# Investigating the Relationship of Employee Performance Appraisal and Employee Engagement; Moderating Role of Organizational Justice and Mediating Role of Trust

# **CHAPTER 1**

# Introduction

# 1.1 Background

The current era business has become extremely dynamic. Due to globalization and technological advancement, competition is on its extreme. Business has changed from traditional to global market. Due to the advancement in technology and business, it has been understood that the real assets of the organization is its employees, which could lead a company to market leader. For growth of a company, proper performance appraisal, organizational justice, and trust level must be present which will lead an employee to engage in work. According to Chen and Eldridge (2010), performance appraisal is the formal interview between the supervisor and subordinate, based on which action plans are made while keeping in view the previous onjob performance and future development needs. Lower notice has been paid to employee performance appraisal system and its implication to the engagement of the employee, while it is a main aspects to the improvement of organization in sustaining competitive advantage (Nair & Salleh, 2015). A single mistake in Employee Performance Appraisal system can lead employee to demotivation. Demotivation can be in shape of loss of goals, low performance, absenteeism, turnover etc. Employee performance appraisal is tough time job. It is challenging to evaluate and rank employees in organization, which involve many factors. A good employee performance appraisal system will lead the employee to engagement at work (Chen & Eldridge, 2010).

In recent decades, constructing an engaged workforce is focus for HR supervisor. It is due to the experimental study, which has revealed that worker engagement can create a significant addition to workplace bottom line. For example, in a seminal work it is revealed that staff engagement is linked with optimistic results as, productivity in advanced levels, cost-effectiveness, client gratification, loyalty and reduced employee turnover across around eight thousand business units of thirty six corporations (Harter, Schmidt, & Hayes, 2002). Basing on these results, he determined that employee engagement "associated with productive business results at a scale that is vital to various establishments". Additionally, at employee level, a solid work engagement is revealed to noticeable in required results like, better commitment and satisfaction, enhanced health and well-being, more organizational commitment and superior performance (Schaufeli, Taris, & Bakker, 2006). Based on these findings, an involved staff is a dynamic basis for competitive advantage for organizations, mainly knowledge intensive companies.

As mentioned before, there are many evidences that high point of work engagement could have substantial advantages for both personnel as well as organizations. The question is that what elements could allow organizations to shape and keep an involved staff? Much attention has been given to the resources of the job (e.g. managerial training, feedback of the performance of the individual, control of job and the support of the society) and personal resources (e.g. confidence and self-efficacy) for making individual to engage at work (Bakker & Demerouti, 2008). In order to achieve a profound understanding in the notion of engagement, study in such field requires to cross the outdated backgrounds and former investigations by exploring possible sources of this concept. Macey and Schneider (2008), recently claimed that existence of a helpful and believing work environment is vital for improving individual engagement. Social exchange theory has been drawn by Blau (2017) in order to describe the trust and work engagement connection. This concept means when one group offers a profit to other group, a responsibility is made on the side of the group getting advantage to respond in likewise constructive and helpful behaviors. An engaged individual devote his time, vigor and own possessions, on the belief that organization would recognize them and their input and consequently will reward them (e.g Macey & Schneider, 2008). Therefore, whenever employee expects that organization would pay him for his hard work, he is more probably to respond under the standards and rules of social exchange by showing high point of engagement (e.g Saks, 2006). Likewise, trust relations among workplace employees inspire them to participate in risk 2 taking behaviors like, cooperation, knowledge sharing and assisting peers in necessity because they sense assured that their actions would be responded in the future. Positive behaviors among members of the team foster closer bonding and these closer ties result in increased levels of work engagement (Carmeli, Brueller, & Dutton, 2009). Macey and Schneider (2008b), determined "trust (inside of organization, supervisor, the manager) is important for increasing the possibility that engagement behavior will be showed". Although an important effect on worker's engagement is the trust in supervisor and colleagues or team worker. Astoundingly, no preceding research to our information has empirically showed the association between these two constructs. Current research tries to fill the current void by investigative the effects of trust individual engagement working in context of the university. Enhancing the effectiveness and efficacy of these universities is important for supporting financial development of knowledgebased economies. This research debates that the achievements of universities could be improved by promotion engagement of the lecturers performing their duties in these universities. It is additionally suggested that an atmosphere of trust can perform an essential part in achieving this objective.

It's a known fact that trust works as a key in enhancing engagement level of the employee because it is the trust through which employee feels confident in organization and in its system. Adding more, Kramer and Lewicki (2010), revealed that specialized knowledge organizations operated by workers with equivalent schooling and coaching are possibly to profit from constructive probable trust acknowledgment erected on social identification.

From hypothetical opinion, this investigation is significant by investigating the association between trust and employee engagement, it in detail elaborates homological network of work engagement and accordingly offers new understandings in this developing perception. Present paper adds to trust works by discovering the impact of trust level in individual, which could lead to work engagement. Adding further, this research is beneficial from practical viewpoint because it recognizes novel path in the form of trust by which organization could grow an engaged staff. In a meta-analytic evaluation, it was established, that trust in manager was a sturdier forecaster of job level results such as, job performance and job gratification. It is further said that trust in top level was much foretelling of organization engrossed results like

organizational engagement (e.g Dirks & Ferrin, 2002). In such context, trust in group, individual adopts importance because study has revealed that trust in individual can play a dynamic part in engagement.

Low attention is paid to employee performance appraisal and its implementation on individual engagement. Even though the part of trust as a catalyst to numerous institutional relations are documented, less is acknowledged of its effect on performance appraisal justice and individual engagement (Nair & Salleh, 2015). Employee engagement is popular and widely used term. Employee engagement has been acknowledged by many researchers and has crucial factors in leading an organization to success and sustaining competitive advantages. Numerous models and concepts have been advanced in the literature that offer an outline for improving of staff engagement. Basing on ethnographic work of Kahn (1990), he proposed 3 (three) psychological-conditions which function as backgrounds of individual engagement: they are as, (i) Psychological meaningfulness, (ii) psychological safety, and (iii) psychological availability.

The first one "psychological meaningfulness" means an individual's own trust concerning how important it is to mold himself to a role performance. This research related with the view that employee is getting a profit on asset of one's "self-in-role" and with enticements to involve. Kahn (1990), found three elements, which influenced meaningfulness of duty. They were task characteristics, role characteristics and work interactions.

The second one is the "psychological safety", which contains a persons' view of how be safe while performing a task with the anxiety of harm to his own image, position or profession. This has been related with consistent, foreseeable social settings that have vibrant limits of suitable behavior in which an individual sense harmless to risk, self-expression. According to Kahn (1990), he established four aspects which impact psychological safety. They were personal relationships, group and intergroup dynamics, management style, and customs.

