, enhances a feeling of belonging to the organisation. This theory indicates that with the increase in fairness perceptions, employees would show increased pleasurable or emotional
states and hold positive attitudes. Based on this assumption, employees will be more likely to experience greater job satisfaction as a result of receiving fair appraisal (Erdogan, 2002).

The norm of reciprocity (Gouldner, 1960) states that when one person treats another person positively then the norm of reciprocity motivates the other person who receives this positive treatment to discharge the obligation by providing the first person of benefits in turn. In other words, individuals are eager to initiate exchange relationships aiming for favourable returns in the future. In organisations, positive treatment from the organisation in the form of fairness, respect or support given to the employees should be reciprocated in the form of desirable job attitudes and behaviours. Accordingly, where employees feel that appraisers do value them and assess their performance fairly then this should be reciprocated through greater job satisfaction. In turn, greater satisfaction leads employees to increase organisational citizenship behaviour. In this regard, job satisfaction exerts a mediation effect due since satisfaction stimulates employees to perform additional effort beyond the job description. These chain relationships are found because mutual obligation between the employee and the organisation. That is, the exchange relationships entail benefits that generate obligations between parties. Specifically, the organisation anticipates that the employees respond well to PA fairness by delivering helpful actions in support of the organisation. Employees perceive that the organisation is obliged to provide fair appraisal in return for their contributions. Theorists in organisational citizenship behaviour (e.g., Organ, 1988) have conceptualised social exchange as a type of exchange relationship. Social exchange suggests that individual behaviour is the outcome of an exchange relationship. In other words, when there is a social exchange relationship, employees are more likely to deliver organisational citizenship behaviour. Employees who perceive their organisations implement fairness in the process of distribution outcomes will reciprocate in the form of discretionary efforts that are seen as desirable in fostering organisational effectiveness (Konovsky & Pugh, 1994; Pillai et al., 1999).

The mediation model of the relationship between independent variable and dependent variable contains two major paths. The first path corresponds to how PA fairness will affect job satisfaction (the relationship between independent and mediator) and the second path focuses on how job satisfaction is related to organisational citizenship behaviour (the relationship between mediator and dependent). Mediation refers to process that reflects a chain reaction beginning with an independent variable that causes a mediator variable and which, in turn, causes a dependent variable (Collins et al., 1998). MacKinnon et al. (2012) point out that a
mediator acts to transmit the effect of an independent variable to a dependent variable in a causal sequence. For example, an independent variable leads to a mediator variable and the mediator leads to a dependent variable. In this case, job satisfaction acts as mediator because it is an outcome of an independent variable and has a causal relationship with an outcome variable. Looking at the first path, PA fairness leads to enhance job satisfaction and fairness perceptions create a sense of obligation to reciprocate. Looking at the second path, employees that demonstrate job satisfaction are more likely to respond positively to fair treatment via organisational citizenship behaviour. In this sense, job satisfaction can play a key role in transmitting the effect of fair appraisal to citizenship behaviour in a causal sequence. Therefore, job satisfaction is considered an important mechanism through which PA fairness promotes organisational citizenship behaviour.

Fair treatment plays a crucial role in predicting employee job satisfaction (Lind & Tyler, 1998). Past research (Lira, 2014; Lowe & Vodanovich, 1995; Sparr & Sonnentag, 2008; Sudin, 2011) provides support for a positive association between the fairness components of PA (PF, DF and IF) and job satisfaction. When employees perceive their performance ratings to be determined fairly and equitably in terms of any appraisal related pay increase, promotion, or other administrative action regarding the rating process, they will experience job satisfaction. In other words, fair appraisal by appraisers motivates employees to deliver higher satisfaction. PA fairness is more likely to create positive employee outcomes. On the other hand, employees who receive unfair appraisals are more likely to be dissatisfied (Lau & Oger, 2012).

Job satisfaction, in turn, is linked to organisational citizenship behaviour (Ilies et al., 2009; Lapierre & Hackett, 2007; Paillé et al., 2015; Sesen & Basim, 2012). Findings from these studies show that employees who present a high level of job satisfaction are more likely to display extra-role behaviours. Meta-analyses confirm that employee attitudes are prominently related to employee workplace behaviour. Consequently, when there is job satisfaction, individuals are more willing to exhibit organisational citizenship behaviour.

Previous studies have shown that job satisfaction exerts a mediation effect on the relationship between components of PA fairness and job behaviours. For instance, Thurston and McNall (2010) and Zeinabadi and Salehi (2011) found that PF has an indirect positive effect on organizational citizenship behaviour through job satisfaction. Nadiri and Tanova (2010) found that PF, DF and IF has an indirect impact on organisational citizenship behaviour through job satisfaction. Consequently, an increase in the fairness perceptions of PA could cause an
increase in the levels of job satisfaction and in turn in the levels of organisational citizenship behaviour. In other words, job satisfaction can be influenced by PA fairness and which can, in turn, influence organisational citizenship behaviour. Based on the conceptual model, job satisfaction is one of the mediators that transmits the impact of PA fairness to greater citizenship behaviour in a chain relationships. Overall, it was assumed that job satisfaction plays a mediating role on the relationship between PF, DF and IF in the context of PA and organisational citizenship behaviour. Hence, the following hypotheses:

**Hypothesis 1:** Job satisfaction mediates the relationship between procedural fairness and organisational citizenship behaviour.

**Hypothesis 2:** Job satisfaction mediates the relationship between distributive fairness and organisational citizenship behaviour.

**Hypothesis 3:** Job satisfaction mediates the relationship between interactional fairness and organisational citizenship behaviour.

These hypotheses relate to objective 1 (p. 18).

### 3.2.2 Trust in management as a mediator of the relationship between of performance appraisal fairness and organisational citizenship behaviour

In this research, trust in management is considered an intervening variable influencing the path from PA fairness to organisational citizenship behaviour. Specifically, fairness dimensions (PF, DF and IF) support higher trust in management. Fair treatment from the organisation fosters trust in management because it indicates that the organisation values employees’ feelings and treats them with respect. Moreover, an employee's trust in management is considered an antecedent of organisational citizenship behaviour. This indicates the important role of trust as a mediator of the relationship between PA fairness and organisational citizenship behaviour.

According to social exchange theory, receiving fair treatment signifies to employees that they are treated with dignity which leads to a sense of trust in management (Blau, 1964). This perspective is in line with Mayer et al. (1995), who argue that when organisations treat their employees with dignity, this treatment should encourage employees to trust their management. Based on the norm of reciprocity, individuals reciprocate to other parties as a type of social exchange relationship in order to discharge their obligations. Consequently, employees are
more likely to benefit the organisation through cooperative contributions. Essentially, employees are likely to exert extra effort in order to reciprocate perceived fairness of PA. Ertürk (2007) demonstrates that in a social exchange context characterised by the quality of relationships, trust is a vital mediator of the link between organisational fairness and work behaviour. Trust in management is an outcomes of fair treatment which send signals to employees that their organisations do value them as individuals. Accordingly, when employees feel higher trust they will be more willing to exhibit organisational citizenship behaviour.

In an organisational setting, social exchange relationships have some important indicators including fair procedures, job satisfaction, trust, organisational commitment and organisational citizenship behaviour (Zeinabadi & Salehi, 2011). Moorman et al. (1993) believe that work outcomes such as organisational citizenship behaviour may stem from the favourable impressions provided by fairness perceptions and that fair procedures may influence these outcomes through the building of employee trust. Moreover, employees' perceptions of the norm of reciprocity stimulates a proportional return in their additional work contributions. This indicates that employees with high levels of trust in management generally reciprocate with positive behaviour and engage in extra role behaviours. Therefore, trust is an appropriate route to link PA fairness to organisational citizenship behaviour. In this regard, trust in management acts as a mediator because it is an indication of a shared obligation between the employee and the organisation. That is, organisations expect that the individuals react positively to PA fairness, by exhibiting cooperative efforts for the benefit of the organisation. From the other side, individuals perceive that the organisation is committed to implement fair appraisal in return for their efforts. In this regard, trust is a consequence of conducting fair appraisal. Accordingly, when employees feel higher trust, they demonstrate more readiness to demonstrate discretionary efforts that enhance organisational effectiveness. Hence, it can be said that mediation influences include two paths of relationships. First, the relationship between PA fairness and trust in management, and second, the relationship between trust in management and organisational citizenship behaviour. These two paths show the role of trust in exerting mediation effect that transmits the effect of PA fairness to organisational citizenship behaviour in a causal sequence. Specifically, the first path demonstrates that the use of fairness in PA will increase the employees trust in management. The second path shows that trust will increase employee engagement in organisational citizenship behaviour. These paths show how the independent variable leads to changes in the dependent variable indirectly through a mediator.
variable. As a result, trust in management can play an important role in mediating the relationship between PF, DF and IF and organisational citizenship behaviour.

Folger and Konovsky (1989) and Rubin (2009) argue that organisational justice contributes significantly to predict trust in management. The relationship between PF, DF and IF and trust in management has received much attention and a moderate to strong correlation is generally identified (Hartmann & Slapnicar, 2009; Lau & Oger, 2012; Magner et al., 1994; Pillai et al., 1999). Based on the justice research, it is plausible to anticipate that employees will have a greater degree of trust in management if fairness at workplace is ensured (Wong et al., 2012). That is to say, providing fair procedures and treatment is an important function in the process of creating trust in management (Folger & Konovsky, 1989; Lind & Tyler, 1988). In addition, other studies have found that organisational fairness is one of the most important antecedents of trust in organisations and supervisors (Aryee et al., 2002; Pillai et al., 2001). In this regard, when appraisers tend to apply performance appraisals in ways that are seen as fair, this may lead to a higher level of fairness perceptions among individuals and thereby will increase their trust in management.

Prior research shows that trust in management will have an impact on organisational citizenship behaviour. The relation between employee and manager is the most critical factor in attaining organisational goals. Trust allows collaboration, communication, encourages shared information, assists in managing differences, and provides backing for management practices and decisions (Dirks & Ferrin, 2002; Van den Akker et al., 2009). A lack of trust may reduce employees’ willingness to exhibit favourable contributions to organisations. (Mitchell & Ambrose, 2007). Van Dyne et al. (2000) argue that an employee’s tendency to trust will have a significant association with organisational citizenship in a cooperative context. These findings indicate that increasing trust in management can increase the employees’ cooperative contributions. Therefore, it is logical to expect that employees who show trust will also show organisational citizenship behaviour. Trust has been shown to be an antecedent of organisational citizenship behaviour and is considered an outcome of PA fairness. This implies that trust in management can contribute significantly to provide a thorough understanding of the connections between the fairness dimensions of PA and work behaviour.

Prior empirical work shows the mediating role of trust on the relationship between fairness components of PA and job behaviours. For example, Lehmann-Willenbrock et al. (2012) indicated that trust mediated the influence of PF on organisational citizenship behaviour. Wu
et al. (2011) found that trust mediated the links between perceived IF and organisational citizenship behaviour. Given such a relationships, it is reasonable to anticipate that employees’ perceived fairness of their performance appraisals directly affect their trust in management, which in turn will affect their demonstration of organisational citizenship behaviour. In this sense, trust in management is a result of applying fair appraisal and employees with higher trust reciprocate with organisational citizenship behaviour. Accordingly, trust is an important mechanism that carries the influence of PA fairness to higher employee citizenship behaviour in a context which characterizes the quality of exchange relationships. Overall, the current study hypothesised that trust in management mediates the relationship between PF, DF and IF in the context of PA and organisational citizenship behaviour. Hence, the following hypotheses:

**Hypothesis 4:** Trust in management mediates the relationship between procedural fairness and organisational citizenship behaviour.

**Hypothesis 5:** Trust in management mediates the relationship between distributive fairness and organisational citizenship behaviour.

**Hypothesis 6:** Trust in management mediates the relationship between interactional fairness and organisational citizenship behaviour.

These hypotheses relate to objective 2 (p. 19).

### 3.2.3 Affective and normative commitment as mediators of the relationship between performance appraisal fairness and organisational citizenship behaviour

The fairness literature indicates the importance of affective and normative commitment in mediating the effect of PF, DF and IF on organisational citizenship behaviour. These two potential mediators allow the present study to provide a thorough understanding of the links between PA fairness and organisational citizenship behaviour.

The study suggests a mediating role of affective and normative commitment may exist in the link between PA fairness and organisational citizenship behaviour. The mediating role of affective and normative commitment on the links between PA fairness and employee work behaviours can be explained through social exchange theory (Blau, 1964) and the norm of reciprocity (Gouldner, 1960). Based on social exchange theory, employees who receive fair treatment will show higher organisational commitment. The employee may perceive this fair
treatment as a powerful signal that their organisation values them and thus make them more committed. Fair treatment signals that the employer not only values them, but is maintaining a social exchange relationship with them (Cropanzano & Mitchell, 2005; Organ, 1988). In parallel, employees respond to fair treatment with higher commitment (Rhoades et al., 2001). The norm of reciprocity states that people who have been treated positively by another party will lead to create obligations to reciprocate this fair treatment. Consequently, employees with a greater degree of organisational commitment indicated by a high level of social exchange process perform organisational citizenship behaviour (Colquitt & Greenberg, 2003; Cropanzano & Mitchell, 2005; Lavelle et al., 2009). Based on the above discussion, a social exchange perspective suggests that individual perceptions of fairness can explain levels of commitment. In addition, employees' perceptions of reciprocity stimulate a proportional return and thus employees reciprocate with positive behaviours. Accordingly, employees' perception of fairness in their appraisal enhances their commitment, which in turn increase organisational citizenship behaviour. Thus, it is evident that high levels of employees' commitment are a result of fair treatment and are usually associated with high levels of engagement in organisational citizenship behaviour.

As noted above, affective and normative commitment are selected as mediators because they are causally located between PA fairness and organisational citizenship behaviour. This commitment leads individuals to exert extra effort that is not mandated by the employer because it is indicative of a mutual obligation between the employee and the organisation. In this case, organisations expect that the individuals respond to fairness perceptions through delivering beneficial actions, whereas individuals perceive that the organisation is obligated to offer fair procedures in return for their contributions. In this regard, employees with high levels of PA fairness feel more committed toward the organisation. As a result, when there is a high level of commitment, the employees are more willing to display organisational citizenship behaviour. Therefore, it is reasonable to expect that affective and normative commitment act as an important mechanism through which PA fairness influences organisational citizenship behaviour.

Organisational justice is related to job performance (Fields et al., 2000). There have been numerous empirical studies of the relationship between the dimension of organisational justice and organisational commitment (Aryee et al., 2002; Cropanzano & Randall, 1993). Fairness perceptions have an effect on their commitment (Fulford, 2005). Research on PA found that
fair PA systems can lead to increased motivation and work performance (Denisi & Pritchard, 2006; Roberson & Stewart, 2006). Hence, it is important for organisations to implement fair and accurate PA for the employees’ improvement (Rubel & Kee, 2015). Earlier studies show that PF, DF and IF contribute to increased affective and normative commitment (Cheng, 2014; Colquitt, 2001; Konovsky & Cropanzano, 1991; Lowe & Vodanovich, 1995). Employees who view appraisal as fair are more likely to show high level of organisational commitment.

In parallel, organisational commitment has a main role in predicting organisational citizenship behaviour (Farzaneh et al., 2014; Schappe, 1998; Wang & Wong, 2011; Zayas-Ortiz et al., 2015). A possible explanation for these results is that employees who exhibit a greater degree of affective and normative commitment are more likely to deliver behaviours that may ultimately benefit the organisation (Peloza & Hassay, 2006). Organisational commitment has a significant impact on work performance (Mayer & Allen, 1991). Those who have a strong identification with the organisation may dedicate themselves to the organisational interests rather than trying to serve self-interested objectives (Paré & Tremblay, 2007). In this regard, employees with a higher level of organisational commitment would be motivated to increase their level of work to meet the organisational goals (He et al., 2011).

Little research has investigated the mediating role affective and normative commitment in the relationship between the dimensions of fairness and work behaviours. Lavellel et al. (2009) surveyed 635 students at a large university in the United States and showed that organisational commitment acts as a mediator between PF and organisational citizenship behaviour. Yang (2012) found a significant mediating effect of affective commitment on the relationship between DF and organisational citizenship behaviour. Meierhans et al. (2008) revealed that affective and normative commitment mediated the link between fair leadership and organisational citizenship behaviour. Essentially, individuals become more willing to deliver positive work behaviour in response to the fair treatment received in their performance appraisals, because the social exchange relationship commits them to fulfil their obligations toward the organisation. Therefore, it becomes more crucial that managers and organisational leaders be very careful as well as objective when practicing and making decisions within the organisation (Nadiri & Tanova, 2010). As noted from the empirical literature discussed previously, affective and normative commitment are outcomes of PA fairness that enhance other outcomes of PA fairness such as organisational citizenship behaviour. As a result, affective and normative commitment would play effective roles in linking PA fairness to
organisational citizenship behaviour. Overall, the current study hypothesised that affective and normative commitment mediate the relationship between PF, DF and IF in the context of performance appraisal and organisational citizenship behaviour. Hence, the following hypotheses:

**Hypothesis 7:** Affective commitment mediates the relationship between procedural fairness and organisational citizenship behaviour.

**Hypothesis 8:** Normative commitment mediates the relationship between procedural fairness and organisational citizenship behaviour.

**Hypothesis 9:** Affective commitment mediates the relationship between distributive fairness and organisational citizenship behaviour.

**Hypothesis 10:** Normative commitment mediates the relationship between distributive fairness and organisational citizenship behaviour.

**Hypothesis 11:** Affective commitment mediates the relationship between interactional fairness and organisational citizenship behaviour.

**Hypothesis 12:** Normative commitment mediates the relationship between interactional fairness and organisational citizenship behaviour.

These hypotheses relate to objective 3 (p. 19).

### 3.3 SUMMARY

This chapter develops the theoretical model used in the present study and provides an explicit relationship between: fairness perception of PF, DF and IF of performance appraisal; job satisfaction; trust in management; affective and normative commitment; and organisational citizenship behaviour. It was demonstrated that job satisfaction, trust in management and organisational commitment are direct results of the fairness perception of procedural, distributive and interactional in performance appraisal. It also showed that job satisfaction, trust in management, affective and normative commitment were major factors impacting organisational citizenship behaviour. Theoretically, job satisfaction, trust in management, affective and normative commitment mediate the relationship between PF, DF and IF and organisational citizenship behaviour. Table 3.1 presents the summary of the research hypotheses.
Table 3.1 Summary of Research Hypotheses

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Job satisfaction mediates the relationship between PF and organisational</td>
</tr>
<tr>
<td></td>
<td>citizenship behaviour.</td>
</tr>
<tr>
<td>2</td>
<td>Job satisfaction mediates the relationship between DF and organisational</td>
</tr>
<tr>
<td></td>
<td>citizenship behaviour.</td>
</tr>
<tr>
<td>3</td>
<td>Job satisfaction mediates the relationship between IF and organisational</td>
</tr>
<tr>
<td></td>
<td>citizenship behaviour.</td>
</tr>
<tr>
<td>4</td>
<td>Trust in management mediates the relationship between PF and organisational</td>
</tr>
<tr>
<td></td>
<td>citizenship behaviour.</td>
</tr>
<tr>
<td>5</td>
<td>Trust in management mediates the relationship between DF and organisational</td>
</tr>
<tr>
<td></td>
<td>citizenship behaviour.</td>
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<td>6</td>
<td>Trust in management mediates the relationship between IF and organisational</td>
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<td></td>
<td>citizenship behaviour.</td>
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<td>7</td>
<td>Affective commitment mediates the relationship between PF and organisational</td>
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<td></td>
<td>citizenship behaviour.</td>
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<tr>
<td>8</td>
<td>Normative commitment mediates the relationship between PF and organisational</td>
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<td></td>
<td>citizenship behaviour.</td>
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<td>9</td>
<td>Affective commitment mediates the relationship between DF and organisational</td>
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<td></td>
<td>citizenship behaviour.</td>
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<td>10</td>
<td>Normative commitment mediates the relationship between DF and organisational</td>
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<td></td>
<td>citizenship behaviour.</td>
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<tr>
<td>11</td>
<td>Affective commitment mediates the relationship between IF and organisational</td>
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<td></td>
<td>citizenship behaviour.</td>
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<td>12</td>
<td>Normative commitment mediates the relationship between IF and organisational</td>
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<td></td>
<td>citizenship behaviour.</td>
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</tbody>
</table>
4.1 INTRODUCTION

This chapter discusses quantitative methods as a general design and the strategy used in the current research and the research methodology, data collection procedures, the research population and sample, and measurement scales. The methods and procedures employed in data analysis are also described.

4.2 RESEARCH PHILOSOPHY

Research attempts to discover answers or solutions to increase our knowledge about the world. Cavana et al. (2001) point out that researchers base their efforts on different beliefs and schools of thought regarding the best ways to apply research and this is considered a complicated process of the research procedure. These beliefs and thoughts regarding the theoretical perspective are referred to as the research philosophy. Easterby-Smith et al. (2008) argue that understanding philosophy is beneficial for many reasons. For example, philosophy clarifies the design of the research and its strategies and methods for gathering and interpreting the data. In addition, it directs researchers towards the best research designs. Guba and Lincoln (1994) point out that ontology, epistemology and methodology are the basis for research paradigms. Ontology is associated with reality and the nature of the world, while epistemology is related to how reality is observed and how the body of knowledge of the external reality is obtained (Sekaran & Bougie, 2010).