Last but not the least, psychological availability relates to a person self-view of how available one is to bring himself into a role. This has been related with the physically, emotionally and psychologically resources individual can bring to their role performances. Kahn (1990), proposed four distractions that affected psychological availability: depletion of physical energy, depletion of emotional energy, insecurity, and outdoor existence.

Khan's psychological state was operationalized by (May, Gilson, & Harter, 2004) and they advanced scale to measure appearance of own physically, cognitively, and emotionally in his own work role. These three dimensions vigor, devotion and absorption are renowned earlier by (Wilmar Schaufeli & Salanova, 2007).

It was further noted that engagement was not definite condition rather it is 'more determined & universal affective-cognitive condition. It is not concentrated on any specific entity, even, an employee, or behavior'. Managers now know of the fact that initiative of operational and process enhancement to heighten organization's (Kompaso & Sridevi, 2010) performance will not be possible without he participation and engagement of employees. Employee Engagement investigations have received an extensive attention among educational sectors. It is usually reported the percentages of workers that were engaged in their wok and associations between engagement and organizational performance results (e.g Klie, 2007).

Now managers has the notion that for enhancement of process and gaining competitive advantages engagement of employees engagement is necessary (Kompaso & Sridevi, 2010). Hence, this factor has been accepted as vitally important for the enhancement and development of organizations. Though engagement investigations are used as criteria for individual engagement in workplace. The usage of an engagement investigation has much limitation for the management of individual engagement.

First, this depends on workers' self-thinking levels of engagement. There are plenty indications in works of a self-serving prejudice once staffs address their personal conduct i.e like performance & absence (Jones, 1995).

Furthermore, secondly best method for enhancing individual engagement may rest on each worker rather than combined levels of many working situations. For instance, giving extra manager livelihood isn't possibly to develop the commitment of staffs who already observe an adequate level of provision or for those who are much worried about other features of their work. Third, changes to numerous factors of commitment are not to have a durable and permanent result on commitment if likewise changes are combined with other portions of the workplace & human resource system.

Fourth, the practice of engagement studies is an organizational-level style and not allow institutions to grow and observer the commitment of employees and make the individual liable for his or her engagement.

The commitment of employee is a novel coined idea by Macey and Schneider (2008b) and it is said, that the effect produced employee engagement can be dissimilar from the factor makes more traditional worker's outcomes such as job fulfilment and organization engagement. Many writers has appreciated worker engagement as crucial driver of employee Performance, behavior and attitude and organizational performance, retention, shareholder return, productivity and retention (Schneider, Macey, Barbera, & Young, 2010).

Apart from the significance of individual engagement in a company, combined with the developing disengagement between employees in this era, primary concern is to know to increase engagement of employees. It is noted by Macey and Schneider (2008b) many definitions of construct, but all agrees on that engagement of employees is important, it has a purpose for organization, and also has behavioral and psychological facets in that it includes liveliness, passion, and attentive effort. According to Harter et al. (2002) individual engagement is "person's participation and contentment with, as well as zeal for work". Wilmar Schaufeli and Salanova (2007) propose that involved worker is enthusiastically & efficiently associated to his or her duty. It could be done by the investment of a person's self in task activities. In one of his studies on employee commitment proposed that engagement includes 'the exploiting of workplace employee's characters to his or her task roles. An engaged worker set himself or herself physically, mentally, and emotionally at the time of role and task performances'. In contrary to dis-involvement and withdrawal contains the detachment of institution individual's from his or her duty. 'In withdrawal or disengagement, individual extract & protect himself emotionally, mentally, or physically at the time of task completion. Kahn (1990) additionally, added that, individual engagement is the immediate or concurrent employment and expression of an individual's 'preferred self' in task behaviors which inspire to work with peers, individual

existence (emotional, cognitive, and physical), and active role performances. Study of Harter et al. (2002) revealed that individual commitment associated to variety of optimistic corporate results such as, advanced levels of productivity, client gratification, devotion and reduced employees turnover across nearly 8,000 corporate units of 36 corporations. Moreover, at worker level, a rich work commitment has been revealed to noticeable in required results like, better engagement and satisfaction, and greater performance (Demerouti & Cropanzano, 2010). Taking all of the above findings together it, proposed that an engaged employee is an important foundation of competitive advantage for organizations, mainly knowledge intensive firms. Employee engagement shows outcomes of organization and financial success. This term has been defined from different angles which sound like Organization citizenship behavior (OCB), and organization commitment (e.g Saks, 2006). It has become a serious issue in recent decades among many consulting organizations and business press. The key features of trust are honesty, competence, reliability, devotion and openness and vice versa.

A significant characteristic of performance management system is performance appraisal. Performance appraisal is the episodic assessment of individual work output which is measure against certain expectations or pre-standards while performance appraisal system encompasses all the processes and steps governing or taken in performance appraisal (Abu-Doleh & Weir, 2007). Performance appraisal will not be beneficial and will not fulfil its objectives if the users (rate or rater) do not perceive of approve performance appraisal fair or think it just fair. Employees will offer something in return i.e. engagement if they perceive or think their performance appraisal.

Apart from employee performance appraisal, it is necessary to maintain organizational justice to sustain trust-level of the individual in the system. Trust and trustworthiness are two key elements for social capital, both trust, and trustworthiness rise when both employees are closer socially. In a society, level of trust predicts its economic success. To keep employee engaged, manager shall ensure that employee has trust on employee performance appraisal system. Both organizational justice and trust play key role in employee's engagement. Trust affirms an alternative for hierarchical control in organization. It shows a belief and assurance in an individual, coworker or an organization's fairness and reliability (Appelbaum et al., 2004).

Maintaining trust level of employees is necessary for managerial effectiveness and organizational performance: it promotes a free well cooperation which is necessary (Atkinson & Butcher, 2003), it works as lubricants for organizational process.

## **1.2** The concept of trust

Trust, is progressively observed as main factor of employee and organizational efficiency. Many researches confirmed improved points of trust that could provide estimated output such as, improved co-operation; better exchange of information and thoughts; extra optimistic approaches and behaviors; better promise to organizational change initiatives and organization performance (Redman, Dietz, Snape, & van der Borg, 2011). Such results show that organization trust can verify to be influential sources of a company's competitiveness. Now it is largely known that trust is a multi-dimensional construct (Gillespie &Dietz, 2009) having cognitive and affective aspects. Cognitive type of trust carry out problems like reliability, honesty and capability of another party (Mayer, Davis, & Schoorman, 1995). It has been claimed that affective trust has special relationship where coworkers care for each other's. Competence word shows the skill of the trustee, reliability show steadiness between action and words while openness is another word which point out to honest and clear communication, and concern denotes the faith of the trustor's that the trustee cares about her or him (Mishra & Mishra, 2008).