The two main paradigms are positivism and interpretivism (Hussey & Hussey, 1997). These two paradigms represent two prominent points on a continuous link between which are several alternative paradigms. It is important to examine both philosophical paradigms before judging which one to select. The positivist paradigm depends on fixed relationships among phenomena and is usually examined with a design tool. Research that underpins the positivist paradigm is mainly conducted to test theories in order to provide a better understanding of the phenomena. The other research paradigm is interpretivism (phenomenology) which postulates that individuals form and relate their own subjective and intersubjective views as they are involved with contact with the external world (Orlikowski et al., 1991).

According to Easterby-Smith et al. (2002: 28), the core of the positivist paradigm is that "the social world exists externally and that its properties should be measured through objective
methods, rather than being inferred subjectively through sensation, reflection or intuition”. It therefore relies on the assumption that social reality is real and objective and there is a single reality (Collis & Hussey, 2009). Under this paradigm, the research process comprises a deductive approach with a view that theories provide the basis of explanation for many variables in a series of occurrences or events (Bryman & Bell, 2015). As it postulates that social phenomena can be measured, positivism is closely related with quantitative research methods. Statistical methods in quantitative research “seek to explain and predict what happens in the social world by searching for reliability and causal relationships between its basic elements” (Burrell & Morgan, 1979: 5). This type of research is considered to be more reliable when the aim of the study is to collect data associated with the regularity of the phenomena that is occurring. The objective is to provide documented interpretations regarding how the social world works through developing reliable and applicable techniques of acquiring reality about a society that can after be analysed statistically (Gilbert, 2001: 32).

On the other hand, different perspectives such as interpretivism and constructivism can be used to interpret events that appear to be problematic for natural scientists (May, 1997). The interpretivist paradigm is a critical application of scientific models to study the social world. The view of this paradigm is that social sciences are fundamentally different to the natural sciences and thus need to follow an approach that reflects the distinctiveness of humans against the natural order” (Bryman & Bell, 2011: 16). The view is that ‘fact’ is not objective and tends to be subjective, but is given meaning by people and is socially constructed. This suggests that researchers should not aim “to gather facts and measure how often certain patterns occur, but to appreciate the different constructions and meanings that people place on their experience” (Easterby-Smith et al., 2008: 59).

The interpretivist paradigm represents a belief that facts can only be understood by the individuals involved in the research (Taylor & Callahan, 2005). In light of this, reality cannot be separated from the people who are observing the phenomena and, reality can be seen only by the people who are engaged in the experience. In this regard, the inductive approach is contributing to grasp what the actors are feeling and thinking with regards to the research focus (Easterby-Smith, et al., 2002). The interpretivist paradigm typically embraces qualitative methods to discover and explicate human behaviour which emerges from the sense that individuals make of different situations (Easterby-Smith et al., 2008) and has the ability to increase the understanding of social science. However, what is revealed by interpretivism is
not generalisable to larger populations and has limited applications (Winfield, 1991). The main attributes and characteristics of these two paradigms are presented in Table 4.1.

**Table 4.1 The main differences between positivism and interpretivism**

<table>
<thead>
<tr>
<th></th>
<th>Positivism</th>
<th>Interpretivism</th>
</tr>
</thead>
<tbody>
<tr>
<td>The observer</td>
<td>Must be independent</td>
<td>Is part of what is being observed</td>
</tr>
<tr>
<td>Human interest</td>
<td>Should be irrelevant</td>
<td>Are the main drivers of science</td>
</tr>
<tr>
<td>Explanation</td>
<td>Must demonstrate causality</td>
<td>Aim to increase general understanding of the situation</td>
</tr>
<tr>
<td>Research process</td>
<td>Hypotheses and deductions</td>
<td>Gathering rich data from which ideas are induced</td>
</tr>
<tr>
<td>through</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Concepts</td>
<td>Need to be operationalised so that they can be measured</td>
<td>Should incorporate stakeholder perspective</td>
</tr>
<tr>
<td>Unit of analysis</td>
<td>Should be reduced to simplest terms</td>
<td>May include the complexity of 'whole' situations</td>
</tr>
<tr>
<td>Generalisation</td>
<td>Statistical probability</td>
<td>Theoretical abstraction</td>
</tr>
<tr>
<td>through</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sampling requires</td>
<td>Large numbers selected randomly</td>
<td>Small numbers of cases chosen for specific reasons</td>
</tr>
</tbody>
</table>

Source: Easterby-Smith et al, (2008: 59)

Consistent with prior research, this study adopts the positivist paradigm to examine the relationships between the research variables. The prominent characteristics of this approach are in presenting an objective account of society. Positivism involves theory development which is examined by testing hypotheses (Easterby-Smith et al., 2002). Further, it makes generalisations possible for the wider population and concurrently allows the researcher to stay relatively independent from the respondents in the study field (Creswell, 1994).

It is a common approach in many studies of fairness and job outcomes, particularly in studies which aim to examine mediation influences (Loi & Foley, 2006; Lambert & Hogan, 2008; Nadiri & Tanova, 2010; Byrne et al., 2012). The applied research methods in these studies were predominantly analytical, conceptual and mostly empirical investigations using survey instruments. In this way, the findings of this study will be used to address the objective reality of the existing relationships between research variables, which is to advise managers and
employers on how and to what extent individual perceptions of fairness in performance appraisals affects employee work attitudes and behaviours.

4.3 RESEARCH METHODOLOGY

Quantitative and qualitative approaches are the two main research methods in the social sciences (Johnson & Harris, 2002). Quantitative method involves “statistics, hypotheses and variables, and is viewed as an organized method for combining deductive logic with precise empirical observations of individual behaviour in order to discover and confirm a set of probabilistic causal laws that can be used to predict general patterns of human activity” (Neuman, 1997: 63). According to the positivist paradigm and natural science model, the quantitative approach derives from the ontological stance of objectivism, rather than considering social reality as being an external reality (Bryman & Bell, 2015). The main aim of the quantitative method is to provide measurements to test hypotheses, which means that the instruments used in research need to be reliable and valid (Clough & Nutbrown, 2002). Quantitative approaches concentrate on testing theories to be examined empirically, to use measuring tools which are accurate operationally, detach the social world from the people and reduce the ambiguity in general of the social world (Bryman & Bell, 2007). This approach helps to determine causal relationships between the sets of variables based on the theory and literature (Amaratunga et al., 2002). Bryman (2016) describes the main steps in quantitative research as; identifying the theory, setting hypotheses, formulating research design, devising measures of concepts, selecting research sites, selecting research subjects/respondents, administering research instruments/collectiong data, processing data, analysing data, obtaining findings/conclusions, and writing up findings/conclusions.

4.4 RESEARCH STRATEGY

The research strategy is "a general plan of how the researcher will go about answering the research question(s)" (Saunders et al., 2003: 488). There are several types of strategies such as questionnaire surveys, case studies, experiments, ethnography, grounded theories and empirical research. The matter is which strategy is suitable to meet the research questions and objectives that have been selected (Sekaran & Bougie, 2010). Every strategy has its benefits and flaws where research strategy determines the methods of collecting and analysing data and providing evidence of research under investigation. Many issues should be considered before choosing any strategy (Remenyi et al., 2005; Saunders et al., 2003; Yin, 2003). The main aim of this research is to answer how employee perceptions of performance appraisal fairness
influence job satisfaction, trust in management, organisational commitment and organisational citizenship behaviour. The most appropriate research method for this question is a questionnaire survey. The current study is an example of survey strategies in which sets of questions and items are employed to evaluate the respondents’ attitudes and behaviours. This strategy is used because, according to Bryman and Bell (2007: 28), it is “a research strategy that emphasises quantifiable data collection and used a deductive approach which incorporated positivism to reflect a view of social reality as an external objective reality”. The survey strategy is closely tied up with the deductive approach, which allows the collection of a large amount of data from the wider population in an economic way. The data in this strategy, typically obtained by questionnaire, are standardised and characterised in way that can be easily understood by respondents. In line with the research aims, the survey instrument was designed to assess opinions, attitudes, preferences, demographics, practices and procedures (Gay & Airasian, 2003). All of these factors are relevant to the screening target population.

The survey method is the most widely used in business and management research. Further, the significance of the survey instrument as a method for data collection is extensively recognised in the behavioural sciences (Bryman & Bell, 2015). Moreover, the survey-based questionnaire is suitable for descriptive studies which can be applied to acquire explanations and produce data for testing hypotheses (Kelly et al., 2003). In this regard, this research emphasises the importance of survey based-questionnaires to seek explanations for the influences of performance appraisal fairness on employee attitudes and behaviours. The questionnaire survey focuses on domains which are relevant to work attitudes and behaviours within the overall context of public Kurdistani banks. In this sense, the aims of this research require data to be attitudinal, and behavioural, and the use of a questionnaire survey is an appropriate method for this study.

4.5 SEQUENTIAL RESEARCH

In terms of the time horizon, research can be classified as sequential or partially longitudinal. In cross-sectional studies, all data are gathered at a single point in time. In longitudinal studies, people or phenomenon of interest are studied over time (De Vaus, 2001) to measure changes over time for the phenomenon. Scholars have become more concerned about the validity of cross-sectional survey research, particularly about method bias which potentially inflates correlations among variables (Podsakoff et al., 2003; Malhotra et al., 2006; Rindfleisch et al., 2008; Burton-Jones, 2009). When carrying out longitudinal research it is important to consider
the issue of time lag between data collection points so that the timeframes chosen are meaningful (Mitchell & James, 2001). In a survey strategy, several interventions are recommended to gather data over multiple periods in order to reduce the threat of common method variance bias and enhance causal inference, (Podsakoff & Organ 1986; Podsakoff et al. 2003). Hence, in order to strengthen the methodological design used in this study, the researcher tested the structural models by collecting data at Time 1 for performance appraisal fairness for testing direct and indirect effects models, Time 2 for job satisfaction, trust in management and organisational commitment and Time 3 for organisational citizenship behaviour.

4.6 RESEARCH POPULATION AND SAMPLE SELECTION

4.6.1 Target Population

In this study, the researcher used convenience sampling which is a type of non-probability sample from employees working at different levels across all eight public banks in Kurdistan. Targeted employees include staff from junior, middle and senior management. The total population was 7353 Kurdish employees working in the banking sector. This total population estimate is based on the employee database provided in Public Bank Statistics reports.

4.6.2 Sampling Design

There are many techniques of sampling designs according to the required data and the nature of the sample being studied (Saunders et al., 2003). According to Dillon et al. (1993, p.229), target sampling involves “selecting certain respondents for participation in the study presumably because they are representative of the population of interest and/or meet the specific needs of the research study”. “Non-probability sample methods can be used in situations where carrying out a probability sample would not be feasible, where for example there is no sampling frame, or the resources required are not available” (Robson, 2002:264). Accordingly, the present study used non-probability, convenience samples to be representative of the research population. This sample technique is at times called an accidental sample as the components constituting the sample may be drawn into the sample mainly because they just occur where the researcher is gathering the primary data (Ross, 2005). Convenience sampling is widely used in social research and is extensively applied in organisation studies (Bryman, 2016).
4.6.3 Sample Size

The statistical tools employed in data analysis require a minimum sample size. For example, multiple regression analysis, confirmatory factor analysis or structural equation modelling and other techniques require an adequate sample size in order to perform analysis on data. Consequently, as Reynolds, et al. (2003: 87) pointed out, a certain sample size plays an important role to identify “the analytical techniques that can be used”. The present research employed confirmatory factor analysis (CFA) to test the structure of research scales. According to (Hair et al., 2010) five observations for each estimated parameter is a minimum recommended sample level for the estimation of SEM. In this research, a total of 64 parameters were estimated, so the sample size for this research should be more than 320. Since that actual sample size was 369, the minimum recommended sample size was fulfilled.

4.7 DATA COLLECTION PROCEDURES

The data was obtained from employees in the public banking sector in Kurdistan. The researcher started the procedures in contact with the bank management by selecting a set of survey questionnaires, along with covering letters. Further, each participant received a coded number. A sequential design at three separate time points, approximately over an eighteen week interval, was used. Sequential data is particularly useful in predicting mediating effects which are hard to analyse in a cross-sectional study. According to Maxwell et al. (2011: 816), a variable that is known to act as a strong mediator in a cross-sectional analysis may not act as a mediator at all in a longitudinal analysis. Thus, in the current study, a sequential design was employed which is considered as partially longitudinal in order to reduce the degree of bias in determining mediating effects. Consequently, a sequential design helps to obtain more accurate data compared with cross-sectional data. A six week time interval between each data collection point was an appropriate time lag with the influences of performance appraisal fairness on the demonstration of employee work attitudes and subsequently work behaviour. In light of this, the data for this study was collected at three time points across eighteen weeks. Respondents were given the opportunity to complete the questionnaires regarding independent variables (procedural, distributive and interactional fairness in performance appraisal) at time one, mediator variables (job satisfaction, trust in management and organisational commitment) at time two, and dependent variables (organisational citizenship behaviour) at time three. The questionnaires, which were distributed in paper form at each time point, took approximately 10 to 15 minutes to complete. No inducement was offered and confidentiality was assured.
4.8 MEASURES

Based on the theoretical model illustrated in Figure 4.5 at the end of this chapter (see also Figure 3.1), the independent, mediator and dependent variables measure job satisfaction, trust in management, organisational commitment, and organisational citizenship behaviour, and employees' perceptions of performance appraisal fairness comprising procedural, distributive and interactional fairness. Gender, age, position, years of work, and educational level were collected for demographic information. The measures used in this study are described in the order they show in the model across the three time points of data collection. The scale items are adopted from previous studies. These scales are presented in tables under each construct.

4.8.1 Measures at time 1

Performance Appraisal Fairness

This variable measures the individual's perceptions of fairness in performance appraisal. In the current study, performance appraisal fairness consists of three dimensions; procedural, distributive, and interactional justice. The language of the items was amended by Gupta and Kumar (2013) so that they pertain to performance appraisal setting. This scale has been widely used in previous studies (Rodwell & Munro, 2013; Zhang et al., 2014). The performance appraisal fairness scale includes 18 items distributed on three components; procedural fairness (7 items), distributive fairness (4 items), and interactional fairness (7 items). Responses to items were measured using a five-point Likert scale that ranged from 1 = “strongly disagree” to 5 = “strongly agree.” The item scores are summed to create a scale score. The items of the three components of performance appraisal fairness are listed in Table 4.2.

Table 4.2 Dimensions of Performance Appraisal Fairness and Their Respective Scale

<table>
<thead>
<tr>
<th>Procedural performance appraisal fairness</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I am able to express my views and feelings during the performance appraisal meeting</td>
</tr>
<tr>
<td>2. I have influence over the outcomes of performance appraisal procedures</td>
</tr>
<tr>
<td>3. The procedures followed during performance appraisal process have been applied consistently in my organization</td>
</tr>
<tr>
<td>4. The procedures followed during performance appraisal process are free of bias</td>
</tr>
<tr>
<td>5. The performance appraisal procedures are based on accurate information</td>
</tr>
<tr>
<td>6. I can appeal against the outcomes arrived at by the performance appraisal procedures</td>
</tr>
<tr>
<td>7. The performance appraisal meetings upheld ethical and moral standards</td>
</tr>
<tr>
<td>Distributive performance appraisal fairness</td>
</tr>
<tr>
<td>---------------------------------------------</td>
</tr>
<tr>
<td>1. The outcome of performance appraisal process reflects the effort I have put into my work</td>
</tr>
<tr>
<td>2. The outcome of performance appraisal process is appropriate for the work I completed</td>
</tr>
<tr>
<td>3. The outcome of performance appraisal process reflects what I have contributed to the organization</td>
</tr>
<tr>
<td>4. The outcome of performance appraisal process is justified, given my performance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Interactional performance appraisal fairness</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. During the performance appraisal meeting, my supervisor treated me in a polite manner</td>
</tr>
<tr>
<td>2. My supervisor treated me with respect and dignity during the performance appraisal meeting</td>
</tr>
<tr>
<td>3. My supervisor refrained from improper remarks or comments</td>
</tr>
<tr>
<td>4. My supervisor was candid in (his/her) communications with me</td>
</tr>
<tr>
<td>5. My supervisor explained the procedures of the performance appraisal process thoroughly</td>
</tr>
<tr>
<td>6. My supervisor communicated details regarding the performance appraisal process in a timely manner</td>
</tr>
<tr>
<td>7. My supervisor tailored (his/her) communications to my specific needs</td>
</tr>
</tbody>
</table>

Source: Gupta and Kumar (2013).

### 4.8.2 Measures at time 2

#### 4.8.2.1 Job Satisfaction

Job satisfaction was measured using a scale developed by Weiss et al. (1967) which reflects separate scores for intrinsic and extrinsic job satisfaction for different occupational groups. This scale has been extensively used in prior research (i.e. Pool, 1997; Lau & Chong, 2002). The scale consists of 13 items and measures the extent to which the participant feel he/she is satisfied on the job using five-point Likert scales. Higher scores signify higher individual feelings of job satisfaction. Table 4.3 presents the items used.
Table 4.3  Job Satisfaction Scale

<table>
<thead>
<tr>
<th>Job satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. My job keeps me busy all the time</td>
</tr>
<tr>
<td>2. My job allows me to work alone</td>
</tr>
<tr>
<td>3. My job allows me to have a variety</td>
</tr>
<tr>
<td>4. My appraiser handles his/her employees well</td>
</tr>
<tr>
<td>5. My appraiser is good in making decision</td>
</tr>
<tr>
<td>6. My job provides for steady employment</td>
</tr>
<tr>
<td>7. My job allows me to make use of my abilities</td>
</tr>
<tr>
<td>8. My bank policies are put into practice well</td>
</tr>
<tr>
<td>9. My job pays well for the amount of work I do</td>
</tr>
<tr>
<td>10. My job provides the chance for advancement</td>
</tr>
<tr>
<td>11. My job provides the freedom to use my own judgement</td>
</tr>
<tr>
<td>12. My appraiser praises me for doing a good job</td>
</tr>
<tr>
<td>13. My job provides me with a feeling of accomplishment</td>
</tr>
</tbody>
</table>

Source: Weiss et al. (1967).

4.8.2.2  Trust in Management

Trust in management is defined as an individual’s willingness to depend on management based on positive anticipations of their behaviours and intentions (Rousseau et al., 1998). This variable was measured using a scale reported in Robinson (1996) and developed by Gabarro and Athos (1976). This scale has been widely used for measuring organisational trust (Aree et al., 2002; Hopkins & Weathington, 2006). The scale consists of seven items measuring the extent to which the participant feels trust in management using a five-point Likert scale from strongly disagree to strongly agree. Higher scores signify higher feelings of trust. See Table 4.4.

Table 4.4 Trust in Management scale

<table>
<thead>
<tr>
<th>Trust in management</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I believe my employer has high integrity.</td>
</tr>
<tr>
<td>2. I can expect my employer to treat me in a consistent and predictable fashion.</td>
</tr>
<tr>
<td>3. My employer is not always honest and truthful.</td>
</tr>
<tr>
<td>4. In general, I believe my employer's motives and intentions are good.</td>
</tr>
<tr>
<td>5. I don’t think my employer treats me fairly.</td>
</tr>
<tr>
<td>6. My employer is open and upfront with me.</td>
</tr>
<tr>
<td>7. I am not sure I fully trust my employer.</td>
</tr>
</tbody>
</table>

Source: Gabarro and Athos (1976).
4.8.2.3 Organisational Commitment

The items for affective and normative commitment were adopted from Meyer et al. (1993). These scales have been extensively used to measure the organisational commitment (e.g., McDonald & Makin, 2000; Jacobsen, 2000; Malhotra & Mukherjee, 2004). The organisational commitment scale includes 12 items distributed on two components: affective commitment (6 items) and normative commitment (6 items). Responses were measured using a five-point Likert scale. Higher scores signify higher commitment. The items for affective and normative commitment are listed in Table 4.5.

Table 4.5 Dimensions of Organisational Commitment

<table>
<thead>
<tr>
<th>Affective commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: I would be happy to spend the rest of my career with this organisation</td>
</tr>
<tr>
<td>2: I really feel as if this organisation’s problems are my own.</td>
</tr>
<tr>
<td>3: I do not feel a strong sense of “belonging” to my organisation.</td>
</tr>
<tr>
<td>4: I do not feel “emotionally attached” to this organisation.</td>
</tr>
<tr>
<td>5: I do not feel like “part of the family” at my organisation.</td>
</tr>
<tr>
<td>6: This organisation has a great deal of personal meaning for me.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Normative commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: Right now, staying with my organisation is a matter of necessity as much as desire.</td>
</tr>
<tr>
<td>2: It would be very hard for me to leave my organisation right now, even if I wanted to.</td>
</tr>
<tr>
<td>3: Too much in my life would be disrupted if I decided I wanted to leave my organisation now.</td>
</tr>
<tr>
<td>4: I feel that I have too few options to consider leaving this organisation.</td>
</tr>
<tr>
<td>5: If I had not already put so much of myself into this organisation, I might consider working elsewhere.</td>
</tr>
<tr>
<td>6: One of the few negative consequences of leaving this organisation would be the scarcity of available alternatives.</td>
</tr>
</tbody>
</table>

Source: Meyer et al. (1993).
4.8.3 Measures at time 3

Organisational Citizenship Behaviour

Organisational citizenship behaviour is defined as “a behaviour that contributes to the maintenance and enhancement of the social and psychological context that supports task performance” (Organ, 1997, p. 91). A 14 item scale adapted from Marinova et al (2010) was used to measure organisational citizenship behaviour using a five-point Likert scale. This measure is originally taken from existing organisational citizenship behaviour scales (Bennett & Robinson, 2000; MacKenzie et al., 1999; Podsakoff et al., 1990; Smith et al., 1983) that represent indicators of helping, taking charge, sportsmanship, and compliance as shown below. Higher scores demonstrate higher organisational citizenship behaviour.

The current study used a slightly modified version in that each item was reworded so that it referred to the respondent (i.e. him/herself), and not to a co-worker as is the case in the source version. Table 4.6 presents the items used in the present study.

<table>
<thead>
<tr>
<th>Table 4.6 Organisational Citizenship Behaviour Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational citizenship behaviour</td>
</tr>
<tr>
<td>1. I help others who have been absent</td>
</tr>
<tr>
<td>2. I help others who have a heavy workload</td>
</tr>
<tr>
<td>3. I am always ready to help those around me</td>
</tr>
<tr>
<td>4. I am willing to give my time to help others who have work-related problems.</td>
</tr>
<tr>
<td>5. I often make innovative suggestions to improve my department</td>
</tr>
<tr>
<td>6. I always try to adopt improved procedures for the work unit or department</td>
</tr>
<tr>
<td>7. I always try to institute new work methods that are more effective for this organisation</td>
</tr>
<tr>
<td>8. I always try to implement solutions to pressing organisational problems</td>
</tr>
<tr>
<td>9. I never come in late without permission</td>
</tr>
<tr>
<td>10. I always follow bosses’ instructions</td>
</tr>
<tr>
<td>11. I never leave work early without permission</td>
</tr>
<tr>
<td>12. I conscientiously follow organisational rules and procedures</td>
</tr>
<tr>
<td>13. I rarely miss work even when there is a legitimate reason to do so</td>
</tr>
<tr>
<td>14. I am often a stabilizing influence when others in the organisation have disagreements</td>
</tr>
</tbody>
</table>

Source: Marinova et al. (2010).
4.9 QUESTIONNAIRE DESIGN

The design of the questionnaire was in a form which permitted the participants to respond to the questions at different times. The first page collected demographic data. This included the bank name, gender, age, position in the bank, number of years worked at the bank, and educational level. For more details, see Appendix 1(A). The questionnaire has three sections as follows:

**Section (1):** This section comprises 18 items intended to measure procedural fairness (seven items), distributive fairness (four items), and interactional fairness (seven items).

**Section (2):** This section comprises 32 items intended to measure employee job satisfaction (thirteen items), trust in management (seven items) and organisational commitment (twelve items).

**Section (3):** This section comprises 14 items intended to measure organisational citizenship behaviour.

A five-point Likert response scale was used. This scale ranged from 1 = “strongly disagree” to 5 = “strongly agree.” The rationale for choosing Likert scales is that they are the most popular and simplest response format (Sekaran, 2003) and are commonly treated in business and management studies as an interval scale (Hair et al. 2003; Cavana et al. 2001).

4.10 QUESTIONNAIRE TRANSLATION

The present research was carried out in Kurdish. It took about three months during July and October 2014. First, the English version of the questionnaire was translated into Kurdish by the researcher. Several PhD researchers from the University of Huddersfield were asked to check and comment on the translation. Second, two lecturers in Kurdish and English languages in the University of Salahaddin in Kurdistan were given the two versions of the questionnaire independently (English and Kurdish) and were asked to verify the clarity of the Kurdish translated version. The Kurdish version of the questionnaire is available in Appendix 1(B). Additionally, pilot testing was conducted to evaluate the validity of the study and to discover any problems that might occur in preparing the questionnaire.
4.11 PILOT STUDY

A pilot study was conducted to reduce problems related to the degree of clarity and validity. The Kurdish version was distributed to 30 employees in public banks drawn from the sample frame. The main aim was to assess the validity of the study and to provide an opportunity for suggestions. No major questions were found in the pilot results and the participants did not have difficulty in understanding the questions. A few changes were made in the wording of the items. After the pilot, a final draft of the questionnaire was designed.

4.12 DATA ANALYSIS METHODS

A number of statistical techniques were selected based on the research questions. The empirical analysis examined the influence of performance appraisal fairness on employee attitudes and behaviour and the mediating influence of employee attitudes on these relationships. For this purpose, Process macro developed by Preacher and Hayes is recommended as the most suitable analytical technique to test the hypothesis (Hayes, 2013). Structural equation modeling (SEM) conducts confirmatory factor analysis (CFA). It is a flexible and robust strategy that has facets of both factor analysis and multiple regression (Hair et al, 2010). A descriptive analysis was applied for the demographic characteristics of the participants and is presented in Chapter 5. Data analysis also involved testing the reliability of the multi-item constructs (inter-item consistency reliability). Convergent validity was examined with the help of confirmatory factor analysis through assessing the degree to which a set of measured items actually captures the supposed construct (Hair, et al., 2010). This analysis is discussed in Chapter 5. Independent t-tests were conducted to specify the differences between groups. The basic concept and statistical methods used in data analysis are introduced in the following sections.

4.12.1 Reliability Analysis

Reliability "indicates the extent to which the measure is without bias (error free) and hence offers consistent measurements across time and across the various items in the instrument" (Pelosi et al., 2001:127). Cronbach’s alpha (coefficient alpha) is a popular tool to measure reliability (Hair et al., 2010). The reliability of the survey strategy was identified by the value of alpha, and construct validity was assessed with CFA. The core of reliability analysis is the calculation of the intercorrelations among items in a scale, which can range from an alpha of 0 to 1.0 (Hinkin, 1998). According to Nunnally (1978) Cronbach’s alpha values should be at
least 0.70 to demonstrate reliability. The reliability of individual scales in this research varied from 0.58 and 0.85 (see Table 5.3).

4.12.2 Confirmatory Factor Analysis

Confirmatory factor analysis tests the fundamental construct of a set of variables (Tabachnick & Fidell, 2007) and was employed to test whether measures of a construct are consistent with the intended construct and used indices to assess the goodness of model fit. This analysis is usually conducted using structural equation models (Kline & Santor, 1999, Tabachnick & Fidell, 2007). The aim of assessing the goodness of model fit is to test the fit between the measurement model and the data obtained.

Several indicators of model fit are determinable to evaluate the goodness of fit statistics of the proposed model, which can assist researchers to specify which of the hypothesized models best fits the data. In this respect, it has been recommended to take more than one fit index when assessing the fit of a model (Loehlin, 1998: 76). The first is the Chi-square ($X^2$) test, it expected that Chi-square is non-significant. This signifies that there is no significant difference between the actual covariance matrix and the proposed model to illustrate the covariance matrix. In addition, there are other indices for assessing the fit of the model such as CFI, NFI, LTI, and RMSEA. The CFI, NFI and LTI explain how much better a model fits the data to a baseline model where all variables are uncorrelated. A value of CFI, NFI and LTI more than .90 is usually deemed to be a reasonable fit of the model to the data (Hu & Bentler, 1998). The RMSEA represent a measure of variance per degree of freedom which provide a calculation of confidence intervals and substantial information about the accuracy of the statistical estimation of fit (MacCallum & Austin, 2000). Values less than .05 suggest a good model fit, and values between .05 and .10 suggest an acceptable model fit (Hu & Bentler, 1999).

Confirmatory factor analysis was used to test the structure of all scales included in this research.
4.12.3 Independent sample t-test and ANOVA

The independent sample t-test compares the mean score between two groups (i.e. male and female) (Green & Salkind, 2010). ANOVA compares the mean score of three or more variables (George, 2011). The current research sought to test the difference between research variables (performance appraisal fairness dimensions, job satisfaction, trust in management, organisational commitment, and organisational citizenship behaviour) and different independent variables such as gender, age, position, years of work and educational level.

4.12.4 Mediation analysis

Mediation is defined as a process that reflects a chain reaction beginning with an independent variable (X) that causes a mediator variable (M) and which, in turn, causes a dependent variable (Y) (Collins et al., 1998). Recently, statistical methods to test mediation have become a more important issue (Wood et al., 2008). Many studies in organisational behaviour have investigated the mediation influences of several job outcome variables (Wood et al., 2008).

Mediation analysis is important because it presents detailed explanations of the causal relationships between sets of variables (Wu & Zumbo, 2008), and moves “beyond the merely descriptive to a more functional understanding of the relationships between variables” (Preacher & Hayes, 2004: 717). In general, it is assumed that influence is transmitted via internal psychological structures (MacKinnon et al., 2007). The model of mediation impact can contribute to answer substantial questions which are not always fulfilled by investigating the direct impact (Bollen, 1989). In this sense, the main explanatory variables included in the hypothesised framework are important in explaining the data when the mediation effect or relationship takes place. This is important in the present study which aims to study the role of mediators in explaining the association between groups of variables in order to present a better description and explain relationships.

Baron and Kenny (1986: 1178) argue that the possibility for the effective use of mediation strategy “is best done in the case of a strong relationship between the predictor and the criterion variables”. The mediation method is laid out for testing mediation hypotheses. This method assesses whether or not the independent variable (X) exerts an influence on the dependent variable (Y) through a potential cause of one or more intervening variables or mediators (M) (Preacher & Hayes, 2008). In other words, mediation or indirect effects occur when the independent variable exercises a particular effect on the outcome variable via a mediator.
variable (Collins et al., 1998). In this sense, mediator variables play a vital role in mediating the effect or relationship between two variables.

The function of the mediation model is to determine and explicate the process upon which a relationship between the independent variable and dependent variable operates through the presence of a third explanatory variable, a mediator (Baron & Kenny, 1986). Mediators are “variables through which the influence of an antecedent variable is transferred to a criterion” (Mathieu & Taylor, 2007: 142). In other words, it identifies the relationships in causal sequences among the study variables. The mediation or indirect effect indicates a product of coefficients for paths between X and M (i.e., path a) and between M and Y (i.e., path b).

In the organisational fairness literature, some variables can contribute to mediate the relationships between organisational fairness and work outcomes while others may change the strength of the relationships (Konovsky & Pugh, 1994; Colquitt & Greenberg, 2001, Aryee et al., 2002; Moorman et al., 1993). In accordance with previous research, the present study expected that job satisfaction, trust in management and organisational commitment mediate the relationship between procedural, distributive and interactional fairness and organisational citizenship behaviour.

In a simple mediation analysis, the model involves one mediator. The independent variable (X) exerts a particular impact on the dependent variable (Y) via a single mediator (M). These relationships are shown in Figure 4.2. Multiple mediation analysis includes more than one mediator. It represents the influence of independent (X) on dependent variables (Y) through several mediators (M1, M2, M3, and M4) (Hayes, 2013). Figure 4.3 illustrates the multiple mediation diagram and is identified in terms of equations 4 and 5:

The single mediator model is identified in terms of equation. 1, 2, and 3 as illustrated below (Taylor and MacKinnon, 2012):

\[
Y = i_1 + cX + e_1 \tag{1}
\]
\[
Y = i_2 + c'X + bM + e_2 \tag{2}
\]
\[
M = i_3 + aX + e_3 \tag{3}
\]
Where i1 and i2 and i3 are regression intercepts, e1 and e2 and e3 are error in the estimation of Y and M, and a is the coefficient pertaining the path from the independent variable to the mediator, b is the coefficient pertaining the path from the mediator to the dependent variable controlling for the independent variable, c' is the coefficient pertaining the path from the independent variable to the dependent variable controlling for the mediator, c is the coefficient pertaining the path from the independent variable to the dependent variable. Figure 4.2 depicts the single mediator model.

The single mediator model is simple to analyse, while the multiple mediators model is more complex to analyse as determined in the following equations (Hayes, 2013):

\[
Y = i_2 + c'X + \sum_{i=1}^{k} b_{i}M_i + e_2
\]  
(4)

\[
M_i = i_3 + a_{i}X + e_3
\]  
(5)

In these equations, k is the number of mediators, and a, b, c' and c in the model are the regression coefficients given to the antecedent variables in the estimation of the consequences. The coefficients in the model are estimates the causal effects of each variable on others. The multiple mediator model is depicted in Figure 4.3.

Figure 4. 1 Direct effect

Source: Preacher and Hayes, (2008: 880)
Several methods have been developed for testing the statistical significance of mediating or indirect influences in social research. These methods were divided into four main approaches.
4.12.4.1 Causal steps approach (Baron & Kenny)

According to Baron and Kenny (1986), this approach requires four criteria to be met for determining a mediation effect. The first criterion involves the independent variable (X) exerting an impact on a mediator variable (M). The second criterion requires the independent variable (X) to exert an impact on a dependent variable (Y). The third criterion is the mediator variable (M) exerting an impact on a dependent variable (Y) when controlling for the independent variable (X). Finally, the influence of an independent variable on the dependent variable reduces dramatically when the mediator variable (M) is entered jointly with the independent variable (X) as an antecedent or a predictor of dependent variable (Y). Regarding Figure 4.2 and 4.1, these criteria basically require paths a, b and c to be statistically significant and c to be less than c’ by a certain amount, in order to establish a mediation effect (Preacher & Hayes, 2008).

The prerequisite for Baron and Kenny’s approach entails that a significant influence of the independent variable on a dependent variable should exist (identified as c in Figure 4.1). Accordingly, in order for mediation to occur it is necessary to establish that there is a total effect (path c) to be mediated (Hayes, 2009). However, several studies (Collins et al., 1998; Kenny et al., 1998; MacKinnon et al., 2000; Shrout & Bolger, 2002), have argued that the prerequisite (quantified as a significant X on Y) is not considered as a requirement to take place in the mediation.

This approach is widely recognized and commonly used for testing mediation in the single mediator context (Taylor et al, 2007) but has been heavily criticised because of a lack of statistical power in mediation analysis compared with other methods (Fritz & MacKinnon, 2007). Another criticism levelled against Baron and Kenny’s approach is that the significant impact of the independent variable on the dependent variable is not necessary before going on to test for mediation.
4.12.4.2 Joint Significance Test

The joint significance test is considered another causal steps approach to test mediation, where a set of regressions are performed to demonstrate mediation. The first regression tests whether X predicts M; this direct relationship represents path a. The second regression tests when M predicts Y including X in the regression; this direct relationship represents path b. If both path a and b in Figure 4.2 are jointly significant, one can conclude that there is a mediation effect (MacKinnon et al., 2002). The joint significance test varies from the Baron and Kenny approach discussed above, and requires only that the statistical effect of the path from independent to mediator and the path from mediator to dependent both must be significant (Kenny et al., 1998). The advantage of this approach is its easy to implement and simple to interpret. Moreover, it has moderate good statistical power compared to other test procedures (Fritz & MacKinnon, 2007). However, it has been criticised because the normal distribution of the product of regression coefficients a and b are not matched, but rather is predominantly asymmetric with a high kurtosis value (MacKinnon et al., 2002).

4.12.4.3 Sobel Test

The Sobel test is used to assess the significance of mediation by dividing the mediation or indirect influence (a × b) by an estimate of the standard error (SE) of this mediation influence (a × b). Sobel (1982) presented the approximate estimate of SE_{ab} as below.

\[ SE_{ab} = \frac{b^2}{\sqrt{S_a^2 + a^2 S_b^2}} \]  

(6)

Where (a × b) is the product of two regression coefficients which estimate the unstandardized indirect influence of independent variable (X) on dependent variable (Y) through mediator (M), Sa and Sb are the standard errors of the regression coefficient of a and b. Utilising the standard error from equation 6, the Z ratio for the Sobel (1982) test displayed below can be laid out to test the null hypotheses H0: ab = 0.

The statistical test is derived by:

\[ Z = \frac{ab}{SE_{ab}} \]  

(7)
The presence of mediation is assessed to be statistically significant based on the Z ratio which is compared against a critical value as a test of the indirect effect; +/- 1.96 are the critical values of the test ratio. If the Z ratio is more than +1.96 and less than -1.96, a mediation effect is considered to be present. The Sobel test is reasonable. It has moderate statistical power compared to other test procedures (Fritz & MacKinnon, 2007). However, the Sobel test is appropriate only for large sample sizes and can be used through a macro devised by Preacher and Hayes (2008).

4.12.4.4 Bootstrapping Approach

Bootstrapping is a nonparametric resampling process which estimates the characteristics of the sampling distribution from a sample set of the study data (Field, 2009). Using this approach is an aspect of mediation analysis to assess the indirect effect. In addition, it involves a process based on enlarging the sample study by repeatedly sampling a number of times from the data set and estimating the mediating influence in each resampled data set. The analytical procedures for performing mediation analysis are via SPSS and the INDIRECT SPSS macro (Preacher & Hayes, 2008). The bootstrapping framework using the SPSS Macro allows a more rigorous and comprehensive evaluation of a model and its assumptions than would an SEM analysis or a series of regression analysis (Preacher & Hayes, 2008). The bootstrapping approach can be utilised to produce accurate measures of statistical estimates (Efron & Tibshirani, 1994).

With respect to mediation, the bootstrapping approach embodies the sampling distribution of the mediating influence since it deals with the acquired sample size as a representative sample of the general population, through identifying the overall number of times, is called a resample procedure (Hayes, 2009; Preacher & Hayes, 2008). This approach is among a variety of resampling techniques which utilise the research sample, n, as a reduced version of the larger population. The present study employed 5,000 bootstrap samples (k) each of 369 cases (Preacher & Hayes, 2008). Every bootstrap sample was generated by a resampling procedure, whereby all the cases were available to choose from until the number of cases was reached (Preacher et al., 2007).

To test the significance of mediation effects, PROCESS macro utilises bootstrapped confidence intervals, generally at 95% (CI) and defaulted with 5000 resamples, by sorting the bootstrap sample values of indirect effects from lower to upper (Preacher & Hayes, 2008). Based on this
technique, the approximate value of the sampling distribution of the mediation influence can be developed by repeatedly resampling many times (generally five thousand). In order to evaluate that mediation is occurring, the lower and upper bound of the confidence intervals must not include zero (Hayes, 2009; Preacher & Hayes, 2008). In this sense, the bootstrapping procedure entails calculating confidence intervals. If zero is not contained in these intervals the mediation effect is considered to be statistically significant.

The bootstrapping technique has become more popular during the last two decades as an effective vehicle to assess indirect effects (Preacher et al., 2007). Shrout and Bolger (2002) have demonstrated the employment of the bootstrapping approach in testing mediation models. Hayes (2009) also demonstrated and encouraged adopting methods such as bootstrapping instead of the traditional piecemeal approach for inferences about mediation effects. In this context, there are several advantages can be obtained in using bootstrapping approach.

Preacher and Hayes (2008) stated that the main benefit of bootstrapping is that there are no specific assumptions concerning the form of the sampling distribution of the mediation effect such as normality. It provides greater statistical power without assuming a normal sampling distribution, compared with the Baron and Kenny approach. Bootstrapping further overcomes the limitations of Baron and Kenny’s (1986) approach in that multiple mediators can be tested simultaneously. Furthermore, the number of inferential tests in bootstraps is minimised, thus producing a more parsimonious analysis and reducing the likelihood of Type I errors (MacKinnon et al., 2004; Buffardi & Campbell, 2008; Shrout & Bolger, 2002). However, this approach has limitations. For example, one flaw is that it is based on random sampling from the data set using bootstrapping procedures, each run of the program will engender different estimates of the mediation effects and its standard error, and the lower and upper bound of the confidence intervals will differ from run to run (Preacher and Hayes, 2008). Another limit of bootstrapping is that it can be intensive in calculation time, but this is usually overcome by the speed of computer programmes (Haukoos & Lewis, 2005).

Though the main focus of this thesis is mediation analysis, it is useful to clarify the difference to moderation analysis. Moderation analysis is widespread in applied psychology. It addresses the situational factors that have an effect on the strength of the relation between two variables. A moderation influence determines when or for whom a given relation exists between an independent variable and a dependent variable (Baron & Kenny, 1986). The strength and direction of the association between the independent and dependent variables may rely on the
value of a moderator variable. A moderator is a variable that changes the strength and direction of the association between the independent variable and the dependent variable (MacKinnon, 2011). In general, a moderator is an intervening variable that modifies the relationship between two or more other variables (Dawson, 2014). Figure 4.4 depicts a simple moderation model.

Figure 4.4 Simple moderation

\[ \text{Source: Hayes, (2013: 209)} \]

### 4.12.4.5 Distinctions between mediation and moderation effects

The main distinction between mediation and moderation variables is that the mediation variable determines a causal sequence in that a mediation variable conveys the causal influence of the independent variable to the dependent variable, whereas a moderating variable does not determine a causal influence, only that the impact of independent variable to dependent variable varies across levels of the moderator variable. The mediation model in Figure 4.2 and moderation model in Figure 4.4 illustrate the difference between these two models where the causal sequence is depicted as arrows in Figure 4.2 to indicate a mediation effect. In the moderation model in Figure 4.4, there is an interaction (XZ) that signifies a potentially different relationship between independent and dependent variable at values of moderator variable but there is no indirect effect of an independent variable to a dependent variable (Holmbeck, 1997; MacKinnon et al., 2007).

Furthermore, moderation model is based on the assumption that the moderator variable has “non-significant, bivariate relationships with both the independent and dependent variables” (Shields & Shields, 1998: 51). In contrast, mediation postulates that the mediator variable must has a significant relationship with both the dependent and independent variables. If the mediator is not related to these two variables, one can conclude that there is no mediation effect (MacKinnon et al., 2002). Mediation answers the questions of how did it work or why a
predictor variable influences an outcome variable, because mediation investigates the mechanism by which the intervening variable affects outcomes (Holmbeck, 1997; MacKinnon, 2011).