Staples (2001), showed in his study that distant staffs and their differences from non-remote staffs. In result, they showed the relational trust of the employees in their subordinate and supervisor, which were found strongly, linked to greater self-perceptions of performance, greater job happiness and minor job pressure. Results for both distant and non-distant were was similar. Trust is the confidence and belief in a worker or institution's fairness, honesty, and consistency. He recognized two aspects of trust: Cognition-based trust and effect-based trust. Previous means that high level of trust had meaningfully higher job satisfaction. After studying all the circumstances it was known, that job satisfaction scored greater for the high trust respondents vs low trust groups. It is understood that worker with high trust worked under less tension but respondents with less trust were of its negative condition. Side by side, trust has stronger influence on job satisfaction rather than affect-based trust on distant worker.

Managing of employees in an organization is very hard work. It is not an easy task. Changing an experience and old employee with a new employee could have an undesirable influence on the organization in shape of an impact on business productivity and increase in production cost. Many studies have proven that effectiveness have been decreased by the turnover of employee. Turnover is a materialization of perception and negative evaluation from an employee to the alternative of his job (Mobley, Griffeth, Hand, & Meglino, 1979). Saying it, in other words an employee with high turnover intention will not leave his organization before he finds new job, which can create a better satisfaction than his current job. This job could be the same or different job in other organization. The whole discussion is based on his satisfaction in an organization because of his conception of organization justice. Basing the appraisal, an employee could be satisfy or dissatisfy in an organization.

A harmonic and comfortable work environment can be gain through justice. Every positive action based on justice by the leader can create a positive reaction in organization (Tatum, Eberlin, Kottraba, & Bradberry, 2003). Thus, organization justice is a determining element, which can make a person to leave or stay in an organization. If a worker think that he has treated unfairly, his commitment with organization will decline, will become disobedient and ultimately will leave the organization (Robbins & Digby, 2003). This concept can be further strengthen by the study of Al-Zu'bi (2010), he finds the belief that if an employee in organization is treated with justice, it will play a vital part in employee engagement. Many studies showed the linkage of organizational justice with organization output such as productivity, employee commitment, engagement and job satisfaction. According to Mohyeldin Tahir Suliman (2007) if an employee believe that he is treated unfair, it will cause declining his/her job satisfaction and performance. Research from Jahangir, Akbar, and Begun (2006) find a positive correlation between unjust treatment in the organization to employees' desire to quite the organization. Negative results are found in result of injustice within the organization in shape of increased job stress, decrease of satisfaction and turnover intention. The feeling of being treated fairly in term of comparison between performance and reward will have an influence on job satisfaction and will increase employee willingness to meet demands of job (Janssen, 2001).

In city of Peshawar, there are many public sector universities where lecturers held master and doctoral degrees. This high level of education is closely related to the ability of the lecturers to understand the meaning behind their universities' actions, therefore, if they are treated unjustly, just like an employee in company, the lecturers would feel a dissatisfaction, and would potentially lead to a desire to quite the private institute where he taught over the years.

Unlike the civil servant lecturers, institutional lecturers are more vulnerable to the factors that can drive them to leave the institution where he is teaching. These factors can be better deal elsewhere where with higher salaries, more conducive work environments, at ease in pursuing a promotion. On the other hand, it could also be caused by internal conflicts that cause a person not to like staying in his institution, such as personal distaste to the behavior of the leader or coworker. This condition is also make worse by the fact that universities in Peshawar have become bigger and the competition becomes increasingly fierce, so that universities are competing to get qualified lecturers as permanent teaching staffs.

## **1.3 Research Problem**

Role of university teachers is very important for the development of the society. If university teachers fully engaged in their jobs and do what is expected, they will produce quality students who will play their positive role in the growth of the society. Being part of the organization, the performance of the teachers should properly be appraised by their respective managers. When manager conducts employee performance appraisal, employee will engage in their work to reap maximum benefits that may be granted to him/her on the basis of its performance appraisal. Previous literature identified that when employees have trust on the system, they tend to engage in their jobs (Gruman & Saks, 2011). Based on their findings it can be argued that when employees perceive that their performance is appraised fairly, their level of engagement will be enhanced. It is also important to check that an employees' perception, that performance appraisal system of his/her organization is being conducted with justice, will increase trust on his/her organization (Gruman & Saks, 2011). In their study, Nair and Salleh (2015) raised an important question whether employees engaged in their jobs is because of fairness of employee performance appraisal system or due to fairness in organizational justice because of which employees trust on the organization. In accordance of social exchange theory, feeling equity in

his organization, the employees' trust on his / her organization will be developed and in return, employee will tend to engage in his / her job. To the best knowledge of the researcher, there is not a single study that would have checked the effect of organizational justice and performance appraisal system on employee trust and employee engagement simultaneously. This research is an effort to answer this question to fill the literature this gap in area of performance appraisal justice, trust, individual engagement and how they are expected to influence each other.

# 1.3.1 Underpinning Theory

According to Adams (2010) Equity theory focus is on the determination of distribution of funds that whether it is fair to both interpersonal groups. Equity can be measured by comparing the ratio of contributions and benefits for each person. This concept first of all was established in the 1960s by Adams. The belief is that individual value fair treatment that causes him to be interested to keep the fairness sustained within the relationships of their colleagues and the organization. The structure of equity in an organization is based on the ratio of inputs to outcomes. Inputs are the contributions made by the individual for the workplace.

#### **1.4 Research Objectives**

Specific objectives of this research are:

- To find the impact of Employee Performance Appraisal on Trust and Employee Engagement.
- To find the mediating role of Trust in the relationship between Employee Performance Appraisal and Employee Engagement.
- To find the moderating effect of Organizational Justice on the relationship of Employee Performance Appraisal and Trust.

# **1.5** Significance of the Study

## **1.5.1 Theoretical Significance**

This research will add valuable vision/insights in the body of organizational behavior literature by studying the employee engagement from the prospect of Pakistan. Different variables are used to understand the problem in the organization. There are many factors of demotivation in organization and much work has been done on the different aspect using different variables. This study will allow us to improve the engagement level that could be beneficial for organization.

#### **1.5.2 Practical Significance**

This research will provide guideline for policy makers and managers in the organizations to understand the mechanism behind employee's engagement in their jobs and will help to improve the motivation level of the employee that in return will benefit the organization. Employees would be engaged in their work if manager maintains employee performance appraisal system. This study refers to the trust of the employees, because we hypothesized that when employees will have trust on the appraisal system in their organizations, they in return, will engage in their work. This will ultimately increase the overall productivity of the organization.