In addition, moderation may decrease or increase the strength of the association between independent and dependent variable or it may changes their direction. However, when mediator variables are entered into the model, the relationship between an independent variable and a dependent variable may disappear (full mediation) or become weak (partial mediation) (Namazi & Namazi, 2016).

4.13 ESTIMATION OF MEDIATION EFFECTS

For the purposes of the current study, the statistical significance of a mediation influence effect was assessed primarily using bootstrapping in order to gain confidence intervals for indirect effects. In addition, it was reinforced by performing the joint significance test of both path a and b, in order to produce supportive evidence.

Many studies have explained the mechanism that generates mediation effects. For example, Preacher and Hayes (2011) point out that mediation is a causal explanation and it is important to be causally located between independent and outcome variables. In other words, it is essentially in mediation that an independent variable affects a mediator. In turn, this mediator affects an outcome variable (Preacher & Hayes, 2011). In this case, mediation or indirect effects occur because the mediator transmits the effect of an independent variable to an outcome variable in a causal sequence. Thus, the presence of indirect effects can be explained by a model with two paths. First, the effect of an independent variable leads to a mediator variable. In parallel, the effect of a mediator leads to the outcome variable (MacKinnon et al., 2012). That is, indirect effects occur if the independent variable exercises an effect on the outcome variable via a mediator variable. Accordingly, PA fairness has a direct effect on job satisfaction, trust in management, affective and normative commitment. In turn, these four mediators have a direct effect on organisational citizenship behaviour. This process demonstrates that the relationship between PA fairness and organisational citizenship behaviour is indirectly through a set of mediators. In other words, job satisfaction, trust in management, affective and normative commitment are considered as an important mechanism that transmits the influence of PA fairness to organisational citizenship behaviour in a causal sequence.
Drawing on the nature of the conceptual model where four mediators appear, multiple mediation was the primary analysis required. A process macro devised by Preacher and Hayes (2008) was employed as it allows for the estimation of direct and mediation effects in multiple mediator models. The rationale for the choice of statistical tool of PROCESS Macro is that they provide an advanced and effective mediation and moderation analysis even for more complicated models, which the conceptual model of this research is considered to be (Hayes, 2012). Furthermore, this technique is highly flexible in respect of the number and complexity of the mediation effects it can test (Preacher et al., 2007). In addition, bootstrapping does not assume that the data must be normally distributed, it automatically absorbs any distribution by drawing from that distribution to create confidence intervals around the mediation effect. Thus, it considered preferable over other procedures (Preacher & Hayes, 2008).

Based on the work of several authors (Hayes, 2013; Preacher & Hayes, 2008; Hayes et al., 2001), the research hypotheses were tested through multiple mediation analysis using SPSS version 22 and, PROCESS v2.14. The Preacher and Hayes bootstrapping approach is widely applied in social research (Danaher et al., 2008; Hirschi, 2014; Lee et al., 2008; Oostlander et al., 2014).

The mediation relationships can be depicted in the form of path diagrams. As illustrated in Figure 4.5, the path diagram consists of eight constructs linked through arrows indicating relationships between variables. For instance, procedural fairness (PF), distributive fairness (DF) and interactional fairness (IF) are represented as independent variables at time one, job satisfaction (JS), trust in management (TM), affective commitment (AC), normative commitment (NC) are represented as mediator variables at time two, organisational citizenship behaviour (OCB) is represented as a dependent variable at time three. The path from the independent variables at time one to the mediator variables at time two is represented by a direct relationship. Mediator variables are then expected to have a direct relationship with dependent variables at time three. It is hypothesised that employee work attitudes, job satisfaction (JS), trust in management (TM), affective commitment (AC), normative commitment (NC) will mediate the relationship between procedural fairness (PF), distributive fairness (DF) and interactional fairness (IF) in performance appraisal and work behaviours, organisational citizenship behaviour (OCB). In other words, the more individuals feel that they have received fair appraisal by the organisation (T1) the more likely they are to show a greater
degree of job satisfaction, trust in management, affective and normative commitment (T2) which in turn will lead them to engage in organisational citizenship behaviour (T3).

To evaluate mediation effects using bootstrapping, PROCESS Macro was employed. It calculates the specific and total mediation effect along with calculating bias-corrected and accelerated bootstrap confidence intervals of 95% (CI) for the indirect effect, with the number of resampling being 5000. If zero is not contained between the lower and upper bound of these intervals, a mediation effect is indicated. Furthermore, the paths between the variables are estimated using Ordinary Least Squares regression.

**Figure 4.5 A Path Diagram of the Hypothesised Model**

Time 1  Time 2  Time 3

PF  JS  OCB

DF  TM  

IF  AC  

NC
4.14 ETHICAL CONSIDERATION

Ethical issues were considered at all stages of this study. Before the data collection processes began, ethical approval for the project was obtained from the Business School’s Research Ethics Committee. In addition, permission was obtained from the relevant banks to carry out the survey. Participants were advised that participation in the survey was purely voluntary and were informed that the data collected would be used only for the purpose of the research objectives, which were aimed to meet the requirements of a PhD thesis. Data collection was carried out from July to October 2014 and all participants were assured that the anonymity and confidentiality of data would be guaranteed. Surveys were coded to ensure anonymity and confidentiality. In addition, participants were informed that the collected data were to be used solely for academic research and that no harm could come to them by release of their data to a third party.

4.15 SUMMARY

This chapter has discussed and justified the research philosophy and methods adopted to address the research aim and objectives. This study has followed a positivist research philosophy. The deductive approach has been adopted because it establishes a theoretical framework from which research hypotheses have been formulated. Since testing hypotheses requires uniformity in the data, a survey was used to collect data. A sequential design was employed. The research procedures and techniques to analyse the data obtained from this study were discussed and the rationale for using them presented. The methods of testing mediation effects were discussed. In the next chapter, data from the surveys are revealed and analysed.
Chapter Five: Data Analysis and Results

5.1 INTRODUCTION

This chapter begins with the sample characteristics and descriptive statistics for all variables. Reliability analysis is reported and the results of confirmatory factor analysis (CFA) are presented. The results of the bootstrapping procedures with the hypotheses and the theoretical model are examined, and the final results are provided from the use of the process macro program. A summary table of the research hypotheses is displayed showing which hypotheses have been supported.

5.2 SAMPLE CHARACTERISTICS

This section presents the distribution of respondents in terms of their gender, age, position in the bank, number of years worked at the bank, and educational level. A total of 620 questionnaires were distributed of which 405 questionnaires were returned, a response rate of 65.3%. Thirty six responses were eliminated due to incomplete data; participants who failed to complete the questionnaire in Time 2 and Time 3 and the sample size for testing the hypotheses was 369 (59.5%). Table 5.1 shows the detailed information of respondents by gender, age, position in the bank, number of years worked at the bank, and educational level.
Table 5.1 Sample Characteristics of Respondents

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of the bank:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ankawa</td>
<td>42</td>
<td>11.4</td>
</tr>
<tr>
<td>Choli</td>
<td>55</td>
<td>14.9</td>
</tr>
<tr>
<td>Didawan</td>
<td>38</td>
<td>10.3</td>
</tr>
<tr>
<td>Harim</td>
<td>38</td>
<td>10.3</td>
</tr>
<tr>
<td>Industrial</td>
<td>30</td>
<td>8.1</td>
</tr>
<tr>
<td>Rasheed</td>
<td>57</td>
<td>15.4</td>
</tr>
<tr>
<td>Rafidain</td>
<td>59</td>
<td>16.0</td>
</tr>
<tr>
<td>Qalat</td>
<td>50</td>
<td>13.6</td>
</tr>
<tr>
<td>Gender:</td>
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<td></td>
</tr>
<tr>
<td>Male</td>
<td>154</td>
<td>41.7</td>
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<tr>
<td>Female</td>
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<tr>
<td>Age (Mean)</td>
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<td>Std.Deviation</td>
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</tr>
<tr>
<td>Position in the bank:</td>
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<td></td>
</tr>
<tr>
<td>Junior</td>
<td>50</td>
<td>13.6</td>
</tr>
<tr>
<td>Middle</td>
<td>260</td>
<td>70.5</td>
</tr>
<tr>
<td>Senior</td>
<td>59</td>
<td>16.0</td>
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<td>Educational level:</td>
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<td></td>
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<td>Diploma</td>
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<tr>
<td>Bachelors</td>
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<td>32.2</td>
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<tr>
<td>Higher Degree</td>
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<td>4.1</td>
</tr>
<tr>
<td>Number of years worked at the bank:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mean</td>
<td>9.66</td>
<td></td>
</tr>
<tr>
<td>Std.Deviation</td>
<td>8.78</td>
<td></td>
</tr>
</tbody>
</table>

5.3 DESCRIPTIVE STATISTICS

Table 5.2 shows the mean, standard deviation, minimum, maximum, skewness and kurtosis. Normality is the most important assumption in multivariate analysis. It refers to “the shape of data distribution for an individual metric variable and its correspondence to the normal distribution” (Hair et al., 2010:71). For this purpose, Skewness and Kurtosis measures were used. Skewness assesses the symmetry of the distribution. A value more than zero indicates that the distribution is skewed to the right, a value below zero indicates that the distribution is skewed to the left. Skewness values ranging from -1 to +1 can be considered normally distributed (McQueen & Knussen, 1999). The data can be represented as normally distributed if the Kurtosis value ranged from -1 to +1. If the Kurtosis value exceeded this range, it indicates the data does not follow normal distribution (Oppenheim, 1992). In this research, Skewness and Kurtosis statistics revealed that the data for each variable was found to be normally distributed (see Table 5.2).
Table 5.2 Descriptive statistics

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>S.d</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
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<td><strong>Independent Variables:</strong></td>
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<td>9.00</td>
<td>35.00</td>
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<td>-.244</td>
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<tr>
<td>Distributive Fairness</td>
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<td>4.00</td>
<td>20.00</td>
<td>-.949</td>
<td>1.194</td>
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<td>Job Satisfaction</td>
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<td>Organisational Citizenship</td>
<td>53.78</td>
<td>7.89</td>
<td>28.00</td>
<td>70.00</td>
<td>-.370</td>
<td>-.498</td>
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</tbody>
</table>

5.4 RELIABILITY ANALYSIS

There are several different reliability coefficients (Coakes & Steed, 2007). Debate focuses around which the reliability indicator is the best, in order to enable the measures to be acceptable (Baron & Kenny, 1986). Cronbach’s alpha (coefficient alpha) is the most popular tool (Hair et al., 2010). Reliability was specified by Cronbach’s alpha, and construct validity was assessed with CFA. The core of reliability analysis is the calculation of the intercorrelations among items in a scale (Hinkin, 1998). A Cronbach’s coefficient alpha estimate of 0.6 and 0.7 may be acceptable if other indicators of model construct validity are good. This means that the same latent construct is consistently represented by the all measures (Hair et al., 2010). According to Nunnally (1978) alpha should be at least 0.70.

In this research, the reliability of scales is assessed by means of the Cronbach alpha ranging from 0.58–0.85 (Table 5.3). Affective commitment did not prove to be as reliable as normal (0.58). However, some authors report that alpha value between 0.5-0.7 is considered as a minimal acceptable requirement or good enough value to acknowledge that specific scale is reliable (Bowling, 2002; Chakrapani, 2004, Schmitt, 1996). According to above studies, data can be reliably applied to examine the effect of performance appraisal fairness on employee attitudes and behaviours. Furthermore, low alpha for affective commitment may be caused by translation errors that distort the intended meaning of certain items.
Table 5.3 Reliability analysis

<table>
<thead>
<tr>
<th>Construct</th>
<th>Full Version</th>
<th>Modified version</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Items</td>
<td>Cronbach’s Alpha</td>
</tr>
<tr>
<td>Procedural Fairness</td>
<td>7</td>
<td>.77</td>
</tr>
<tr>
<td>Distributive Fairness</td>
<td>4</td>
<td>.66</td>
</tr>
<tr>
<td>Interactional Fairness</td>
<td>7</td>
<td>.81</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>13</td>
<td>.81</td>
</tr>
<tr>
<td>Trust in Management</td>
<td>7</td>
<td>.57</td>
</tr>
<tr>
<td>Affective Commitment</td>
<td>6</td>
<td>.58</td>
</tr>
<tr>
<td>Normative Commitment</td>
<td>6</td>
<td>.62</td>
</tr>
<tr>
<td>Organisational Citizenship</td>
<td>14</td>
<td>.85</td>
</tr>
</tbody>
</table>

In Table 5.3, each value of alpha in the modified version is higher than 0.66 except for affective commitment. Cronbach's alpha for affective commitment was 0.58, but was included in further analysis. In order to increase the reliability, two items with low item to total score correlation were removed from trust in management, one item was removed from job satisfaction and one item was removed from normative commitment. From Table 4.4, items 3 and 7 were removed. From Table 4.3, item 9 was removed. From Table 4.5, item 1 was removed. Item removal is common place after reliability testing to remove items that are not scored consistently and thus which unsettle the reliability of a measure. It is theoretically safe because of the assumption of item equivalence which means that since items are assumed to be theoretically equivalent in the construct they are tapping into the removal of a small number of items from a measurement scale does not affect the reliability with which the underlying construct is measured.

5.5 TEST OF MULTICOLLINEARITY

Multicollinearity is the evaluation of “the extent to which a variable can be explained by the other variables in the analysis” (Hair et al., 2010: .93). Multicollinearity occurs when two or more predictors have a strong correlation with the other predictors in regression model (Tabachnick & Fidell, 2007). The occurrence of greater degree of multicollinearity is a result of reducing the unique variance explicated by each predictor (β-value) and increasing the percentage of shared expectation (Hair, et al., 2010). This signifies that multicollinearity constrains the size of regression value and produces difficulty in grasping the explanation of
each independent variable (Field, 2009). Multicollinearity was assessed by two methods. First, by inspecting the correlation between independent variables for correlations above 0.80. Second, through computing the variance inflation factors (VIF) and tolerance levels for the variables (TOL) (Kline, 1998; Tabachnick & Fidell, 2007; Pallant, 2010). Tolerance refers to “an indicator of how much of the variability of the specified independent is not explained by the other independent variables in the model, whereas VIF is the inverse of the tolerance effect” (Pallant, 2010: 158). If the VIF is lower than 10 and the tolerance level is greater than 0.1, it indicates that there is low multicollinearity and it is not a serious problem (Hair et al., 2010). The values of VIF obtained from the regression model ranged from 1.775 to 3.320 (lower than 10), while TOL values were between 0.301-0.846 (more than 0.1), which indicates the absence of multicollinearity.

5.6 CORRELATION ANALYSIS

Pearson correlation was conducted in order to test the direction and magnitude of the relationship between research variables (Table 5.4). Correlations among variables are in the expected direction. As shown in the table, PF, DF and IF were significantly and positively correlated with each other and the magnitude of the relationship among the three forms of fairness was strong. This indicates that there is a good relationship among PF, DF and IF. Job satisfaction, trust in management, affective and normative commitment were significantly and positively correlated with each other and the magnitude of the relationship among these variables was relatively high. However, the magnitude of the relationship between affective and normative commitment and organisational citizenship behaviour was relatively low.

The presence of lower than expected correlations among some variables can be explained by the data collection method. This research conducted a sequential design to collect data at three time points across eighteen weeks. Data in cross sectional studies are collected at single time points and the low correlation between affective and normative commitment and organisational citizenship behaviour may be a consequence of the data collection method. Also of interest in the absence of correlation between fairness dimensions and organisational citizenship behaviour.
Table 5.4 Pearson’s Correlations

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
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<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Age</td>
<td>-</td>
<td>.735**</td>
<td>-</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2- Years of</td>
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<td></td>
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<tr>
<td>work</td>
<td></td>
<td>.122*</td>
<td>.071</td>
<td>-</td>
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<td>3- Procedural</td>
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<td>.029</td>
<td>.038</td>
<td>.656**</td>
<td>-</td>
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<td></td>
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<tr>
<td>fairness</td>
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<tr>
<td>4- Distribute</td>
<td></td>
<td>.106*</td>
<td>.032</td>
<td>.755**</td>
<td>.444**</td>
<td>-</td>
<td></td>
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<tr>
<td>fairness</td>
<td></td>
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<tr>
<td>5- Interaction</td>
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<td>-.116*</td>
<td>.224**</td>
<td>.117*</td>
<td>.271**</td>
<td>-</td>
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<tr>
<td>6- Job</td>
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<td>.032</td>
<td>-.091</td>
<td>.315**</td>
<td>.191**</td>
<td>.345**</td>
<td>.666**</td>
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<td>satisfaction</td>
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<tr>
<td>7- Trust in</td>
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<td>.112*</td>
<td>.073</td>
<td>.128*</td>
<td>.042</td>
<td>.222**</td>
<td>.463**</td>
<td>.560**</td>
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<td>8- Affective</td>
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<td>-.046</td>
<td>.218**</td>
<td>.071</td>
<td>.250**</td>
<td>.613**</td>
<td>.444**</td>
<td>.392**</td>
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<tr>
<td>9- Normative</td>
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<td>-.002</td>
<td>.079</td>
<td>.086</td>
<td>.068</td>
<td>.300**</td>
<td>.310**</td>
<td>.235**</td>
<td>.194**</td>
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<td>10- Organisational</td>
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</tbody>
</table>

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

*. Correlation is significant at the 0.05 level (2-tailed).

5.7 INDEPENDENT SAMPLE T-TEST AND ANOVA

An independent sample t-test was employed to highlight the main differences in the mean score between two groups of variables (e.g. male and female) and to evaluate the probability of these groups being different. Results show that gender did not have a significant impact on research variables, in relation to procedural fairness (t-value = -.75, p > .05), Distributive fairness (t-value = -.57, p > .05), interactional fairness (t-value = -.39, p > .05), job satisfaction (t-value = -.34, p > .05), trust in management (t-value = -1.57, p > .05), affective commitment (t-value = -1.45, p > .05), normative commitment (t-value = -.30, p > .05), and organisational citizenship behaviour (t-value = -.14, p > .05). Independent sample t-tests revealed that female employees were not significantly different in their scores to the male employees. This justifies combining data from male and female employees into one sample for analysis.

A one-way analysis of variance (ANOVA) was employed to highlight the main differences in the mean scores between more than two groups of variables (e.g. position in the bank and educational level). ANOVA did not show a statistical significant difference for the position in the bank. ANOVA did not show a statistical significant difference for the educational level in the majority of variables. However, the findings revealed that educational level was a significant differentiator for organisational citizenship behaviour. The results of mean
differences indicated that the mean score of employees holding higher degree was significantly different than that of university degree, diploma and secondary school certificate. The results indicated that organisational citizenship behaviour increases with an increase in educational level. The findings suggest that the employees who have a higher qualification, e.g. PhD and Masters, were more inclined to engage in extra role behaviours than those who were less qualified. Overall, it is apparent that educational level does not have a major effect on the majority of variables. This justifies combining data from different groups of respondents into one sample for analysis.

5.8 CONFIRMATORY FACTOR ANALYSIS (CFA)

Confirmatory factor analysis tests whether measures of a construct are consistent with the intended construct (Kline & Santor, 1999). The aim of applying confirmatory factor analysis is to present the association between the latent variables and their observed variables (items). To assess the sufficiency of the measurement model for each variable, CFA and SEM were used. In order to determine the sufficiency of the model fit, goodness of fit statistics are identified, compromising Chi-square ($\chi^2$), Comparative Fit Index (CFI), Incremental Fit Index (IFI), Normed Fit Index (RMR), Root Mean Square Error of Approximation (RMSEA), Akaike Information Criterion (AIC). According to the research model depicted in chapter 3, CFA was applied to examine the model measurement which involved nine latent constructs. The main function for testing the model is to identify the goodness-of-fit between the sample data and the measurement model. Chi-square ($\chi^2$) was used to compare the observed covariance matrix with the theoretically proposed covariance matrix. A non-significant chi-square indicates no statistically significant difference between the actual covariance matrix and the proposed model.

The present research involves three latent variables: procedural fairness (PF), distributive fairness (DF), and interactional fairness (IF). There are four latent variables for employee attitudes: job satisfaction (JS), trust in management (TM), affective commitment (AC), and normative commitment (NC). There is one latent variable for organisational citizenship behaviour (OCB).

According to (Hair, et al., 2010) five observations for each estimated parameter is a minimum recommended sample level for the estimation of SEM which this study exceeds. The examination of each latent variable is displayed below. Table 5.5 presents the fit indices. For more details, see Appendix 3.
5.8.1 Confirmatory factor analysis for procedural fairness

The original procedural fairness model is a single factor model of seven items. The fit statistics indicated that the procedural fairness model does fit the data adequately as indicated by (CFI=.93; IFI=.93; IFI=.91; RMSEA=.09). Although the chi-square value was significant (p<.05), it is commonly accepted that the modified model can be judged on the basis of chi-square as it is sensitive to sample size because the $\chi^2$ estimate has a propensity to indicate a significant probability level in large samples (Schumacker & Lomax, 2010). Thus, other fit statistics, CFI, IFI, NFI and RMSEA, were used to assess the goodness of the model fit.