# **CHAPTER 2**

# **Literature Review**

# 2.1 Employee Engagement

An engaged staff member is an individual who is completely occupied at her/his work with full zeal and enthusiasm. Such people care of the company future and remain willing to exert their efforts in, exceeding his duty hours and see the organization to lead and succeed. According to a new meta-analysis, circulated in the Journal of Applied Psychology, "...individual contentment and engagement are linked to fruitful corporate results at a degree that is significant to numerous institutions". Mindset of the people is also affected by the employee engagement (Seijts & Crim, 2006). The word employee engagement has been explained as "how psychological experiences of work form the process of individuals presenting and absenting themselves at the time of job performance" by Kahn in 1990, but after this the word is used differently by many other researchers and practitioners (Desai, Majumdar, & Prabhu, 2010). Clear supervisory feedback, training opportunities, perceived autonomy, justice perception, clear goal setting and frank communication is being affirmed by many papers as positive role of effective employee performance management system (Mone, Eisinger, Guggenheim, Price, & Stine, 2011). Many studies has revealed that individual engagement has constructive effect on organizational outcomes as in shape of reduced burnout, higher commitment, lesser absenteeism, improved performance and lower turnover intension which place it as vital human resource construct (Nair & Salleh, 2015).

The pervasiveness of durable interpersonal psychological agreements, grounded on a 'job for ever' in return for devotion, is weakening (Rousseau, 1998). Inspite, the pervasiveness of an increasing amount of short time contracts and portfolio employees, joint with growing individual flexibility, has been noticed. Concurrently, the worth of human investment has progressively known and has been proposed that 'organizations should be platforms for persons, as opposite to person to be possessions for establishments' (Patterson, 2001).

The three are words attitude, behavior and outcomes, which has differences meanings, in terms of engagement. An individual may accomplish with pride and commitment (attitude); which show three optimistic behaviors.

- (i) Say (this is a stage when staff express confidently about the organization to others inside and out).
- Stay (at this stage individual displays a strong longing to be a participant of the organization).
- (iii) Strive (a stage when workers apply additional energy and engage in behaviors that contribute to business success). Gallup Research group coined the term employee engagement, and it remained attractive for three core reasons. First, individual engagement is interlinking positively with business results. An institution with greater commitment may be estimated to surpass those with 'low' worker commitment, all else being equal (Watson, 2012).

Gallup's Group lead a research on one hundred and forty two countries in 2014. Outcomes show that 13% of Egypt's workers were involved or engaged and psychologically dedicated to their duties and were performing optimistic outputs to their company, while, 55% of staff were "not engaged" which means they were disengaged and were not happy and unproductive in achieving targets. Further saying that lack motivation was less expected to invest energy in company's goals and outcomes. So the remaining 32% were energetically detached or disengaged which indicating that they were not happy and were not productive at work, apart from this they were spreading negativity in the coworker (Schultz & Schultz, 2015).

Secondly, employee engagement showed the increasing prominence of human capital and psychological participation of staff in business (Ulrich, 1997). Industries have no option but to harvest extra productivity with fewer staff efforts. While working on it, corporates need to engage not only the physically, but cognitively and to essential soul of each individual.

Third is the growing scientific attention in constructive psychological movement study, to learn and enhance the aspects which permit institution, employee, and cultures to cultivate and deliver the compulsory lush ground which inspires the development of engagement research in academia (Schaufeli, 2013).

Academic innovator of the individual engagement movement, Kahn (1990) first coined the perception of engagement as a complex. Individual engagement has been elaborated by him as the motivating of individual to his work roles where he expresses himself physically, cognitively and emotionally during role performances. These three psychological condition explain the said phenomenon, reference (Kahn, 1990) related three psychological conditions. It is denoted in the work role performance, viz. meaningfulness (the feeling that a person has in response to the investment of the self), safety (is the logic of being capable to express and employ the self in the work role performance without the anxiety of undesirable results), and availability (is an intellect of owning the psychological, emotional, and physical assets desirable at duty). Kahn's model was then verified and results supported that the psychological conditions of significance, safety and availability are positively related to engagement (May et al., 2004).

Scholar's explained engagement as the confident opposed of stress. But it is worthy referring to (Salanova & González-Romá, 2002), because they have a diverse viewpoint. They elaborated commitment as a condition of a persons' mind categorized by vigor (liveliness & intellectual flexibility), devotion (a sense of satisfaction regarding his or her job and enthused by it) and absorption (sense of satisfaction while execution of effort). Additional on, Saks' inclusive model on past history and results of job engagement (work role), and organization engagement (individual's part as fellows of workplace) was verified and confirmed (Saks, 2006). However, additional study represented a graded model of engagement which is alike to Maslow's hierarchy model of need (e.g Bhatla, 2011). In end, or lower level there are fundamental necessity of salary and duty hours' condition. Once an individual becomes contented, then twitches to heel at the second, third, and fourth level for more progressive employment requires at job (profession growth, up gradation, truthful leadership style etc.). These needs might be observed as the causes of individual engagement at organization.

It is an individual investment of her complete self into a role, an optimistic attitude in which employee goes beyond and above the call of duty. It strengthen the level of possession and the business curiosity entirely and is a behavior that adopts change and affects individual output, moral, commitment, employee absenteeism, turn over and loyalty to the internal and external customers (Harter, 2016). Thus, the word "employee engagement" is given prominence by research/academic community and practitioners as well, and is observed as indicator that governs the association of the employee with the workplace (Sundaray, 2011).

The acknowledgement of positive work attitude of employees and their contribution in organization, which encompass their prescribed role as a basis of a company competitive advantage. Podsakoff and MacKenzie (1997), has created a curiosity between organizational scholars to recognize and clarify the motivational foundation of such job behaviour and contributions. According to Blau (1964) as an exchange relationship, relationship of employee might be categorized either as an economic or social exchange. Blau (1964), describes social exchange as 'the voluntary activities of employee that are inspired by the profits they are estimated to bring and typically do in fact bring from others'. This denotes the concept that 'one individual does a kindness to another and while there is a hope of some future profit. Its same nature is not stated in advance but must be left to the will of the one who makes it.' Social exchange theory is therefore, assumed on a long-term exchange of favors that prevents accounting, and is grounded on a diffuse responsibility to respond. In an employment relationship, social exchange might be introduced by a company fair treatment of its workers. This sign of good relation on the part of the institutions enhances an accountability on the side of staff to react to the good deeds of the institution. In result it is observed by much researchers, the connection between organizational justice and its employees work attitude and behavior which enhances engagement level of employees (Colquitt, Conlon, Wesson, Porter, & Ng, 2001). The main approach of institutional justice research has been further improved by researchers which answer the mechanisms that support the described association between organizational justice and individual engagement (Moorman, Blakely, & Niehoff, 1998).

It has been proved, however, that employees make difference in numerous exchange partners at the organization coworker, management and supervisor. According to Whitener (1997) employee can improve trust in by two unlike kinds of referents particular employees, e.g manager & employer. According to PM Blau (1964), he stressed the part of trust in the maintenance and emergence of social exchange association. According to him there is a scarcity of investigation which has scrutinized the part and character of trust in explaining the basis of social exchange basis of individual work consequences (Konovsky & Pugh, 1994). In spite of all, social exchange mechanism of perceived organization support (POS) and leader-member exchange (LMX) has been examined in regarding line stream, and both shows the two social exchange relationships (manager & organization) workers are engaged at duty. Perceived organization support (POS) means the quality of individual and organization connection as perceived by the employee of the degree to which their company cares about their wellbeing and giving preferences to their inputs, while on the other side, leader-member exchange shows the quality of the connection between supervisor and employee.

Companies, in this modern era, are trying to make new and fresh ways to gain competitive advantages in their targeted marketplace. Insight into workers' psychological link to their duty can deliver such a benefit in the ensuing realism of the twenty first century. If a company wants to compete in effective way, it must ensure for employees to use their full ability in their job. Regarding such purpose of the organization, it must engage a responsible, active staff. Staffs who are active and devoted to their work can be proved an asset for organization and can make a real difference for those organizations who want to engage an efficient and productive workforce.

Employee engagement is an emerging concept, which has received much attention by many practioners. Academicians, having observed this growing attention in commerce segment, started exploring this theory in the 1990's in order to produce visibly clear perception of individual commitment and dimension instrument to measure it (Schaufeli, Salanova, González-Romá, & Bakker, 2002). The perception of engagement is being calculated for preceding twenty years, resulting in recognition of many backgrounds, outcome variables, and a hypothetical framework. Maximum of the researches till date have focused on how numerous job features affected worker engagement (Bakker & Demerouti, 2007). A small number of researches referred to the fact that the work setting can act a significant part in the improvement

of engagement (Hakanen & Roodt, 2010). Job resources such as societal care from coworkers and managers, and learning chances are certainly connected with work engagement (Wilmar Schaufeli & Salanova, 2007). Such kinds of resources are frequently rooted in the organization's philosophy. For example, earlier study of Hakanen and Roodt (2010), revealed that an organization that has a regulation (whether formal or informal) that inspires helpful relations with coworkers and managers at duty would adopt a helpful culture in workplace

Previous twenty years of investigation produced many perceptions and operationalization of individual engagement, exposing to the perception to misperception and misapprehension. With its beginning, the perception of staff engagement in the organization has been disapproved to be "old wine in a new bottle". Individual engagement researchers remain to request for investigation that associate many approaches of staff engagement to explain it and unite it across academic and as well as industrial domain (Hallberg & Schaufeli, 2006)

#### 2.1.1 Overview of Employee Engagement

Fresh struggles to advance staff's performance started to focus on constructive organizational behavior perceptions and optimistic emotions. Essentially, engagement in organization was a perception that arisen in fragment as a reaction to the request by constructive psychologists to address encouraging characteristics of psychology (Seligman & Csikszentmihalyi, 2000). The area of psychology has been censured as mainly dedicated to study undesirable situations inspite of encouraging ones; particularly since the ratio of publications observing undesirable states vs. optimistic states had been found (Myers, 2000).

Staff engagement is a comparatively novel perception that is calculated and used by two segments: the academic and the business segment. There is a vibrant definition of engagement in the academic and the business opinion (Wefald & Downey, 2009). Academic scholars focused mostly on illuminating the psychological concept and its dimension. The business field is mainly concentrated on the results of a psychological state: performance, retention, and commitment. The business stream had willingly accepted the notion of organization engagement although slight indication existed to support it. Indeed, the business line is the moving power behind the restoration of the staff commitment theory in the academic. In huge part, the theoretical ambiguity and measurement matters could be credited to this, "bottom-up" manner in which the engagement concept developed. Since the industrial method of investigating the level of engagement in the organization has been determined by the bottom line, company effectiveness, various HR advisors & consultant's today propos guidance on how engagement could be improved and enhanced. Maximum of this information lures on sparse theoretic and experiential study and could be credited to traditional concept. Numerous evaluation methods used to know the commitment in the organization in reality quantify other workstation associated concepts like job satisfaction, job involvement, OCB, and organizational commitment (Macey & Schneider, 2008)

Kahn (1990), is the first to present the notion of employee engagement in academic area. He offered that employees could use changing grades of their selves, cognitively, emotionally and physically in the work roles which they perform.

He developed the theory of individual engagement at work from quantitative and qualitative study as three-factor model. Regarding the model, individual differs from each other in the level of the individual engagement dependent on the psychological importance, psychological protection, and psychological accessibility of job. May et al. (2004), constructed on Kahn (1990) ethnographic work by presenting a novel amount of individual engagement in a field study of two hundred and thirteen workers from an insurance business. May et al. (2004), were the scholars that took Khan's three-factor perception of engagement and supported it with extra research. Study showed ahead has taken from Khan's theoretic study, but did not additional advanced his model of individual engagement. After Kahn (1990) presented the notion of worker engagement, there remained no important investigation initiatives to examine individual engagement that is until burnout scholars decided to present it again.

## 2.1.2 Job Engagement by Maslach and Leiter's (1997)

It will be motivating and perhaps rather satirical to remind that it was study on exhaustion which showed curiosity in the academic area to observe individual engagement (Bakker, Schaufeli, Leiter, & Taris, 2008). Study on stress and exhaustion initiated in the 1970s with an effort to heal to the undesirable characteristics of the association that individual has while the

time of task completion (Maslach, Schaufeli, & Leiter, 2001). Exhaustion/stress denotes to "the lengthy reply of continuing emotional and interpersonal stressors on the job, and is elaborated by the three magnitudes of exhaustion, cynicism, and inefficacy" (Maslach, Jackson, & Leiter, 1981). Assuming the optimistic psychology vision, it prolonged their early burnout perception to contain an optimistic contrast: job engagement. He elaborated individual engagement as "forceful condition of the participation with individually achieving tasks which improve an individual's logic of specialized efficacy" (Maslach & Goldberg, 1998). Stress is reformulated to denote the loss of individual engagement. The three dimensions of burnout exhaustion, cynicism, and absence of individual efficacy were measured with the opposed grading, and the novel proportions of liveliness (vigor), participation, and efficacy emerged to show engagement.