Table 5.5 Fit indices of CFA for research variables

<table>
<thead>
<tr>
<th>Model</th>
<th>$\chi^2$</th>
<th>df</th>
<th>NFI</th>
<th>IFI</th>
<th>CFI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procedural fairness</td>
<td>54.25</td>
<td>14</td>
<td>.91</td>
<td>.93</td>
<td>.93</td>
<td>.09</td>
</tr>
<tr>
<td>Distributive fairness</td>
<td>6.20</td>
<td>2</td>
<td>.97</td>
<td>.98</td>
<td>.98</td>
<td>.08</td>
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<tr>
<td>Interactional fairness</td>
<td>86.86</td>
<td>14</td>
<td>.88</td>
<td>.90</td>
<td>.90</td>
<td>.12</td>
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<tr>
<td>Job satisfaction</td>
<td>170.79</td>
<td>54</td>
<td>.83</td>
<td>.87</td>
<td>.87</td>
<td>.08</td>
</tr>
<tr>
<td>Trust in management</td>
<td>10.02</td>
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<td>.97</td>
<td>.98</td>
<td>.98</td>
<td>.05</td>
</tr>
<tr>
<td>Affective commitment</td>
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<td>.64</td>
<td>.66</td>
<td>.65</td>
<td>.16</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affective commitment</td>
<td>34.45</td>
<td>7</td>
<td>.86</td>
<td>.89</td>
<td>.89</td>
<td>.10</td>
</tr>
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<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Normative commitment</td>
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<td>.87</td>
<td>.88</td>
<td>.88</td>
<td>.15</td>
</tr>
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<tr>
<td>Normative commitment</td>
<td>3.15</td>
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<td>.99</td>
<td>1.00</td>
<td>1.00</td>
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<tr>
<td>Modified</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Organisational citizenship behaviour</td>
<td>19.11</td>
<td>65</td>
<td>.86</td>
<td>.89</td>
<td>.91</td>
<td>.07</td>
</tr>
</tbody>
</table>
5.8.2 Confirmatory factor analysis for distributive fairness

The measurement model of distributive fairness is a single factor model of four items. The measurement estimation of the distributive fairness model does fit the data very well as indicated by: the significant chi-square fit, $\chi^2 (2) = 6.202$; p-value = 0.05. The other fit statistics indicates that the model is acceptable (CFI= .98; IFI= .98; NFI= .97; RMSEA=.08). This result indicates that the model is saturated and the data fit very well, see Table 5.5.

5.8.3 Confirmatory factor analysis for interactional fairness

The original interactional fairness model is a single factor model of seven items. The results indicated that the model fit the data adequately and met the minimum recommended threshold values (CFI= .90; IFI= .90; NFI= .88; RMSEA=.012). The value of chi-square value was still significant (p<.05) because of its sensitivity to large samples. See Table 5.5.

5.8.4 Confirmatory factor analysis for job satisfaction

The original job satisfaction model was a single factor model of thirteen items. The measurement model fits the data adequately as indicated by the fit indices CFI= .87; IFI= .87; NFI= .83; RMSEA=.08). This result indicates that the model was saturated and fit the data well. The value of chi-square value was still significant (p<.05) because of its sensitivity to large samples. See Table 5.5.

5.8.5 Confirmatory factor analysis for trust in management

The measurement model of trust in management was a single factor model of five items. The model fits the data very well as indicated by the non-significant chi-square fit, $\chi^2 (5) = 10.024$; p-value =.08. The other fit statistics indicate that the model is acceptable (CFI= .98; IFI= .98; NFI= .97; RMSEA=.05). See Table 5.5.

5.8.6 Confirmatory factor analysis for affective commitment

The original affective commitment model is a single factor model of six items. The initial fit statistics indicated that the affective commitment model was very poor fit and did not meet the requirement of an acceptable model as indicated by the significant chi-square fit, $\chi^2 (9) = 91.63$; p-value = 0.00. The other fit statistics revealed that the model was not acceptable (CFI= .64; IFI=.66; NFI=.65; RMSEA=.16). Thus, further examinations are necessary to modify the model. The items AC3, AC4, and AC5 may have covariances that were not fully explained by the affective commitment constructs. A way of determining these effects was to correlate the
measurement errors associated with these items. After re-running the CFA to assess model fit, the results indicated that all the fit indices improved and the modified model fit the data well. The results of the modified model of affective commitment indicated a fit between the model and data (CFI= .89; IFI= .89; NFI= .86; RMSEA=.10). Due to the sensitivity of chi-square to large samples, the value was significant. Thus, other fit statistics, CFI, IFI, NFI and RMSEA, were used to assess the goodness of the model fit. This result indicates that the modified model is saturated, so the fit is well, see Table 5.5.

5.8.7 Confirmatory factor analysis for normative commitment

The original normative commitment model is a single factor model of five items. The initial fit statistics indicated that the normative commitment model was very poor fit with the data and did not meet the requirement of an acceptable model as indicated by: the significant chi-square fit, χ² (5) = 47.23; p-value = 0.000. The other fit statistics revealed that the model was not acceptable (RMSEA=.15). Thus, further examinations are necessary to modify the model. The items NC3 and NC4 may have covariances that were not fully explained by the normative commitment constructs. A way of determining these effects was to correlate the measurement errors associated with these items. After re-running the CFA to assess model fit, the results indicated that all the fit indices improved and the modified model fits the data well. The modified model indicated a fit between the model and data (CFI= 1.00; IFI= 1.00; IFI=.99; RMSEA=.00; chi-square, χ² (4) = 3.15; p-value =.53). This result indicates that the model is saturated and the fit is good, see Table 5.5.

5.8.8 Confirmatory factor analysis for organisational citizenship behaviour

The original organisational citizenship behaviour model was a single factor model of fourteen items. The measurement estimation of the organisational citizenship behaviour model does fit the data adequately as indicated by the fit indices: the fit statistics revealed that the model was acceptable (CFI= .91; IFI=.89; NFI=.86; RMSEA=.07), see Table 5.5.
5.9 HYPOTHESIS TESTING

The present research investigates the effect of performance appraisal fairness on employee attitudes and behaviours. Based on the research aims, twelve hypotheses were developed for testing. The hypotheses are concerned with examining the mediating role of job satisfaction, trust in management, affective commitment and normative commitment on the relationship between procedural fairness, distributive fairness, and interactional fairness and organisational citizenship behaviour. Bootstrapping procedures developed by Preacher and Hayes were conducted to test indirect effects of independent variables on dependent variables through multiple mediator variables. The bootstrapping results are provided in the Appendix 2(B). Fairness perceptions are the independent variables; job satisfaction, trust in management, affective commitment, and normative commitment are the mediating variables; organisational citizenship behaviour is the dependent variables. Table 5.9 presents the summary of the results for all hypotheses.

Hypothesis 1: Job satisfaction mediates the relationship between PF of performance appraisal and organisational citizenship behaviour.

Bootstrapping analyses calculates 95% confidence intervals by placing all of the estimates in sequence from lowest to highest and identifying the two values that constitute the lower and upper 2.5% in the interval limits. If the 95% confidence interval does not contain zero, the indirect effect is statistically significant and mediation demonstrated. The bootstrapping results indicated that the direct effect of procedural fairness of performance appraisal at time 1 on organisational citizenship behaviour at time 3 was not significant (β = .036, p = .660). However, the indirect effect of procedural fairness of performance appraisal on organisational citizenship behaviour through a mediating effect of job satisfaction was statistically significant. Table 5.6 shows that the confidence interval for the indirect path does not include zero. Based on the 95% bootstrapping CI, the total indirect effect through job satisfaction was statistically significant (β = .059, 95% CI = .005-.133). The significance of the path a, the effect of procedural fairness (IV) at time 1 on job satisfaction (M) at time 2 (β = .346, p<.05) and path b, the effect of job satisfaction (M) at time 2 on organisational citizenship behaviour (DV) at time 3 (β = .170, p<.05) reinforces this significant indirect effect of procedural fairness. Details of the product of coefficient results for Paths a and b are available in Appendix 2(A). The results revealed that job satisfaction fully mediated the relationship between procedural fairness of performance appraisal and organisational citizenship behaviour.
The results suggest that PF affects organisational citizenship behaviour, but only indirectly, through job satisfaction. However, Baron and Kenny (1986) proposed four conditions to establish a mediation effect, the precondition of mediation is that the independent variable should be related directly to the outcome variable but their technique has been criticised. For instance, Preacher and Hayes (2011) indicate that a direct association between independent variable and outcomes variable should not be a requirement in the mediation analysis because the mediation is a causal explanation and it is important that the mediator is causally located between independent and outcome variables.

Moreover, Shields et al (2000) argued that an indirect model to test the effect of the independent variable on the outcome variable through a mediating influence is a significantly better fit the data than the direct model. According to Bollen (1989) the model of indirect influences can contribute to answering essential questions that are not addressed by investigating the direct influences and thus the direct influences can lead to a misleading impression of the impact of an independent variable on an outcome variable. Others (Shrout & Bolger, 2002) argue that a relationship between independent and outcome variables is not necessary, if the process of mediation is theoretically distal. Hence, this research endorses prior studies relating to the precondition of mediation, and shows the influence of PF on organisational citizenship behaviour is not exercised directly, but explicated logically by job satisfaction.

**Hypothesis 2: Trust in management mediates the relationship between PF of performance appraisal and organisational citizenship behaviour.**

Bootstrapping results indicated that the direct effect of procedural fairness of performance appraisal at time 1 on organisational citizenship behaviour at time 3 was not significant ($\beta = .036, p = .660$). However, the indirect effect of procedural fairness of performance appraisal on organisational citizenship behaviour through a mediating effect of trust in management was statistically significant. Table 5.6 shows that the confidence interval for the indirect path does not contain zero ($\beta = .102, 95\% \text{ CI} = .026 - .204$). So, the path from procedural fairness of performance appraisal to organisational citizenship behaviour through trust in management was statistically significant. The significance of the path $a$, the effect of procedural fairness (IV) at time 1 on trust in management (M) at time 2 ($\beta = .242, p<.05$) and path $b$, the effect of trust in management (M) at time 2 on organisational citizenship behaviour at time 3 (DV) ($\beta = .423, p<.05$) confirms this significant indirect effect path. The results revealed that trust in
management fully mediated the relationship between procedural fairness of performance appraisal and organisational citizenship behaviour.

**Hypothesis 3: Affective commitment mediates the relationship between PF of performance appraisal and organisational citizenship behaviour.**

Bootstrapping indicated that the direct effect of procedural fairness of performance appraisal at time 1 on organisational citizenship behaviour at time 3 was not significant ($\beta = .036, p = .660$). However, the indirect effect of procedural fairness of performance appraisal on organisational citizenship behaviour through a mediating effect of affective commitment was statistically significant. Table 5.6 illustrates that the confidence interval for the indirect path does not include zero. Based on the 95% bootstrapping CI, the total indirect effect through affective commitment was statistically significant ($\beta = .036, 95\% CI = .008-.086$). The significance of the path a, the effect of procedural fairness (IV) at time 1 on affective commitment (M) at time 2 ($\beta = .102, p<.05$) and path b, the effect of affective commitment (M) at time 2 on organisational citizenship behaviour (DV) at time 3 ($\beta = .351, p<.05$) supports a significant indirect effect of procedural fairness. The results indicate that affective commitment fully mediated the relationship between procedural fairness of performance appraisal and organisational citizenship behaviour.

**Hypothesis 4: Normative commitment mediates the relationship between PF of performance appraisal and organisational citizenship behaviour.**

Bootstrapping indicated that the direct effect of procedural fairness in performance appraisal at time 1 on organisational citizenship behaviour at time 3 was not significant ($\beta = .036, p = .660$). However, the indirect effect of procedural fairness of performance appraisal on organisational citizenship behaviour through a mediating effect of normative commitment was statistically significant. Table 5.6 shows that the confidence interval for the indirect path does not contain zero ($\beta = .039, 95\% CI = .002-.097$). So, the path from procedural fairness of performance appraisal to organisational citizenship behaviour through normative commitment is statistically significant. The significance of the path a, the effect of procedural fairness at time 1 on normative commitment at time 2 ($\beta = .173, p<.05$) and path b, the effect of normative commitment at time 2 on organisational citizenship behaviour at time 3 ($\beta = .226, p<.05$) reinforces this significant indirect effect. The results detected that normative commitment fully mediated the relationship between procedural fairness of performance appraisal and organisational citizenship behaviour.
Table 5.6 Bootstrap Results for the Indirect Effect of PF on Organisational Citizenship Behaviour through Job Satisfaction, Trust in Management, Affective Commitment, and Normative Commitment

<table>
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<th>t</th>
<th>p</th>
<th>Bootstrapping (BCa 95% CI)</th>
<th>Mediation</th>
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<td>Lower</td>
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<td>.079</td>
<td>4.340</td>
<td>.000</td>
<td>.059*(.031) .005 .133</td>
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<td>b</td>
<td>.170*</td>
<td>.067</td>
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<td>.012</td>
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<tr>
<td>Direct</td>
<td></td>
<td>-.036</td>
<td>.082</td>
<td>-.441</td>
<td>.660</td>
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<td></td>
</tr>
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<tr>
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<td></td>
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<tr>
<td>Direct</td>
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<td>-.036</td>
<td>.082</td>
<td>-.441</td>
<td>.660</td>
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<td>-.441</td>
<td>.660</td>
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</tr>
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<td>4.284</td>
<td>.000</td>
<td>.039 (.023) .002 .097</td>
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<td>.111</td>
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<td>.043</td>
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<td></td>
<td>-.036</td>
<td>.082</td>
<td>-.441</td>
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</tbody>
</table>

Notes: BCa = bias corrected and accelerated, CI = confidence interval, SE= standard error, p<.05.

Hypothesis 5: Job satisfaction mediates the relationship between DF of performance appraisal and organisational citizenship behaviour.

Bootstrapping indicated that the direct effect of distributive fairness of performance appraisal at time 1 on organisational citizenship behaviour at time 3 was not significant (β = .192, p = .163). However, the indirect effect of distributive fairness of performance appraisal on organisational citizenship behaviour through a mediating effect of job satisfaction was statistically significant. Table 5.7 shows that the confidence interval for the indirect path does not include zero. Based on the 95% bootstrapping CI, allowing us to conclude distributive fairness of performance appraisal has an effect on organisational citizenship behaviour through job satisfaction (β = .053, 95% CI = .001-.155). The significance of the path a, the effect of distributive fairness at time 1 on job satisfaction at time 2 (β = .311, p<.05) and path b, the of effect job satisfaction at time 2 on organisational citizenship behaviour at time 3 (β = .170, p<.05) reinforces this significant indirect effect. The results revealed that job satisfaction fully mediated the relationship between distributive fairness of performance appraisal and organisational citizenship behaviour.
**Hypothesis 6: Trust in management mediates the relationship between DF of performance appraisal and organisational citizenship behaviour.**

Bootstrapping indicated that the direct effect of distributive fairness in performance appraisal at time 1 on organisational citizenship behaviour at time 3 was not significant (β = .192, p = .163). However, the indirect effect of distributive fairness of performance appraisal on organisational citizenship behaviour through a mediating effect of trust in management was statistically significant. Table 5.7 shows that the confidence interval for the indirect path does not include zero. Based on the 95% bootstrapping CI, allowing us to conclude distributive fairness of performance appraisal has an effect on organisational citizenship behaviour through trust in management (β = .010, 95% CI = .020-.233). Furthermore, the significant findings for path a, the effect of distributive fairness at time 1 on trust in management at time 2 (β = .251, p<.05) and path b, effect of trust in management at time 2 on organisational citizenship behaviour at time 3 (β = .397, p<.05) supports a significant indirect effect via trust in management. The results indicated that trust in management fully mediated the relationship between distributive fairness of performance appraisal and organisational citizenship behaviour.

**Hypothesis 7: Affective commitment mediates the relationship between DF of performance appraisal and organisational citizenship behaviour.**

Bootstrapping revealed that the direct effect of distributive fairness of performance appraisal at time 1 on organisational citizenship behaviour at time 3 was not significant (β = .192, p = .163). The results also indicated that the indirect effect of distributive fairness of performance appraisal on organisational citizenship behaviour through a mediating effect of affective commitment was not significant. The confidence interval for the indirect path in Table 5.7 includes zero (β = .020, 95% CI = -.025-.087), so the path from distributive fairness in performance appraisal to organisational citizenship behaviour through affective commitment is not significant. Furthermore, the non-significant findings for path a, the effect of distributive fairness at time 1 on affective commitment at time 2 (β = .058, p<.05) did not meet the requirement of mediation. However, path b, the effect of affective commitment at time 2 on organisational citizenship behaviour at time 3 (β = .351, p<.05) was significant, but did not exert a mediation effect. Thus, affective commitment was not found to mediate the relationship between distributive fairness of performance appraisal and organisational citizenship behaviour.
Hypothesis 8: Normative commitment mediates the relationship between DF of performance appraisal and organisational citizenship behaviour.

Bootstrapping revealed that the direct effect of distributive fairness of performance appraisal at time 1 on organisational citizenship behaviour at time 3 was not significant ($\beta = .192, p = .163$). The results also indicated that the indirect effect of distributive fairness of performance appraisal on organisational citizenship behaviour through a mediating effect of normative commitment was not significant. The confidence interval for the indirect path in Table 5.7 includes zero ($\beta = .022, 95\% \text{ CI} = -.006-.093$), so the path from distributive fairness of performance appraisal to organisational citizenship behaviour through normative commitment is not significant. Furthermore, the non-significant findings for path a, the effect of distributive fairness at time 1 on normative commitment at time 2 ($\beta = .097, p<.05$) did not meet the requirement of mediation. However, path b, the effect of normative commitment at time 2 on organisational citizenship behaviour at time 3 ($\beta = .230, p<.05$) was significant, but did not detect mediation. The indirect effect was not significant, thus rejecting the indirect relationships between distributive fairness of performance appraisal and organisational citizenship behaviour through normative commitment.

Table 5.7 Bootstrap Results for the Indirect Effect of DF of Performance Appraisal on Organisational Citizenship Behaviour through Job Satisfaction, Trust in Management, Affective Commitment, and Normative Commitment

<table>
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<th>Mediators</th>
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<th>Coefficient</th>
<th>SE</th>
<th>t</th>
<th>p</th>
<th>Bootstrapping (BCa 95% CI)</th>
<th>Mediation</th>
</tr>
</thead>
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<td>Lower</td>
</tr>
<tr>
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<td>.311*</td>
<td>.138</td>
<td>2.254</td>
<td>.025</td>
<td>.053*(.037) .001 .155</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>b</td>
<td>.170*</td>
<td>.067</td>
<td>2.518</td>
<td>.012</td>
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<td></td>
</tr>
<tr>
<td>Trust in Management</td>
<td>a</td>
<td>.251*</td>
<td>.068</td>
<td>3.724</td>
<td>.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>b</td>
<td>.397*</td>
<td>.137</td>
<td>2.886</td>
<td>.004</td>
<td>.010*(.053) .020 .233</td>
<td>Yes</td>
</tr>
<tr>
<td>Affective Commitment</td>
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<td>.058</td>
<td>.072</td>
<td>0.808</td>
<td>.420</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>b</td>
<td>.351*</td>
<td>.108</td>
<td>3.249</td>
<td>.001</td>
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<td>No</td>
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<td>Normative Commitment</td>
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<td>b</td>
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<td>.036</td>
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</table>

Notes: BCa = bias corrected and accelerated, CI = confidence interval, SE= standard error, p<.05.
**Hypothesis 9: Job satisfaction mediates the relationship between IF of performance appraisal and organisational citizenship behaviour.**

Bootstrapping indicated that the direct effect of interactional fairness of performance appraisal at time 1 on organisational citizenship behaviour at time 3 was statistically not significant ($\beta = -0.081, p = 0.299$). However, the indirect effect of interactional fairness of performance appraisal on organisational citizenship behaviour through a mediating effect of job satisfaction was statistically significant. Table 5.8 shows that the confidence interval for the indirect path does not include zero. Based on the 95% bootstrapping CI, it is concluded that the indirect effect is significant, thus interactional fairness of performance appraisal has an effect on organisational citizenship behaviour through job satisfaction ($\beta = 0.068, 95\% CI = 0.004-0.145$). The significance of the path a, the effect of interactional fairness at time 1 on job satisfaction at time 2 ($\beta = 0.394, p<0.05$) and path b, the effect job satisfaction at time 2 on organisational citizenship behaviour at time 3 ($\beta = 0.173, p<0.05$) confirms a significant indirect effect. The results revealed that job satisfaction fully mediated the relationship between interactional fairness of performance appraisal and organisational citizenship behaviour.

**Hypothesis 10: Trust in management mediates the relationship between IF of performance appraisal and organisational citizenship behaviour.**

Bootstrapping indicated that the direct effect of interactional fairness of performance appraisal at time 1 on organisational citizenship behaviour at time 3 was not significant ($\beta = -0.081, p = 0.299$). However, the indirect effect of interactional fairness of performance appraisal on organisational citizenship behaviour through a mediating effect of trust in management was statistically significant. Table 5.8 shows that the confidence interval for the indirect path does not include zero ($\beta = 0.110, 95\% CI = 0.031-0.218$). Based on the 95% bootstrapping CI, it is concluded that the indirect effect is significant, thus interactional fairness of performance appraisal has an effect on organisational citizenship behaviour through trust in management. The significance of the path a, the effect of interactional fairness at time 1 on trust in management at time 2 ($\beta = 0.249, p<0.05$) and path b, the effect of trust in management at time 2 on organisational citizenship behaviour at time 3 ($\beta = 0.442, p<0.05$) confirms a significant indirect effect of interactional fairness. The results indicated that trust in management fully mediated the relationship between interactional fairness of performance appraisal and organisational citizenship behaviour.
Hypothesis 11: Affective commitment mediates the relationship between IF of performance appraisal and organisational citizenship behaviour.