Maslach, Leiter, and Schaufeli (2008) inspected the forecasters of stress and commitment with a taster of academia business and managerial staff. This was a long run research design which delivered the vision of how stress varies with the passage of time. The results presented that individual who is further disposed to stress could be recognized earlier from the understanding of individual-job incongruence. It is recommended by Maslach et al. (2001) which is grounded on their framework, that individual engagement is theoretically unlike other alike notions, like organizational engagement, job satisfaction, and involvement.

#### 2.1.3 Work Engagement by Schaufeli and his colleagues' (2002)

While trying to confirm model of engagement as the contrary of stress, Schaufeli et al. (2002) revealed that engagement might really be an independent or self-governing perception that is connected adversely to burnout/stress, but was not contrary of burnout. In o of their works, the association in emotional stress and vigor or strength was found as feeble and undesirable. The result showed that these two measurements are not contraries of the similar range. To legalize the evidence that emotional stress and vigor are contraries, a sturdier undesirable association should have been found. The scholars established that inspite of showing conflicting concepts; work engagement is truly indirectly linked to burnout.

Founded on this research, Bakker, Demerouti, and Schaufeli (2002) offered a novel meaning of work engagement: "a constructive, achieving, task-related state of mind which is

classified by vigor, dedication, and engagement". Work engagement "is not a momentary and specific state, but a more constant, pervasive, affective-cognitive state that is not concentrated on any specific entity, incident, employee, or conduct" (Schaufeli et al., 2002). Vigor is measured by stages of liveliness and intellectual flexibility, inclination to devote energy in his or her duty, and determination when confronted with problems during duty. Devotion is categorized by being extremely engaged in his or her duty. Further added it is the undergoing logic of importance, arrogance, zeal, and challenge during duty. Absorption denotes a great level of attentiveness, being willingly absorbed in his duty, and emotion that time passes fast. Frequently, engaged staffs have trouble separating themselves from duty (Schaufeli et al., 2002).

Primarily, two aspects only developed (Schaufeli et al., 2002): vigor and dedication, which mean the reverse of tiredness and cynicism in the stress perception. The tag given to potency tiredness field was "energy," On the other hand tag assigned to the cynicism dedication field was "identification" (González-Romá, Schaufeli, Bakker, & Lloret, 2006). The aspect of absorption arisen from in-depth interviews done to elucidate early outcomes and was later involved as the 3rd aspect of engagement (Schaufeli et al., 2002).

Hackman and Oldham's typical article, "Work Redesign," (1980) seemed at a time when American corporations were coming to terms with lush job discontent and the understanding that the old style Industrial Age organization was unsuccessfully intended to fulfill output demands in a competitive worldwide market. Main strong point of Hackman and Oldman's Job Characteristics Model is that it is extremely flexible for diverse individual groups and diverse establishments. At its fundamental, the JCM identifies that numerous principal job aspects, such as one's level of independence, the variation of abilities one engages in, and the seeming wide importance of a person's jobs, can be used to describe the utmost significant variables related with a assumed job. Engagement concept is supposed to advance as a purpose of the same job resources which inspire staffs and motivate optimistic feelings that force them to continue with the duty. Job resources were found to show both an intrinsic and extrinsic desire role. Intrinsic motivator job resources achieve elementary human desires like want for independence. On the other hand, extrinsic motivators job resources such as helpful coworkers and performance response upsurge the chances of completing a job effectively. The model of JD-R also admit with Conservation of Resources (COR) philosophy by Hobfoll (1989) which assumes that the central employee inspiration is focused to the maintenance and buildup of capitals. The JD-R also has its origins in the DCM Karasek et al. (1998) which stresses how joining best work demands with low work control can cause work tension and sickness. Mainly, the elementary principle is that individual who can choose himself or herself how to overcome their workloads that not knowledge work stress. Furthermore, the ERI model Siegrist (1996) also offers that demands can lead to work stress when job resources such as pay, recompenses and career / safety chances are absent.

Central evidence of the JD-R model says that irrespective of the precise strain danger aspects each job includes, these aspects could be considered in two universal collections: i.e job resources and job demands (Bakker & Demerouti, 2007). Job demands involve the physical, mental, societal, or administrative features of a job that need constant physical, mental struggle or skills. Job demands could be related with physiological or psychological costs. Among studied instances of job demands are time pressure, job insecurity, shift work, work family conflict, negative workplace setting, emotional demands, and adverse communications with clients (Demerouti et al., 2001). Job demands is said to be diminish vigor, generate tension, and pay to burnout. They can lessen the commitment characteristic of job engagement because of their mentally and substantially difficult characteristics that in turn can also decrease interest levels.

Job resources are the communal, emotional, physical, or managerial features of the job that can support a worker attain job objectives. Resources can also decrease job demands and the related charges, as well as arouse individual development, and knowledge. Job resources could said as the managerial level (e.g. salary, job opportunities, profession safety), the relational level (e.g., manager and colleague backing, group effort), and the task level (e.g. character clearness, ability diversity, task importance). It has been proposed that personal resources, such as confidence, self-efficacy, and elasticity, can complement job resources to forecast individual engagement (Bakker & Demerouti, 2007). Job resources such as community care of coworkers and managers, job control, performance response, new environment, communal environment,

ability diversity, independence and knowledge chances were established to enable individual engagement (Koyuncu, Burke, & Fiksenbaum, 2006).

In a research accomplished by Schaufeli and Bakker (2004), a constructive association is initiated between job demands and stress. Though, the outcomes did not produce connotation between job demands and individual engagement. While, job resources were found positively linked to work engagement and undesirably linked to stress and burnout. These results recommended that resources are more significant than demands when forecasting engagement (Wilmar Schaufeli & Salanova, 2007). Generally, job resources perform double character in the JD-R model. These are the apparent one of acting as a resource to the worker at duty, and to assistance, staffs react to job demands. Job resources were found to enhance vigor and work as obstacles against pressure and strain by assisting to shape commitment to and recognition with duty. To be précis, while job demands were found to weaken from work engagement, job resources pay to its growth.

## 2.1.4 Individual Engagement Results

Many researches investigating the results of individual engagement in the hypothetical outline of the JD-R have involved institutional engagement and performance (Leiter & Bakker, 2010). Absence of resources such as absence of community backing and job control was found to discourage workers from achieving their objectives, making hindrance, withdrawal behavior, decreased workplace engagement, and improved turnover intents (Bakker, Demerouti, De Boer, & Schaufeli, 2003). Numerous researchers found an association between individual engagement and fruitful organizational results such as in-role and extra-role behavior, turnover intention and organizational commitment, academic performance, and customer service ratings (e.g Salanova, Agut, & Peiró, 2005).

# 2.2 Trust

Recently it has been urged that existence of a supportive and trusting work setting is necessary to improve engagement of the employee (Macey & Schneider, 2008b). According researchers, organizational justice perception is associated to organizational trust i.e., individual (Masterson, Lewis, Goldman, & Taylor, 2000). In recent development the significance of trust

for an employee well-being (Dutton & Heaphy, 2003; Solomon & Flores, 2001), organizational performance and socio-economics development of the country is revealed. Trust is shown as an encouraging thinking held by a company's employee to another employee that second party would not make any benefit of a person's weakness and dependence in an unsafe condition (Das & Teng, 1998). Organizational trust is reliant on organization's struggles and measures (e.g Kaptein, 1998). It is suggested by Brewster et al. (2010) that to build an organizational trust, it is not only to promote ethical principles by morals management tools but also integrate into organizational practices, particularly in human resource management. The view of trust means when a group trusts on another party because both are following similar ethical values and act in trustworthy, skilled way in the past and can be estimated to do so in the future (Ristig, 2009). A study of McCall (2000), suggests that the involvement of the employees' into the decision making is the outcome of current workplace trust. If there is sincerity in communication, openness and affected parties' participation in decision-making, it will leave a sign of trust. We can say in other words that trust shown by one employee or employer is necessary because it provides us with information about our standing within the organization.

According to Eisenberger, Fasolo, and Davis-LaMastro (1990) that it is raised trust to enlighten the established effects of perceived organizational support, POS. It is noticed that 'POS will generate trust that the institute will accomplish its exchange responsibilities of observing & paying individual struggles done on its behalf.' Eisenberger et al. (1990), clarification resounds with Blau's opinion that social exchange needs trusting others to perform their duties.

# 2.2.1 Trust in General

Although an excessive deal of concern in trust has been stated by researchers. The research in workplace has continued challenging for many motives. These are the difficulties with the explanation of trust itself; absence of clearness in the association between risk and trust; misperception between trust and its antecedents and consequences; absence of specificity of trust referents leading to misperception in levels of examination; and a loss to reflect both the trusting group and the group to be trusted. The determination of the current

research is to illuminate and solve these issues again in the demonstration of the model of trust of an employee of the organization.

#### 2.2.2 Need for Trust

Employees working in a company together often involves dependence on each other or we can say interdependency while these dependency is because of accomplishing the goal for organization or sometimes their own personal. Many theories have been developed which show the mechanism for reducing the misshaping and risk in working relationship. The purpose of these theories is to reduce the consequences of broken trust and to enforce and encourage its importance. In order to indulge self-serving actions and possible litigation, many companies use control tools, and they change their decision-making procedures, internal procedures, pay methods, and structures (Sitkin & Beis, 1994). Present tendencies in both staff arrangement and the institute of the office in the United States propose that the significant of trust is believed to rise during the coming years. One significant tendency in staff arrangement is the growth in variety. Jamieson and Mara (1991), expected that the marginal share of the staff would increase from 16 percent in the late 1980s to over 26% by the year 2001. Jackson and Alvarez (1992), identified the rises in staff variety necessitate that individual with unlike experiences come into contact and deal strictly with each other. A varied staff is not much bright to trust on relational likeness and shared background and skill to contribute to common attraction and improve the readiness to work in a group. In this framework, the development of common trust offers a mechanism for allowing workers to effort as a group efficiently. Another tendency linked to changes in the organization of work also would lead to an improved interest in the work of trust. Lawler (1992), quoted ongoing changes in the place of work in the course of additional participative managing styles and the employment of work group. A new review shows that 27% of American corporations are executing self-directed work teams in some portion of the organization (Wellins, 1991). The rise of self-directed groups and a dependence on authorized employees importantly rise the significance of the concept of trust (Larson, Larson, & LaFasto, 1989) as control techniques are condensed/detached and communication rises. The styles that is quoted recommend that the growth of a model of trust in organizations is both timely and practical. In the use of self-directed groups, trust shall take the position of command because

direct observation of staff becomes unreasonable. Additionally, a strong accepting of trust and the reasons of trust can enable consistency and partnership between individuals by constructing trust through means other than personal resemblance. Despite of the increasing prominence of trust, amounts of organizations, which measure trust, have observed weakening trust in workers. One of the problems that has delayed earlier investigation on trust has been an absence of vibrant difference among reasons which add to trust, and results of trust (Cook & Wall, 1980). Without this vibrant difference, the variance between trust and similar concepts is hazy. For instance, numerous investigators have settled with Deutsch (1958), that hazard, or having something invested, is necessary to trust. The necessity for trust arises only in a hazardous condition. Though many writers have known the significance of risk to considerate trust (Coleman, 1990), no agreement on its association with trust exists. That is not clear whether uncertainty is a precedent to trust, is trust, or is a result of trust. This key matter of how risk fits with trust must be determined, and it is negotiated in this research.

#### 2.2.3 The aspects of Trustworthiness

In the literature situations has been calculated that lead to the trust. Some writers recognize a single trustee characteristic which is accountable for trust, while other writers define as many as ten characteristics (Butler, 1991). Even though an amount of aspects has been calculated, three features of a trustee seems repeatedly in the works: ability, benevolence, and integrity. As a set, these three seems to clarify a main share of trustworthiness. Each adds a distinctive perceptual viewpoint from which to reflect the trustee, while the set offers a compact basis for the empirical work of trust for another group.

#### 2.2.3.1.1 Ability

It is the skills, capabilities, and features which allow a group to have impact within some precise area. The area of the ability is detailed because the trustee might be extremely skilled in the practical domain which worker trust on work associated to the said field. The trustee might have less ability or understanding in other field like in interpersonal communication. Though such an employee might be trusted to do logical responsibilities associated to his practical field, employee might not be trusted to initiate contact with a key client. Many philosophers have argued alike concepts as affecting trust, using numerous substitutes. Sitkin and Roth (1993), measured capability a vital component of trust. Butler (1991), used the term competence to describe alike concept. In the Yale works it is defined, supposed expertise was acknowledged an important features of the trustee. Likewise, Giffin (1967), proposed expertness as an element, which leads to trust. Lastly, nine bases of trust are recognized, containing precise ability, interpersonal capability, business wisdom, and judgment. All of these are alike to ability in the present approach. While such words as expertise and capability suggest a set of skills related to an individual, fixed domain, ability shows the task and state exact nature of the construct.