Bootstrapping indicated that the direct effect of interactional fairness of performance appraisal at time 1 on organisational citizenship behaviour at time 3 was not significant ($\beta = -.081$, $p = 0.299$). However, the indirect effect of interactional fairness of performance appraisal on organisational citizenship behaviour through a mediating effect of affective commitment was statistically significant. Table 5.8 shows that the confidence interval for the indirect path does not contain zero ($\beta = .059$, 95% CI = .021-.121). Based on the 95% bootstrapping CI, it is concluded that the indirect effect is significant. So, the path from interactional fairness of performance appraisal to organisational citizenship behaviour through affective commitment is statistically significant. The significance of the path a, the effect of interactional fairness at time 1 on affective commitment at time 2 ($\beta = .167$, $p<.05$) and path b, the effect of affective commitment at time 2 on organisational citizenship behaviour at time 3 ($\beta = .355$, $p<.05$) reinforces a significant indirect effect of interactional fairness. The results demonstrated that the affective commitment was found to mediate the relationship between interactional fairness of performance appraisal and organisational citizenship behaviour.

Hypothesis 12: Normative commitment mediates the relationship between IF of performance appraisal and organisational citizenship behaviour.

Bootstrapping indicated that the direct effect of interactional fairness of performance appraisal at time 1 on organisational citizenship behaviour at time 3 was not significant ($\beta = -.081$, $p = 0.299$). However, the indirect effect of interactional fairness of performance appraisal on organisational citizenship behaviour through a mediating effect of normative commitment was statistically significant. Table 5.8 shows that the confidence interval for the indirect path does not contain zero ($\beta = .045$, 95% CI = .004-.102). Based on the 95% bootstrapping CI, it is concluded that the indirect effect is significant. So, the path from interactional fairness of performance appraisal to organisational citizenship behaviour through normative commitment is statistically significant. The significance of the path a, the effect of interactional fairness at time 1 on normative commitment at time 2 ($\beta = .186$, $p<.05$) and path b, the effect of normative commitment at time 2 on organisational citizenship behaviour at time 3 ($\beta = .241$, $p<.05$) reinforces a significant indirect effect through normative commitment. The indirect effect was significant, thus the
relationships between interactional fairness of performance appraisal and organisational citizenship behaviour is fully mediated through normative commitment.

Table 5.8 Bootstrap Results for the Indirect Effect of IF of Performance Appraisal on Organisational Citizenship Behaviour through Job Satisfaction, Trust in Management, Affective Commitment, and Normative Commitment

<table>
<thead>
<tr>
<th>Mediators</th>
<th>Path</th>
<th>Coefficient</th>
<th>SE</th>
<th>t</th>
<th>p</th>
<th>Bootstrapping (BCa 95% CI)</th>
<th>Mediation</th>
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Notes: BCa = bias corrected and accelerated, CI = confidence interval, SE= standard error, p<.05.
5.10 SUMMARY

This chapter has presented the statistical analyses from a sequential study design. All 12 hypotheses have been analysed and presented. A significant mediating effect was found for the mediator variables (job satisfaction, trust in management, affective commitment, and normative commitment) on the relationship between performance appraisal fairness and organisational citizenship behaviour. Job satisfaction and trust fully mediated the relationship between procedural, distributive and interactional fairness of performance appraisal and organisational citizenship behaviour. The results also indicate that affective and normative commitment fully mediated the relationship between procedural and interactional fairness of performance appraisal and organisational citizenship behaviour. Contrary to expectations, this study did not find a mediation effect of affective or normative commitment on the relationship between distributive fairness of performance appraisal and organisational citizenship behaviour.

Table 5.9 Summary of Hypothesis Testing

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Chapter Six: Discussion and Conclusions

6.1 INTRODUCTION

The aim of this research is to investigate whether employee perceptions of PA fairness influence job satisfaction, organisational commitment, trust in management and organisational citizenship behaviour. These variables were examined from a fairness perspective in order to understand their influence on employee job attitudes and behaviours. The research gathered data on the basis of a sequential design at three points in time from employees working in the public banking sector in Iraqi Kurdistan.

Most hypotheses were supported and this chapter explains and discusses the findings. In the first section, the relationship between PA fairness and employee job attitudes is discussed. In the second section, the relationship between job attitudes and organisational citizenship behaviour is provided. In the third section, the mediating impact of job attitudes on the relationship between PA fairness and organisational citizenship behaviour is discussed. Furthermore, the theoretical and practical implications of this study are offered. Finally, limitations of the study and directions for further research are described and conclusions are summarized.

6.2 SUMMARY OF THE KEY FINDINGS

The findings revealed that both PF and IF of PA have a low to moderate relationship with job satisfaction, trust in management, affective and normative commitment. However, DF has no significant relationship with affective and normative commitment. Job satisfaction, trust in management, affective and normative commitment have a low to moderate relationship with organisational citizenship behaviour.

The empirical evidence supports the majority of the research hypothesis (Table 5.9). A summary of the research objectives as mapped onto the key research hypotheses is shown in Table 6.1. The findings indicate that the three forms of PA fairness increase organisational citizenship behaviour through mediators job satisfaction, trust in management, affective and normative commitment. Hypothesised mediation relationships are outlined as follows. In the first hypothesised relationship, job satisfaction fully mediated the relationship between PF, DF and IF and organisational citizenship behaviour. In the second hypothesised relationship, trust in management fully mediated the relationship between PF, DF and IF and organisational
citizenship behaviour. In the third relationship, both affective and normative commitment fully mediated the relationship between PF and IF and organisational citizenship behaviour but did not mediate the relationship between DF and organisational citizenship behaviour.

The findings revealed that PA fairness was linked to organisational citizenship behaviour, but only indirectly, through a mediating role played by several mediator variables. In other words, PF, DF and IF are related to job satisfaction, trust in management, affective and normative commitment, except for the relationship between DF and both affective and normative commitment which is not significant. In turn, job satisfaction, trust in management, affective and normative commitment are related to organisational citizenship behaviour. This finding demonstrates the presence of indirect effects between PA fairness and organisational citizenship behaviour through a causal relationships depicted in two main paths. The first path is the influence from PA fairness to mediator variables and the second path is the influence from these mediator variables to organisational citizenship behaviour. That is, PA fairness has a direct influence on job satisfaction, trust in management, affective and normative commitment which in turn lead to organisational citizenship behaviour.

6.3 THE RELATIONSHIP BETWEEN PERFORMANCE APPRAISAL FAIRNESS AND EMPLOYEE ATTITUDES

PA fairness has a low to moderate relationship with job attitudes which indicates that PA fairness fosters employee work outcomes. When an individual experiences fairness in their performance appraisals they also demonstrate job satisfaction, trust in management and organisational commitment. The findings support prior studies on the relationship between PA fairness and employee job attitudes. Thus, employees would probably feel more satisfaction, trust and commitment, due to the relevant advantages arising from perceiving fairness in measuring performance. Job attitudes are enhanced when employees perceive their performance appraisals as fair and equitable. The following sections discuss the findings for them.
6.3.1 The relationship between procedural fairness of performance appraisal and employee attitudes

Results show that PF of performance appraisal has a low to moderate relationship with job satisfaction, trust in management and organisational commitment in the public banking sector in Iraqi Kurdistan. This indicates that PF of performance appraisal is a vital factor in increasing an individual’s work outcomes and is congruent with past research (Cropanzano et al., 2002; Hartmann & Slapnicar, 2009; Cheng, 2014; Yamazaki & Yoon, 2012). These results are inconsistent with studies which found that fairness of performance appraisal procedures has no influence on organisational commitment (e.g., McDowell & Fletcher, 2004). This is discussed further in section 6.3.3.

6.3.2 The relationship between distributive fairness of performance appraisal and employee attitudes

This study found that DF of performance appraisal is associated with job satisfaction and trust in management, but not strongly. This result illustrates that individuals who have desirable perceptions of the conduct of performance appraisal that are seen to be fair and equitable in terms of any evaluation, relevant pay increase, promotion, or other administrative action regarding the rating process, are likely to return job satisfaction and trust in management. This finding is consistent with prior studies, including (Chory & Hubbell, 2008; Lira, 2014; Sparr & Sonnentag, 2008; Tang & Sarsfield-Baldwin, 1996), which found that DF has a positive impact on increasing employee job satisfaction and trust. These results illustrate the importance of DF in performance appraisal.

Conversely, DF did not have a significant relationship with affective and normative commitment, contrary to previous studies and contrary to theory. According to Adams (1965) individual perceptions of fair outcomes can be formulated by comparing job rewards to contributions to the work. When employees view their performance evaluations concerning outcome distribution as fair and reflect actual performance, they exhibit positive job attitudes such as higher organisational commitment. However, this contradictory result fits with some previous studies, which indicated that DF is not related to organisational commitment (McDowell & Fletcher, 2004). In this regard, the present study introduces a preliminary recommendation that managers in the Kurdish working context must be equitable in distributing the rewards or any other payments during the PA process.
Konovsky and Cropanzano (1991) showed that PF, not DF, predicted affective commitment. This result is in line with the results of the present study that revealed PF, not DF, is related to affective and normative commitment. This contrary result is similar to Lau and Oger (2012) and McDowell and Fletcher (2004) who found that DF had no influence on organisational commitment. Lau and Oger (2012) showed that most of the influence of DF on organizational commitment is indirectly through job satisfaction. This finding illustrates the importance of PF in performance appraisal in the context of banking and is congruent with the notion that PF, but not DF, is correlated with an individual’s commitment (Konovsky & Cropanzano, 1991). The current research also clarified the importance of fairness perceptions of performance appraisal procedures in predicting organisational commitment. Lind and Tyler (1988, 179) noted that “organizational commitment, loyalty and work group cohesiveness, are strongly affected by procedural justice judgments. Fair procedures, we hypothesize, are a critical aspect of the quality of work life, and are well-nigh essential to good employer–employee relations”.

6.3.3 The relationship between interactional fairness of performance appraisal and employee attitudes

Findings revealed that IF is related to job satisfaction, trust in management and organisational commitment. When employees perceive unfair treatment during the performance appraisal process, they are likely to have a lower level of job satisfaction, trust in management and organisational commitment (Cheng, 2014; Lira, 2014; Selvarajan & Cloninger, 2012; Swiercz et al., 2012). IF enhances favourable work attitudes such as job satisfaction, trust in management and organisational commitment. This result supports the view that employees were satisfied with their jobs, more trusting in management and committed to the bank as a result of fair interpersonal treatment received during the performance appraisal process.

This finding is in accordance with social exchange theory (Blau, 1964). This theory explains the effects of fairness perceptions on exchange benefit banks and employees in the short and long term, and provides sufficient information to explicate what variables are affected by dimensions of performance appraisal fairness. Employees use their perceptions of performance appraisal fairness to exchange the benefits with the bank in the form of social exchange relationships. From the bank’s point of view, the benefits are depicted as employee work outcomes which contribute to enhance the bank’s performance. From the employee point of view, the benefits are depicted as well designed and fair performance appraisal as well as providing adequate organisational support. Consequently, employees have more willingness to
exhibit positive outcomes when they receive fair appraisal comprising PF, DF and IF offered by their managers. According to social exchange theory (Blau, 1964), social interaction at work affects employee job attitudes. Accordingly, bank policies need emphasize how to maintain and maximise social exchange relationships during interactions between managers and employees.

The findings indicated that the three forms of fairness have different effects and can be best understood in the settings of the cultural construct of Kurdistan Region. Prior studies indicate that the impact of fairness on a wide range of work outcomes differ across cultures (Shao et al. 2013). For instance, research suggests that PF is more strongly associated with work outcomes in Western samples while DF is more strongly associated with work outcomes in Eastern samples (Pillai et al., 2001). However, the study revealed mixed support for the influences of fairness forms on work outcomes. Findings show that IF was more related to job satisfaction than PF and DF. IF was more related to affective and normative commitment than PF. DF was not related to affective and normative commitment. As mentioned above, the importance of IF over PF and DF can be explained by reference to the nature of Kurdish culture. Kurdish culture is considered as a high-context culture, where the people in Kurdish society always strive to maintain direct interactions among them (McKay, 2011). Kurdish culture emphasises strong relationships in the community and enhances cohesion. It focusses on personal and family visits, conversation and other tools of communication in their interaction as a vehicle to promote and develop social cohesion. Furthermore, the presence of different effects also can be understood by referring to the other possible explanation, namely the religious nature of Iraqi Kurdistan. Many verses in Quran emphasise fairness in the context of work relationships and encourage Muslims to embrace fairness and avoid personal interests or other considerations in their interactions with others within personal and at work (Tlaiss, 2015). Accordingly, the study suggests the existence of a religious and cultural fabric which may potentially influence the relationship between fairness forms and work outcomes and thus create different effects. For more details, see section 2.3.4 in chapter two.

As noted above, conducting fair performance appraisal including three types of PF, DF and IF appears to generate and enhance positive job attitudes. Together, the results of this study show that perceptions of PF, DF and IF are key inputs to individual evaluations of the quality of their exchange relationships with their organisations. The link between the aspects of fairness and outcome variables is grounded in social exchange relationships (Masterson et al., 2000).
perception of unfair appraisal may lead to lower job satisfaction, trust and commitment, while the perception of performance appraisal fairness will contribute to ensure the greater degree of job satisfaction, trust and commitment. Hence, the findings provide evidence that dimensions of PA fairness are an important determinant in enhancing positive employee attitudes in the workplace.

6.3.4 The relationship between performance appraisal fairness and organisational citizenship behaviour

Contrary to previous studies, no significant relationship was found between fairness dimensions of performance appraisal and organisational citizenship behaviour (Daly et al., 2014; Elanain, 2010; Fassina et al., 2008; Masterson et al., 2000). This research found that fairness dimensions have no direct relationship with organisational citizenship behaviour, unless indirectly through job satisfaction, trust in management and organisational commitment. However, Baron and Kenny (1986) suggested four conditions to establish a mediation effect, the precondition of mediation is that the independent variable needs to be associated to the dependent variable. Testing mediation effects (Baron & Kenny, 1986) has been criticised by a number of writers over the years. Preacher and Hayes (2011), for example, point out that a significant correlation between an independent variable and a dependent variable should not be a requirement in mediation analysis because the mediation process is a causal explanation, and it is important that the mediator is causally located between predictor and outcome variables. In other words, it is essentially in mediation that an independent variable affects a mediator, which in turn affects dependent variables (Preacher & Hayes, 2011). Moreover, Shields et al (2000) argued that an indirect model to test the effect of the independent variable on the dependent variable through a mediating influence is a significantly better fit to the data than the direct model. This is discussed further in chapter five (section 5.9).

The indirect effects help to clarify the composite results yielded by previous studies and develop a better understanding of the influence of performance appraisal fairness. According to Bollen (1989) the model of indirect influences can contribute to answering essential questions that are not addressed by investigating the direct influences and thus the direct influences can lead to a misleading impression of the impact of performance appraisal fairness on employee work behaviours. This result is consistent with Hall (2008) who indicated that the research variables are associated indirectly rather than directly through mediating variables. Other researchers (Shrout & Bolger, 2002) argue that a relationship between independent and dependent variables is not necessary, if the process of mediation is theoretically distal. Hence,
this research endorses prior studies relating to the precondition of mediation, and shows the influence of performance appraisal fairness on employee behaviours is not exercised directly, but explicated logically by the set of mediators job satisfaction, trust in management and organisational commitment. In particular, the findings indicate that fairness dimensions of performance appraisal influence job satisfaction, trust in management and organisational commitment, which, in turn, influence organisational citizenship behaviour.

6.4 THE RELATIONSHIP BETWEEN JOB SATISFACTION, TRUST IN MANAGEMENT AND ORGANISATIONAL COMMITMENT AND ORGANISATIONAL CITIZENSHIP BEHAVIOUR

Findings are discussed in line with the assumptions of social exchange theory (Blau, 1964). The results support the assumptions which suggest that employees are more likely to reciprocate in order to discharge their obligations toward the organisation. The findings indicate that employees who are satisfied with their jobs, show greater trust and commitment to the bank as a result of receiving fairness in their performance appraisals.

Consistent with previous research, job satisfaction had a moderate strong relationship with organisational citizenship behaviour (Daly et al., 2014; Nguni et al., 2006; Paillé et al., 2015; Sesen & Basim, 2012). Job satisfaction affects the public bank and its members in an effective way. For example, when there is a high level of job satisfaction, employees have desirable anticipations regarding cooperative contributions, because of high perceptions of performance appraisal fairness and good quality social exchange relationship. Hence, job satisfaction has a significant implication in increasing employees’ citizenship behaviour in the banking sector in Iraqi Kurdistan.

Trust in management was moderately related to organisational citizenship behaviour. Trust is considered an important vehicle for understanding how individuals experience fair treatment in the workplace and how their reactions affect the organisation and build greater trust (Kickul et al., 2005). The findings show that employees with high levels of trust are more likely to display cooperative contributions and increase their willingness to engage in extra work beyond normal duties. This result is in line with Bai et al. (2012), Brower et al. (2008), Katou (2015), Zhu and Akhtar (2014), who found that trust contributed to a higher level of organisational citizenship behaviour. Based on the norm of reciprocity, employees who feel that they have received fair treatment are expected at some undetermined time in the future to discharge their obligation toward the organisation (Gouldner, 1960). Accordingly, employees who believe that
their performance appraisal system is fair are more likely to feel a higher level of trust and thus employees reciprocate to their partner, the bank, by engaging in organisational citizenship behaviour as a form of social exchange. This sustains and increases the exchange relationship between the employee and the bank. Trust in management has a key role in promoting citizenship behaviour in the public banking sector in Kurdistan.

This finding differs from Yang and Mossholder (2010) who revealed no significant association between trust and organisational citizenship behaviour. Mayer and Gavin (2005) also found that trust in top management did not directly influence organisational citizenship behaviour, but only indirectly, through ability to focus.

The findings revealed that affective and normative commitment have a low relationship with organisational citizenship behaviour. This finding is relatively close to past studies (Farzaneh et al., 2014; Wang & Wong, 2011; Yang, 2012; Zayas-Ortiz et al., 2015) and suggests that employees expect from their bank a variety of advantages such as fair treatment and others that engender a sense of loyalty. Thereby, employees can exhibit cooperative contributions, particularly contributions comprising extra role behaviours.

The connection between organisational commitment and organisational citizenship behaviour can be explained based on the assumptions of social exchange theory guided by the norm of reciprocity. As mentioned earlier, the norm of reciprocity is the essential idea standing behind the link between organisational commitment and organisational citizenship behaviour. The assumption of reciprocity states that employees who have been treated fairly by their employer will reciprocate this fair treatment through cooperative contributions that will benefit their social exchange partner (Chen et al., 2005; Cropanzano & Mitchell, 2005; Organ, 1988; Zeinabadi & Salehi, 2011). In this regard, an employee who believes that their performance appraisal system is fair and reflects their actual performance is prone to reciprocate this fair treatment by building an emotional attachment and a sense of belonging. Thereby, the employee is likely to be more committed to helping the bank in ways that support its achievement leading to increasing their contributions such as organisational citizenship behaviour.

Both affective and normative commitment were related to organisational citizenship behaviour but not strongly. These findings are differ from Rodriguez Rosa (2003) who found that affective commitment had the strongest significant relationship with organisational citizenship
behaviour in comparison with other commitment components. Their finding implies that employees are ready to exert extra-role behaviour and remain with their bank based on their psychological attachment, instead of normative feelings of obligation. This supports the idea Meyer and Allen (1990) that affective commitment is more influenced by the nature of one's job experiences than normative or continuance commitment.

The findings support the notion that job satisfaction, trust in management and commitment connect to organisational citizenship behaviour and suggests that Kurdish management ensures that job practices foster work attitudes as one of the main organisational goals in order to encourage employees to deliver desirable behaviours by enhancing performance appraisal fairness to create a better quality exchange relationship.

6.5 THE MEDIATING EFFECT OF JOB SATISFACTION

This study proposed that job satisfaction mediates the relationship between performance appraisal fairness and organisational citizenship behaviour. These relationships would exist indirectly through job satisfaction. The findings are consistent with social exchange (Blau, 1964). The role of job satisfaction as a mediator of the relationship between performance appraisal fairness and organisational citizenship behaviour indicated that positive work behaviours can appear in a context in which social exchange captures the quality of good employee relationships (Konovsky & Pugh, 1994). Social exchange and the norm of reciprocity explain and predict the indirect effect of appraisal fairness components on organisational citizenship behaviour.

With regard to organisational citizenship behaviour, the study shows the mediation influence of job satisfaction on the relationship between PF, DF and IF and organisational citizenship behaviour. The findings indicate that fairness perceptions promote job satisfaction and this would develop more desirable feelings of employees with their jobs and, in turn, organisational citizenship behaviour to reciprocate fair appraisal. This implies that the employee who perceives their bank as fair and accurate in the enactment of formal procedures and the allocation of rewards and the quality of the interpersonal treatment received, or other administrative action in relation to their performance appraisals is more satisfied with their job.

Many researchers have described mediation models that can used to have a clear understanding of the indirect effects. Mediation refers to process that reflects a chain reaction beginning with an independent variable that causes a mediator variable and which, in turn, causes a dependent
variable (Collins et al., 1998). Organisational research assumes that a mediator acts to transmit the influence of an independent variable to a dependent variable in a causal sequence. In this sense, the mediation effects stem from existing two main paths. First, the influence of an independent variable leads to a mediator variable, which in turn leads to the dependent variable (MacKinnon et al., 2012). Accordingly, mediation effects occur when the independent variable exerts a particular influence on the dependent variable through a potential cause of mediator variable (Preacher & Hayes, 2008). Applying these assumptions to the study findings, PF leads to job satisfaction, trust and commitment. In turn, these variables lead to organisational citizenship behaviour. This mechanism illustrates that the indirect effects can occur via job satisfaction, trust and commitment which they played a prominent role in transmitting the influence of PA fairness to organisational citizenship behaviour in a causal sequence. This is discussed further in chapter four (section 4.12.4).

The results support the hypothesis that job satisfaction has a mediating influence between PF and organisational citizenship behaviour. PF influences organisational citizenship behaviour through job satisfaction. The findings illustrate that when employees perceive PA procedures as fair, they will be satisfied with their jobs. Furthermore, when employees feel higher satisfaction, their willingness and readiness to demonstrate organisational citizenship behaviour was enhanced. These results are in accordance with previous studies (Nadiri & Tanova, 2010; Thurston & McNall, 2010; Zeinabadi & Salehi, 2011) that found a significant influence of PF on organisational citizenship behaviour indirectly through a mediating influence of job satisfaction. That is, PF has a direct influence on enhance job satisfaction, which in turn leads to demonstrate organisational citizenship behaviour. In this sense, the present study demonstrates that employees benefit from fair procedures in performance appraisal system and are likely to deliver organisational citizenship behaviour because they feel satisfied with their jobs. However, in a meta-analytic path analysis involving the predictors of organisational citizenship behaviour, Fassina et al. (2008) showed that the influence of PF on organisational citizenship behaviour did not occur through job satisfaction. Their study suggested that a certain aspect of job satisfaction such as supervisor satisfaction or pay satisfaction may mediate some relationship between PF and organisational citizenship behaviour.

With regard to DF, the finding supports the proposition that job satisfaction mediates the relationship between DF and organisational citizenship behaviour. Fairness in the allocation of
rewards during performance appraisal process will engender a feeling of obligations to reciprocate this fair distribution by displaying organisational citizenship behaviour. This suggests that indirect exchange of mutual benefits would come from the social exchange relationship between the bank and the individual, where the act of reciprocation plays a prominent role in mediating the relationship (Flynn, 2005). This finding supports the idea that DF is an important determinant of job satisfaction, and enhancing organisational citizenship behaviour is an essential consequence of job satisfaction. Thereby, job satisfaction exerts a vital role to mediate the link between DF of performance appraisal and organisational citizenship behaviour. This finding parallels that of Nadiri and Tanova (2010), who found that the link between DF and organisational citizenship behaviour was mediated by job satisfaction. Accordingly, employees who perceive DF would increase their work outcomes and strengthen the exchange relationships. Hence, DF is an important variable in enhancing employee attitudes and behaviours, which is a function of interactions of social relationships between banks and employees.

The findings also demonstrated a positive relationship between IF and organisational citizenship behaviour through job satisfaction. This illustrates that employees will show job satisfaction when they perceive their banks are fair in a performance appraisal context, which, in turn, contributes to citizenship behaviour. As a result, employees respond to IF by displaying higher levels of extra effort, because the social exchange relationship committed them to fulfil their obligations towards the bank. This study found that job satisfaction fully mediates the relationship between IF and organisational citizenship behaviour. Previous studies provide evidence of the same relationship (Nadiri & Tanova, 2010). The result illustrates the importance of positive attitudinal responses in enhancing extra role behaviour, as a result of conducting IF in performance appraisal. That is to say the indirect influence of IF in performance appraisal on organisational citizenship behaviour through job satisfaction facilitates performance in the public banking sector in Kurdistan.

Together, taken these findings show that job satisfaction fully mediates the relationship between PF, DF and IF of performance appraisal and organisational citizenship behaviour.
6.6 THE MEDIATING EFFECT OF TRUST IN MANAGEMENT

This research examined the potential mediation effect of trust in management on the relationship between fairness perceptions of performance appraisal and organisational citizenship behaviour. The outcome based on the assumption in the model, that mediation involves two distinct contributions, one from the influence of fairness perceptions on trust in management, the second from the influence of trust in management on organisational citizenship behaviour. Previous research demonstrates that organisational fairness is linked to organisational citizenship behaviour through a mediating effect of trust (Ertürk, 2007; Tremblay, 2010; Wong et al, 2006).

The research findings in terms of the first two paths show the existence of a link between performance appraisal fairness and trust in management. This supports the notion that employees will exhibit a high level of trust in their management when they perceived fairness in their performance appraisals. Moreover, findings in terms of the second path show that trust in management is positively related to organisational citizenship behaviour. Based on social exchange theory (Blau, 1964), conducting fair appraisal contributes to higher trust in management. In parallel, employees who trust their management are committed to exercise social exchange in order to fulfil their obligations and are subsequently more willing to perform extra effort.

The findings support the hypotheses that each of PF, DF and IF has a significant link with trust in management. Furthermore, at the second path, a significant relationship was found between trust in management and organisational citizenship behaviour. All these indirect effects were positive, trust in management was found to fully mediate the relationship between performance appraisal fairness and organisational citizenship behaviour. That is to say, the influence of performance appraisal fairness comprising PF, DF and IF on organisational citizenship behaviour is indirectly through a mediating role of trust in management. This results shows the important role played by trust in the relationship between employer and employee. Improving trust may reduce the effect that a negative decision taken by the organisation has on employees (Hopkins and Washington, 2006). Accordingly, enhancing organisational citizenship behaviour is an important consequence of trust in management. Moreover, performance appraisal fairness is an important antecedent of trust in management. The results are in line with prior research as Lehmann-Willenbrock et al. (2012) showed that the influences of PF on organisational citizenship behaviour were mediated by trust. Similarly, Yang et al. (2009)
showed that trust has a mediation effect on the relationship between supervisory PF and helping behaviour at work. Wu et al. (2011) revealed that trust mediated the links between perceived IF and organisational citizenship behaviour. There is considerable evidence demonstrating that all dimensions of organisational fairness comprising PF, DF and IF are linked to organisational citizenship behaviour through mediating effect of trust (Ertürk, 2007; Katou, 2015; Wong, 2012; Zeinabadi & Salehi, 2011).

Previous research has reported that fairness dimensions differ in influencing employee work attitudes and behaviour. For instance, Konovsky and Pugh (1994) indicated that trust played a mediating role on the influence of PF on organisational citizenship behaviour, but did not mediate the influence of DF. Their results suggest that PF is a more important determinant than DF in predicting organisational citizenship behaviour. The findings indicate that PF and DF almost have same size of effect on organisational citizenship behaviour through trust.

Thus, the hypothesis, that trust in management has an important role in the route between dimensions of performance appraisal fairness and organisational citizenship behaviour, was substantiated. In other words, PF, DF and IF indirectly influenced organisational citizenship behaviour through mediating role of trust. In this regard, the significant meditational chain from fairness perceptions of performance appraisal to organisational citizenship behaviour via trust in management is congruent with the assumptions of a causal relationship based on the norm of reciprocity. This research endorses the notion that when employees perceive their bank as being fair in the implementation of formal procedures, allocation of outcomes and interpersonal treatment in relation to the performance appraisal process they will show a greater degree of trust in their management, which in turn employees will reciprocate by displaying positive work behaviour. Again, performance appraisal fairness is a crucial variable in fostering employee work outcomes. When there is a high level of fairness in performance appraisal, employees attitudes will be affected positively and employees will have high trust, which is in turn important in playing a key role in organisational citizenship behaviour. Consequently, bank management need to focus on how employees manage their emotions through an interactions with their managers.
6.7 THE MEDIATING EFFECT OF ORGANISATIONAL COMMITMENT

The results support the mediation effect of organisational commitment on the relationship between performance appraisal fairness and organisational citizenship behaviour. In this study, there are chain relationships which reflect two path processes. One emerges from the influence of fairness perceptions on organisational commitment, the second from the influence of organisational commitment on organisational citizenship behaviour. There is considerable evidence demonstrating that PA fairness affects organisational citizenship behaviour positively through the mediating role of organisational commitment (Demir, 2011; Guh et al, 2013; Meierhans et al, 2008; Parker & Kohlmeyer, 2005).

The findings in terms of the first path provide evidence that PF and IF have a significant impact on affective and normative commitment. This implies that when employees perceive their performance appraisals are fair and equitable they are more prone to increase emotional attachment and belonging to their bank. The second path demonstrates that affective and normative commitment are positively associated with organisational citizenship behaviour. This shows the important position of affective and normative commitment as an antecedent to performance appraisal fairness, which are reciprocated by organisational citizenship behaviour. In this sense, high performance appraisal fairness contributes to organisational commitment that translates into increasing citizenship behaviour. Consequently, employees with high levels of commitment perform organisational citizenship behaviour (Colquitt & Greenberg, 2003; Cropanzano & Mitchell, 2005; Lavelle et al., 2009). The findings reveal that affective and normative commitment have a full mediation effect on the relationship between PF and IF and organisational citizenship behaviour. This result demonstrates the existence of a positive chain of effect, deriving from the positive influence of performance appraisal fairness on organisational commitment and subsequently the positive influence of organisational commitment on organisational citizenship behaviour. According to this reasoning, it can be concluded that the implementation of fair appraisal among employees would normally lead to enhance employee commitment toward their banks and this commitment has employee-specific outcomes in form of organisational citizenship behaviour.

This finding is consistent with earlier studies such as Heslin and VandeWalle (2008), Lavelle et al. (2009), Lehmann-Willenbrock et al. (2012), Zeinabadi and Salehi (2011) which found that organisational commitment and its dimensions mediate between both PF and IF fairness and organisational citizenship behaviour. This finding differs from Paré and Tremblay (2007)
who found no mediation effect of affective commitment on the relationship between PF and organisational citizenship behaviour. On the other hand, the finding differs from Herda and Lavelle (2011) who found that organisational commitment was not a mediator between organisational fairness and organisational citizenship, but the relationship was through meditational chain reflecting the path of perceived organisational support and organisational commitment.

The results did not support the proposition that affective and normative commitment mediate the relationship between DF of performance appraisal and organisational citizenship behaviour and inconsistent with past research (Yang, 2012). The failure of affective and normative commitment to mediate between DF and organisational citizenship behaviour is due to the non-existent relationship between DF and both dimensions of organisational commitment and this result is inconsistent with the view of social exchange relationships. Whereas the findings of prior studies reported a positive direct influence of DF on organisational commitment (e.g., Magner et al, 1994; Sholihin & Pike, 2009) the present study found this influence non-significant. Although affective and normative commitment mediated the relationship between PF and IF and organisational citizenship behaviour, they did not mediate the relationship between DF and organisational citizenship behaviour. These different results are explained above in section 6.3.3.

Findings indicate that PF, DF and IF of performance appraisal lead to job satisfaction, trust in management and organisational commitment, except the relationship between DF and organisational commitment, and these variables have employee specific-outcomes in the form of organisational citizenship behaviour. Thus, job satisfaction, trust in management and organisational commitment appear to play a vital mediating role on the relationship between performance appraisal fairness and organisational citizenship behaviour in the public banking sector in Iraqi Kurdistan.
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<th>Research Objectives</th>
<th>Summary of Research Hypotheses</th>
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<td>1- To examine the mediating impact of job satisfaction on the relationship between performance appraisal fairness and organisational citizenship behaviour.</td>
<td>Hypotheses 1, 2 and 3 were statistically significant and thus accepted. The findings demonstrate that job satisfaction exerted a mediating role on the relationship between PF, DF and IF of performance appraisal and organisational citizenship behaviour.</td>
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<td>2- To examine the mediating impact of trust in management on the relationship between performance appraisal fairness and organisational citizenship behaviour.</td>
<td>Hypotheses 4, 5 and 6 were statistically significant and thus accepted. The findings demonstrate that trust in management exerted a mediating role on the relationship between PF, DF and IF of performance appraisal and organisational citizenship behaviour.</td>
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<tr>
<td>3- To examine the mediating impact of organisational commitment on the relationship between performance appraisal fairness and organisational citizenship behaviour.</td>
<td>Hypotheses 7, 8, 11 and 12 were accepted. Hypotheses 9 and 10 were not statistically significant and thus not accepted. The findings demonstrate that affective and normative commitment exerted a mediating role on the relationship between PF and IF of performance appraisal and organisational citizenship behaviour. However, affective and normative commitment did not play a mediating role on the relationship between DF of performance appraisal and organisational citizenship behaviour.</td>
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6.8 RESEARCH CONTRIBUTIONS

6.8.1 Theoretical Contributions

This research makes several contributions to the literature on PA fairness. First, this study is one of few to examine the influence of PA fairness on employee attitudes and behaviours in a Kurdish work setting and is the first to integrate all three aspects of performance appraisal fairness into a model with work-related outcomes. Indeed, little attention has been devoted to individual employee perceptions of PA fairness in the literature. The study has endeavoured to fill a research gap and provide new empirical insights particularly in the domain of performance appraisal fairness. This can expand the knowledge base in both PA fairness and work-related attitudes. Conducting performance appraisals in ways that employees see as fair is important in enhancing positive job attitudes and behaviour. Fairness dimensions of PA have a positive impact on job satisfaction, trust in management, affective and normative commitment. Moreover, these four attitudes have a positive impact on organisational citizenship behaviour. In other words, job satisfaction, trust in management and the two dimensions of organisational commitment act as a mediator between these relationships. Consequently, the findings are in accordance with social exchange theory and previous studies regarding PA fairness – work outcomes and through the proposed theoretical model extend empirical results that link appraisal fairness with employee attitudes and behaviours (Byrne et al., 2012; Cheng, 2014; Konovsky & Pugh 1994; Elanain, 2010).

Second, this study contributes to a richer and deeper understanding of the causal relationships between PA fairness and aspects of employee work behaviour, and how fairness functions to affect important outcomes for organisations in the Kurdish context. This research employed a mediation model that includes multiple mediators in assessing outcome relationships, which has distinctive implications because it contributes to enhance the understanding of causal chain relationships between a set of variables. Little research has investigated the indirect effect of PA fairness on organisational citizenship behaviour in a model with multiple intervening variables. It is important to investigate indirect effects particularly with multiple mediators in order to understand how they impact on the work context. There is an important contribution for studies that investigate indirect effects as suggested by Bollen (1989, p. 376), “the indirect and total effects can help to answer important questions that are not addressed by examining the indirect effects”. This study is one of few to examine the indirect influence of PA fairness
on organisational citizenship behaviour through the mediating influence of job satisfaction, trust in management, and organisational commitment. The findings fill a gap in the research of performance appraisal fairness that is the lack of empirically investigate on into the mediating role of job satisfaction, trust in management, affective and normative commitment in the relationships between dimensions of PA fairness and organisational citizenship behaviour. Thus, it appears that those four attitudes play an important role in explaining the outcomes of PA fairness.

Third, a useful contribution is to study the Kurdish culture and working context. The large majority of people in Iraqi Kurdistan are Kurdish Muslims. Cultural values in Islam are considered as components of the Islamic living system which emerges from Islamic principles. Adhering to Islamic values can affect the beliefs and attitudes of employees of PA fairness. Many verses in Quran emphasise fairness in the context of work relationships and encourage Muslims to embrace fairness and avoid personal interests or other considerations in their interactions with others within personal and organisational levels (Tlaiss, 2015). In this regard, perceiving fair treatment in an Islamic working context, Muslims are attaining good treatment. This study obtains empirical evidence from an under-researched culture and working context taking into account the fact that all prior studies of PA fairness have taken place in the West. It is the first that deals with PA fairness and their relationships with employee work attitudes and behaviours in the public banking sector in Kurdistan. The study supported theories in the context of Kurdish culture, which extends previous studies on PA fairness and work-related outcomes.

Fourth, assessment of the mediator variables pertains to the measurement of organisational commitment. This study has investigated affective and normative commitment independently. Research has not usually investigated two dimensions of commitment simultaneously despite the multidimensional conceptualisation of organisational commitment (Parker & Kohlmeyer, 2005; Lambert & Hogan, 2008; Elanain, 2010; Herda & Lavelle, 2011). A richer and better understanding of the organisational commitment – outcomes relationships requires a simultaneous investigation of all three dimensions (affective, normative and continuance) of organisational commitment. In this respect, focusing on two dimensions of commitment is useful in explaining the influences of organisational commitment as the study shows that the mediating influence of organisational commitment varies by dimensions.
In addition, the absence of a mediating role for affective and normative commitment in mediating the relationship between DF and organisational citizenship behaviour shows that DF does not necessarily associate with some types of employee attitudes such as affective and normative commitment in a Kurdish working context. Cultural differences have implications for revealing contrary results. This provides an insight which needs more investigation in future studies.

Fifth, another significant contribution of this study is the methodological tool that it uses to detect mediation effects in management research. This study used a sequential design among a representative sample of Kurdish employees. This method has the ability to determine how employees react to performance appraisal fairness at the workplace by examining relationships over time. This helps to decrease the degree of common method bias in measuring mediation effects because the sequential design reduces this risk (Podsakoff et al., 2003). This study contributes by serving as a good example of using sequential design as a data collection method to decrease risk of bias in research on mediation.

Furthermore, in regard to mediation analysis, this research is one of few studies to use bootstrapping by applying PROCESS macro software to assess indirect effects. According to Preacher and Hayes (2008) there is too little research that uses bootstrapping techniques to test mediation influences and the present study here fits by using bootstrapping as a “superior” technique to mediation analysis (Preacher & Hays, 2008).

6.8.2 Practical Contributions

The findings have important practical implications for Kurdish management and for those planning to invest in the banking sector in Kurdistan Region. The findings provide insights that are particularly relevant to the formation of employees’ perceptions of PA fairness to managers in public banks and with recommendations for positive job-related attitudes and behaviours. The lack of attention to PA fairness can cause many different problems for managers.

The current research suggests that how public banks in Kurdistan are structured fosters perceptions of PA fairness. Banking in Kurdistan Region benefited from considering the implications of decision making on employees' perception of appraisal fairness. Employers should pay more attention to the dimensions of PA that enhance favourable work attitudes and behaviours. Managers must increase and maintain procedures for conducting fair PA to obtain positive outcomes.

152
High levels of PA fairness are related to a number of benefits. As fairness increases, job satisfaction, trust in management and, organisational commitment increase, which in turn leads to increased organisational citizenship behaviour. The practical implications are to increase these favourable work attitudes and behaviours and focus on increasing levels of PA fairness. Thus, treating employees with a high level of fairness in their performance appraisals leads to more positive work-related outcomes. It is especially important for bank managers to translate these findings into actions through following strategies in organisational settings. This contributes to a better understanding of the requirements for strong social exchange relationships and contribute to inform bank management about which practices should be employed for this purpose.

The present study has important implications for the public banks in Kurdistan Region regarding how the implementation of the fairness in PA systems can have significant impact on employees’ attitudes and behaviours. Accordingly, Kurdish management should seriously look at their PA in such a way that the raters are motivated to provide fair appraisals, as the latter play a vital role in motivating and inspiring employees. This study may be instructive to organisational leaders in helping them understand more clearly the advantages of conducting fair evaluations and the most key outcomes that emerges from applying it. Specifically, Kurdish management wanting to enhance a variety of job outcomes should begin with improving PA fairness. Managers can help to maximise and maintain superior social exchange process by offering fair appraisal systems and should be cognizant of the mediating influence of job satisfaction, trust in management, and organisational commitment.

The present study may help international banks working in Kurdistan Region to refine and maintain their human resource practices and leadership training to develop a more appropriate culture that is consistent with Kurdish culture. In light of this, International banks can conduct similar research in other countries that could assist them effectively cultivate a more productive corporate culture in different working contexts. Understanding the differences of the concept of PA fairness, work attitudes and behaviours between different countries may help facilitate diversity training and may contribute to improve the quality of trade transactions between countries. Shao et al. (2013) show that the effect of different forms of fairness on a wide range of employee outcomes differ across cultures. Past studies have shown that PF is more strongly associated with work outcomes in Western countries while DF is more strongly associated with work outcomes in Eastern countries (Pillai et al., 2001). Moreover, there is a probability that
cultural norms such as religion can impact on respondents’ responses to fairness. A study conducted by Tlaiss (2015) on working context dominated by Islamic culture, demonstrates that Islam puts the emphasis on the three aspects of fairness, and it urges managers to show procedural, distributive and interactional fairness in their dealings with employees. According to the Islamic Work ethic, job-related goals are deemed as an ethical commitment that should be fulfilled even in the absence of fairness (Khan el al., 2015).

Cropanzano et al. (2007) showed that organisational fairness can benefit both organisation and employee. Similarly, a high level of work attitudes and behaviours can serve to benefit the employees. For example, job outcomes influence reducing stress, increasing well-being and morale, and can lead to greater recognition and reward (Podsakoff et al., 2009).

Skarlicki and Lathman (2005) point out that training in organisational fairness will contribute to promote employees perceptions of fairness in the workplace. This kind of training can be used to give bank managers’ practice at communicating performance information in a sensitive manner. Among the topics of fairness are individuals’ performance measures, principles of dignity and respect, diminishing the differences between actual and expected performance rating. These courses can help banks to equip managers with the key skills required to enhance fairness in the work environment.

The findings promote the notion of mutual reciprocity as the centre on which a social exchange-based employment relationship revolves and the consequent challenges for banks to manage mutual reciprocation effectively. Managers should conduct performance appraisals in ways that employees see as fair in order to use them as a currency or manner to influence employee job-related attitudes and behaviours. It is important to direct the Kurdish management attention to the importance of the mutual reciprocal in the social exchange relationships. This is because fair treatment of employees engenders a set of desirable outcomes. This study highlights the axial role played by reciprocity in building mutual feeling between banks and employees. Practically, managers in the public banking sector in Kurdistan can benefit from the notion of mutual reciprocity to strengthen the relationship between banks and employees and thus serves to support banks interests.
6.9 LIMITATIONS

This research has a few limitations which need to be acknowledged. First, the data was acquired from employees in the Kurdish public banking sector and a convenience sample procedure was used. The results have limited generalisability to the Kurdish and other Islamic working contexts. Replication in other fields and settings is required to verify the results of the current study. However, the present research provides theoretical insights into the relationship between PA fairness and employee attitudes and behaviour and has some generalisability in Islamic contexts.

Second, the data were collected through a sequential design which is prone to a declining response rate over time. Even though sequential data offers better explanation and addresses problems compared with cross-sectional data, all sequential research has the possibility to be influenced by participant attrition. For example, in the current study many participants dropped out in the middle of the survey such as in the second wave or third wave of data collection, and it was not possible to follow up to ask them to complete it. The sample decreased from 620 at Time 1 to 500 at Time 2 and to 369 at Time 3. However, this limitation is not deemed as dangerous because the final sample obtained was a large enough to create reliable data.

Third, PA fairness was examined in a limited way. Only fairness perceptions pertaining to appraisal were examined. Appraisal is one of many human resource management practices and other practices such as recruitment and selection, involvement, career management, compensation and rewards may play a prominent role in shaping employees attitudes and behaviour. Further research needs to broaden the examination by including these practices.

Fourth, tests for further mediating variables (e.g., job involvement, organisational identification and work effort) should be examined. Models including other mediation effects are important in this line of inquiry. In other words, there is a possibility that if other mediating variables are included in the model, a better fitting model will be determined.

Fifth, this study used multiple mediation and regression analysis to test mediating effects with the PROCESS macro provided by Preacher and Hays (2008). The macro includes a single-step multiple mediator model. Thus, several separate mediation tests were carried out to create 12 mediation results in total. On the other hand, there is a possibility to conduct all the mediation relationships in a single step through using structural equation modelling (SEM). Therefore,
future studies could to use structural equation modelling to test mediators particular if the model involve multiple mediators that affect each other.

Lastly, the data were collected in the public banking sector in Iraqi Kurdistan. Even though this study offers a broader application in a public sector examining PA fairness impact, an extension of PA fairness theory cannot completely be generalised to the business sector in Kurdistan Region. It is necessary to conduct PA fairness research in the private sector, as well as different public organisations.

6.10 DIRECTIONS FOR FUTURE RESEARCH

This study produces exciting findings in the domain of PA fairness and employee attitudes and behaviour in public banking sector in Iraqi Kurdistan. This study can be developed in several ways.

First, in order to establish a more generalisable model of PA fairness and its related effects, a replication this study could be carried out in other sectors in the Middle East.

Second, the present research postulated that the relationship between PA fairness and employee attitudes and behaviour could be explained through social exchange theory. However, the assumptions of this theory were not completely tested. Future studies should investigate the assumptions of social exchange theory and consider the influences of PA fairness on achieving the satisfaction of the key psychological needs and whether the satisfaction of these needs might associate with a variety of job outcomes.

Third, although the study has shown the importance of analysing the mediating relationship between PA fairness and employee behaviour, further studies are needed to broaden the field of study. For example, developing complicated models which could involve different factors such as marketing and financial dimensions with employee outcomes. This could obtain better understanding of the causal chain that links PA fairness and work performance.

Fourth, the present research has presented empirical evidence of the important role exerted by a set of mediators on the relationship between PA fairness and organisational citizenship behaviour. However, it is possible that there are moderator variables still waiting to be discovered. Future research may consider the moderating influence between PA fairness and behavioural outcomes such as organisational support, job autonomy and empowerment.

Fifth, this research only focussed on organisational citizenship behaviour. While this has been connected with organisational effectiveness, future research should examine other behavioural
outcomes such as job performance and turnover intention. The possible negative effects of PA fairness also should be considered.

Finally, given a survey was used in this study, it would be better if more than one method were employed comprising employees or managers interviews and quantitative measurement of employees effectiveness. These methods may provide comparable data and strength the reliability of conclusions.

6.11 CONCLUSIONS

Most hypotheses were supported, broadly indicating that PA fairness is related to employee attitudes and subsequently to behavioural outcomes. Specifically, it was found that forms of PA fairness were directly related to job satisfaction, trust in management and organisational commitment, and that these attitudes were directly related to organisational citizenship behaviour. Although forms of PA fairness were not directly related to organisational citizenship behaviour, they were related to organisational citizenship behaviour indirectly through the mediating effect of employee attitudes. Therefore, bank managers and policy makers should seek to apply fair performance evaluations that enhance the positive attitudes and behaviour of employees at work and generate for them opportunities to use their skills. This, based on the present research, should foster employees’ wishes to serve the workplace and to a greater degree achieve the fit between individuals and organisational goals and values. Also, high levels of PA fairness should contribute to increasing positive employee attitudes toward their jobs. In combination, these results will benefit organisations through displaying higher level of job satisfaction, trust in management, organisational commitment, and organisational citizenship behaviour. In this context, when the perception of PA fairness is high, employees’ motives to deliver favourable work outcomes is also high. This could be a valuable starting point towards the improvement of management strategies for increase understanding of organisational justice in the PA process.

Findings indicate that DF was not related to affective or normative commitment which implies that an increase in DF does not directly influence affective and normative commitment. Consequently, affective and normative commitment did not play a mediating role in the relationship between DF of performance appraisal and organisational citizenship behaviour. The findings revealed that PF and IF, but not DF, are important in predicting affective and normative commitment. These results suggest that some fairness dimensions of PA may
become the focus of the employees judgment and evaluation of the justice in organisations under some situations whereas in others may assess them as unrelated.

The study revealed that the mediating effects of job satisfaction and trust in management were stronger than that of affective and normative commitment and demonstrates the relative importance of all three dimensions of PA fairness. The study highlights the vital role of IF in a performance appraisal context to predict job satisfaction, affective and normative commitment more strongly than PF and DF.

In this research, no significant differences in perceptions of PA fairness were found between employees according to age and years of work. These two demographic variables exerted a minor role in individuals’ perception of PA fairness.

Organisations should consider performance evaluations, creating favourable work outcomes, avoiding and averting negative outcomes through conducting performance appraisals in ways that employees see as fair. Managers can thereby employ this information to effectively create an efficient PA system that will lead to improve job performance. In conclusion, the implementation of fair PA has a significant effect on enhancing positive employee attitudes and behaviour at work.
Appendices

Appendix 1(A): The English Version of the Questionnaire

1. **Name of your Bank:** -----------------------------------------------

2. **Gender:** Male [ ] Female [ ]

3. **Age:** ---------

4. **Position in the bank:** Senior [ ] Middle [ ] Junior [ ]

5. **Number of years worked at the bank:** -------

6. **Educational level:**
   - Secondary school certificate or less [ ]
   - Two years diploma after secondary school [ ]
   - University degree [ ]
   - Higher degree [ ]
### Section One: Dimensions of Performance Appraisal Fairness

<table>
<thead>
<tr>
<th>NO.</th>
<th>Statements</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neither agree nor disagree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>PF1</td>
<td>I am able to express my views and feelings during the performance appraisal meeting</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>DF1</td>
<td>The outcome of performance appraisal process reflects the effort I have put into my work</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>IF1</td>
<td>During the performance appraisal meeting, my appraiser treated me in a polite manner</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>PF2</td>
<td>I have influence over the outcomes of performance appraisal procedures</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>DF2</td>
<td>The outcome of performance appraisal process is appropriate for the work I completed</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>IF2</td>
<td>My appraiser treated me with respect and dignity during the performance appraisal meeting</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>PF3</td>
<td>The procedures followed during performance appraisal process have been applied consistently in my organization</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>DF3</td>
<td>The outcome of performance appraisal process reflects what I have contributed to the organization</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>IF3</td>
<td>My appraiser refrained from improper remarks or comments</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>PF4</td>
<td>The procedures followed during performance appraisal process are free of bias</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>DF4</td>
<td>The outcome of performance appraisal process is justified, given my performance</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>IF4</td>
<td>My appraiser was candid in (his/her) communications with me</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>PF5</td>
<td>The performance appraisal procedures are based on accurate information</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>IF5</td>
<td>My appraiser explained the procedures of the performance appraisal process thoroughly</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>PF6</td>
<td>I can appeal against the outcomes arrived at by the performance appraisal procedures</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>IF6</td>
<td>My appraiser communicated details regarding the performance appraisal process in a timely manner</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>PF7</td>
<td>The performance appraisal meetings upheld ethical and moral standards</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>IF7</td>
<td>My appraiser tailored (his/her) communications to my specific needs</td>
<td>1</td>
<td>2</td>
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</tr>
</tbody>
</table>
**Section Two: Employee Work attitudes**

<table>
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<tr>
<th>NO.</th>
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<th>Disagree</th>
<th>Neither agree nor disagree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>JS1</td>
<td>My job keeps me busy all the time</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>AC1</td>
<td>I would be happy to spend the rest of my career with this organisation</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>TM1</td>
<td>I believe my employer has high integrity</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>JS2</td>
<td>My job allows me to work alone</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>AC2</td>
<td>I really feel as if this organisation’s problems are my own</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>TM2</td>
<td>I can expect my employer to treat me in a consistent and predictable fashion</td>
<td>1</td>
<td>2</td>
<td>3</td>
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<td>5</td>
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<tr>
<td>JS3</td>
<td>My job allows me to have a variety</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>AC3</td>
<td>I do not feel a strong sense of “belonging” to my organisation</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>TM3</td>
<td>My employer is not always honest and truthful</td>
<td>1</td>
<td>2</td>
<td>3</td>
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<td>5</td>
</tr>
<tr>
<td>JS4</td>
<td>My appraiser handles his/her employees well</td>
<td>1</td>
<td>2</td>
<td>3</td>
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</tr>
<tr>
<td>AC4</td>
<td>I do not feel “emotionally attached” to this organisation</td>
<td>1</td>
<td>2</td>
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<tr>
<td>TM4</td>
<td>In general, I believe my employer's motives and intentions are good</td>
<td>1</td>
<td>2</td>
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<td>5</td>
</tr>
<tr>
<td>JS5</td>
<td>My appraiser is good in making decision</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>AC5</td>
<td>I do not feel like “part of the family” at my organisation</td>
<td>1</td>
<td>2</td>
<td>3</td>
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</tr>
<tr>
<td>TM5</td>
<td>I don’t think my employer treats me fairly</td>
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<td>2</td>
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</tr>
<tr>
<td>JS6</td>
<td>My job provides for steady employment</td>
<td>1</td>
<td>2</td>
<td>3</td>
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<td>5</td>
</tr>
<tr>
<td>AC6</td>
<td>This organisation has a great deal of personal meaning for me</td>
<td>1</td>
<td>2</td>
<td>3</td>
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<td>5</td>
</tr>
<tr>
<td>TM6</td>
<td>My employer is open and upfront with me</td>
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<td>2</td>
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<tr>
<td>JS7</td>
<td>My job allows me to make use of my abilities</td>
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<tr>
<td></td>
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</tr>
<tr>
<td>NC1</td>
<td>I do not feel any obligation to remain with my current employer</td>
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<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>TM7</td>
<td>I am not sure I fully trust my employer</td>
<td>1</td>
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<tr>
<td>JS8</td>
<td>My bank policies are put into practice well</td>
<td>1</td>
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</tr>
<tr>
<td>NC2</td>
<td>Even if it were to my advantage, I do not feel it would be right to leave my organisation now</td>
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<td>2</td>
<td>3</td>
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<tr>
<td>JS9</td>
<td>My job pays well for the amount of work I do</td>
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<td>2</td>
<td>3</td>
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<tr>
<td>NC3</td>
<td>I would feel guilty if I left my organisation now</td>
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<tr>
<td>JS10</td>
<td>My job provides the chance for advancement</td>
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<tr>
<td>NC4</td>
<td>This organisation deserves my loyalty</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
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<tr>
<td>JS11</td>
<td>My job provides the freedom to use my own judgement</td>
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<td>2</td>
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<tr>
<td>NC5</td>
<td>I would not leave my organisation right now because I have a sense of obligation to the people in it</td>
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<td>2</td>
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<td>5</td>
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<tr>
<td>JS12</td>
<td>My appraiser praises me for doing a good job</td>
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<td>2</td>
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<td>5</td>
</tr>
<tr>
<td>NC6</td>
<td>I owe a great deal to my organisation</td>
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</tr>
<tr>
<td>JS13</td>
<td>My job provides me with a feeling of accomplishment</td>
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<td>2</td>
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</tr>
</tbody>
</table>
### Section Three: Organisational Citizenship Behaviour

<table>
<thead>
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<th>NO.</th>
<th>Statements</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neither agree nor disagree</th>
<th>Agree</th>
<th>Strongly agree</th>
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<tbody>
<tr>
<td>OCB1</td>
<td>I help others who have been absent</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
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<tr>
<td>OCB2</td>
<td>I help others who have a heavy workload</td>
<td>1</td>
<td>2</td>
<td>3</td>
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<tr>
<td>OCB3</td>
<td>I am always ready to help those around me</td>
<td>1</td>
<td>2</td>
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<tr>
<td>OCB4</td>
<td>I am willing to give my time to help others who have work-related problems</td>
<td>1</td>
<td>2</td>
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<tr>
<td>OCB5</td>
<td>I often make innovative suggestions to improve my department</td>
<td>1</td>
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<tr>
<td>OCB6</td>
<td>I always try to adopt improved procedures for the work unit or department</td>
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<tr>
<td>OCB7</td>
<td>I always try to institute new work methods that are more effective for this organisation</td>
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<tr>
<td>OCB8</td>
<td>I always try to implement solutions to pressing organisational problems</td>
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<td>OCB9</td>
<td>I never come in late without permission</td>
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<td>OCB10</td>
<td>I always follow bosses’ instructions</td>
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<td>OCB11</td>
<td>I never leave work early without permission</td>
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<td>OCB12</td>
<td>I conscientiously follow organisational rules and procedures</td>
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<td>OCB13</td>
<td>I rarely miss work even when there is a legitimate reason to do so</td>
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<td>OCB14</td>
<td>I am often a stabilizing influence when others in the organisation have disagreements</td>
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Appendix 1(B): The Kurdish Version of the Questionnaire

زاینده گیشه:
نامانج لهیم بهشه فعومیه بو یهبدوست هیچ‌یک زاینده گیشه ده‌بی‌ده فحتمان‌هاین. تکایه نیشانه یان و نامی راست بیانه به‌راتب

1- ناوری لهیم یکی کاری تی دا ده که؟: -------------------------------------

2- هزینه‌نه: نیا  می

3- تعیین: ---------

4- پلیدی و پودیمی له یانگ: نامین نژم  نامین نازند  نامین بهز

5- سالان خدمت له یانگ: -----------------

6- بروانامه زانسی: بروانامه دو‌اودی دانویدی یان نژم  بروانامه دو‌اودی بابا (ماسته یان دکتو)
| رزمندی | 
|---|---|
| PF1 | به کمک لحظه‌گیری کی دیارم به‌مسر لحظه‌گیری همسان‌گر کار دا همیهً در به‌خاطری بررسی همسان‌گر کار گذه‌ی‌ها به انجام‌داده‌ی‌که (به‌خاطر دها) |
| DF1 | لحظه‌گیری کی دیارم به‌مسر فعّالیت‌های کار ده‌ی‌ها به‌پردازی‌های راست‌موخوم‌ها به‌به‌ی‌ده‌ها لحظه‌گیری کی فعّالیت‌های کار ده‌ی‌ها به‌پردازی‌های راست‌موخوم‌ها به‌به‌ی‌ده‌ها |
| IF1 | به‌خاطر به‌خاطر‌های همسان‌گر کار ده‌ی‌ها به‌پردازی‌های راست‌موخوم‌ها به‌به‌ی‌ده‌ها |
| PF2 | 
| DF2 | لحظه‌گیری کی دیارم به‌مسر فعّالیت‌های کار ده‌ی‌ها به‌پردازی‌های راست‌موخوم‌ها به‌به‌ی‌ده‌ها |
| IF2 | به‌خاطر به‌خاطر‌های همسان‌گر کار ده‌ی‌ها به‌پردازی‌های راست‌موخوم‌ها به‌به‌ی‌ده‌ها |
| PF3 | 
| DF3 | لحظه‌گیری کی دیارم به‌مسر فعّالیت‌های کار ده‌ی‌ها به‌پردازی‌های راست‌موخوم‌ها به‌به‌ی‌ده‌ها |
| IF3 | به‌خاطر به‌خاطر‌های همسان‌گر کار ده‌ی‌ها به‌پردازی‌های راست‌موخوم‌ها به‌به‌ی‌ده‌ها |
| PF4 | 
| DF4 | لحظه‌گیری کی دیارم به‌مسر فعّالیت‌های کار ده‌ی‌ها به‌پردازی‌های راست‌موخوم‌ها به‌به‌ی‌ده‌ها |
| IF4 | به‌خاطر به‌خاطر‌های همسان‌گر کار ده‌ی‌ها به‌پردازی‌های راست‌موخوم‌ها به‌به‌ی‌ده‌ها |
| PF5 | 

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<th>رزمان‌ها</th>
<th>دسته‌وارده کان</th>
<th>نام</th>
<th>نام تجربی</th>
<th>نام کارشناسی</th>
<th>نام واحد</th>
<th>نام گروه</th>
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<td>تیشه کم وام لیتکس‌های گردنی به دریابی‌های بروکس وله بهانه دا بایدی به کار کوهم کاره کم بدهم</td>
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<td>AC1</td>
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<td>برساین همیشه ده کم گرفته کان بانک گرفته که سنی خومن</td>
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<td>AC2</td>
<td>ده سورت پیش‌بنج به بکم که کار گیری بانک به‌میاده‌های گروه‌های هم‌سازی که له گلم ده کام</td>
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<td>که گرم‌گرایی‌هایی کارکنانه به دست‌هیه‌های، لغ‌های‌کریزی‌های پی‌یم‌های واکه که</td>
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167
نهو کری یکه که وقیقو دکم بهیهی نمو کاریمیه که لحظهی دیدگم

همست به توان ده کم نه گذر نمو یانکی که نیستی کاری تیبا دکم

جی سی یلیم

ئیشه کم هعل پیشتختی کاره کم به فرادههم دکات

نهو یانکی شایسته نموپدی که بؤی دلسر و گوویرهان م

NC4

ئیشه کم ریکام هبیدهدا که نموی چوناکم به گوریمخه م لکاردا

NC5

به کیک لدو نمو کارانی که پانگیده به مانموه مباین نسیمهم به جوریکله

نه خلاقیه شیشکردنه بهرامی به هاویکارانم

نیشی هچه کم ریکم پیدهدا که نموی چوناکم به گوریمخه م لکاردا

JS12

نیشی هچه کم ریکم پیدهدا که نموی چوناکم به گوریمخه م لکاردا

JS13

به برفه‌هی راسته‌هع می‌ساکم دکات له کیچامیه هعلسان به کاریکی

بایش

من زور فرع زاری نمو یانکی که کاری تیبا دکم

NC6
<table>
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<tr>
<th>روزنامه</th>
<th>نام کار</th>
<th>دسته‌بندی کار</th>
<th>توضیحات</th>
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<td>OCB2</td>
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<td>OCB14</td>
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### Appendix 2 Mediation Results

### Appendix 2 (A) The product of coefficient results for the Path a and b

<table>
<thead>
<tr>
<th>Relationship</th>
<th>Standardised Regression Coefficients</th>
<th>t-Value</th>
<th>P- Value</th>
<th>Direct Effect</th>
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<td>PF(Time 1) → JS(Time 2)</td>
<td>.346*</td>
<td>4.340</td>
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<tr>
<td>PF(Time 1) → TM(Time 2)</td>
<td>.242*</td>
<td>6.359</td>
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<td>PF(Time 1) → AC(Time 2)</td>
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<td>PF(Time 1) → NC(Time 2)</td>
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<tr>
<td>DF(Time 1) → JS(Time 2)</td>
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<td>DF(Time 1) → NC(Time 2)</td>
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<td>IF(Time 1) → JS(Time 2)</td>
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<td>IF(Time 1) → TM(Time 2)</td>
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<td>TM(Time 2) → OCB(Time 3)</td>
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## Appendix 2 (B) The Bootstrapping Results for the Indirect Effects

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Appendix 3 Confirmatory Factor Analysis

A. Model Fit of Procedural Fairness

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B. Model Fit of Distributive Fairness

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### C. Model Fit of Interactional Fairness

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### D. Model Fit of Job Satisfaction

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### E. Model Fit of Trust in Management

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### F. Model Fit of Affective commitment

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### G. Model Fit of Normative commitment

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### H. Model Fit of Organisational Citizenship Behaviour

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References


Alkadiri, R. (2010). Oil and the Question of Federalism in Iraq. *International Affairs, 86*(6), 1315-1328.


Gunter, M. M. (2009). *From A to Z of the Kurds*. Lanham, MD; Toronto; Plymouth, UK.