#### 2.2.3.2 Benevolence

It is the amount to which a trustee is supposed to act worthy to the trustor, apart from a selfcentered revenue intention. Benevolence proposes that trustee has some definite linking to the trustor. An instance is the association between a teacher (trustee) and a trainee and pupil (trustor). The supporter desires to assistance the trainee, even though the teacher does not need to be supportive, and there is no extrinsic return for the teacher. Benevolence is the view of an optimistic alignment of the trustee to the trustor.

An amount of scholars has involved features related to benevolence as a foundation of trust. Trustworthiness is defined as a word of the trustee's inspiration to lie. This notion is obviously reliable to the opinion that supposed benevolence acts a vital part in valuation of trustworthiness, in that high benevolence in a connection will be contrary associated to incline to lie. Numerous researchers have used the word benevolence in their studies of trust, concentrating on the exact association with the trustor. Others have measured purposes as vital to trust (Cook & Wall, 1980). It is recommended by Jones, James, and Bruni (1975) that sureness and trust in a manager are determined in group by the degree to which the managers' attitude is related to the person's desires and needs. Rosen and Jerdee (1977), measured the probability that trustee will place organizational objectives in priority of a person's objectives.

## 2.2.3.3 Integrity

The association between integrity and trust contains truster's observation that trustee observes to a set of values that the trustor feels satisfactory. It is proposed that following some set of values describes personal integrity. However, if that set of values were not believed satisfactory by the trustor, the trustee will not be measured to have integrity for dedications. The matter of appropriateness prevents the discussion that a group who is dedicated only to the belief of income looking for at all prices will be mediated high in integrity (unless this value is suitable to the trustor). Such disputes of reliability of the party's previous activities, dependable infrastructures about the trustee from other group, confidence that the trustee has a solid logic of justice, and the degree to which the group's activities are corresponding with his words all touch the amount to which the group is judged to have integrity. Even though a situation might be prepared that there are differentiable causes why the integrity of a trustee could be supposed as higher or lower, in the assessment of trustworthiness it is the perceived level of integrity that is significant rather than the causes why the opinion is shaped.

# **2.2.4 Concept of Trust**

Many researches have delivered diverse models of trust. The very common descriptions of trust are registered in sequential order in Table I. By a cautious examination of such explanations, it could be noted that trust suggests the involvement of at least two groups, a trustor and a trustee. The former is the group, party or a person who chairs himself in a susceptible condition in ambiguity. The latter is the group, party of a person on which the trust is founded, and which has the chance to have benefit of the trustor's weakness. Likewise, there are two series of perceptions of trust is recognized in the work by the researchers. The first main perception is grounded on the debate that trust is rooted in the person who trust (emotional state, sentiments and intellect) not in the trustee. For instance, in research of psychologist, the commonly elaborated description of trust belongs to (Rotter, 1967). In his description, trust is theorized as a faith, expectation/sense, which is intensely entrenched in character and has its roots in a person's early psychosocial development. The social opinion of trust, strains individuals' longing to keep reverent relations. Young (1992), as an expectation believed by an individual that the conduct of other individual will be unselfish and individually useful.

McAllister (1995) supposed trust is an intellectual verdict of another's capability or consistency and a sensitive connection of a person with another individual. Regarding this stream of urgings, trust is all about a persons' temper and inclination to trust the trustee with kindness and good will.

The 2nd main perception is grounded on the discussion that trust is rooted in trustee. Trustee not mean the second individual. Trustee could have the capability, talent, product, expertise, official structure, or security etc., relying on the framework of trust. For instance, Sitkin, Burt, and Camerer (1998) describe trust in relations of perceived likelihoods and propose that is information based economy, a trustee's capability, skill, and knowledge become progressively significant as a pointer of his capability to behave as anticipated. The behavioral valuations are founded on the opinions created by the other. According to the description of trust provided by Doney and Cannon (1997), trust involves the calculation of another group's reliability and goodwill. It becomes necessary for one group to have the information of the other party past action and deeds. Regarding trust, it is said that employees estimate the achievements that may effect from their decision to trust the second person before they truly make their decision to trust one another. Bachmann (2001), claims that trust inside of the organization is reliant on and mediated by the official context in which the association is rooted. Technology trust is a person's readiness to be exposed to the technology, grounded on hopes of probability, and consistency influenced by a person's tendency to trust technology (Lippert, 2002). Trust is such a condition, which involve assured optimistic beliefs of another's motives concerning himself in circumstances of danger. Shapiro, Sheppard, and Cheraskin (1992), proposed that worker perform in a trustworthy way because of the anxiety of results of damage of trust. The greater the punishment, the concept describes, the higher the likelihood that performers would be trustworthy. Regarding the notion if trust, it is regarding of how trustworthy the trustee is and it is partly a creation of trustor's capability to measure the honesty of the trustee.

After the perceptions, it will be easy to say that trust is the option of trustor's, it could be sensible or insensible. It is defined as an option of non-rational of an individual encountered with an undefined occasion. In such occasion estimated damage is greater than the estimated advantage or a balanced choice grounded on positive assurance regarding the consequence of an unclear occasion, given personal vulnerability and the absence of control over the act of others party (Zand, 1972). A dyadic relation occurs in relation of customers and products. In a result, trust is necessary in order to allow both groups to keep and preferably advance this association by eradicating the supposed vagueness and danger that are involved in customers' purchasing attitude (Elliott & Yannopoulou, 2007). When the supply chain members has the access to whole data regarding the awareness of a trustee's finances, abilities, results, and if trustor is sure that there is no doubt involved in the association then trust has no importance; ample information removes the necessity for trust but overall trust present over there. On the other side, when the employee's deficient the knowledge about the trustee and the trustor is in the state of total unawareness of future results of the relationship there can be no purpose to trust and it need not be there, as risk prevails. Trust does not occur in such situation where as sense of certainty present, and if it occurs, it would be insignificant (Bhattacharya, Devinney, & Pillutla, 1998). Some level of uncertainty is compulsory for trust to occur. Thus, trust is comparatively informed attitude (a balanced choice) or tendency to permit himself or herself and may be others to be vulnerable to hurt in the concern of some supposed better good and therefore this is an unsafe engagement (Luhmann, 1979). The act of risk-taking is both content and context dependent. Lastly, it is claimed that trust is a threshold level of a supply chain member's (trustor's) risk bearing capacity linked to trustee. Beyond the trustor's risk bearing capacity the matter of trust turns into risk management rather than a matter of trust. A central dispute of this perception is that trust could only be dyadic in nature. For instance, if a producer trusts its supplier and its supplier's supplier in a chain it does not mean a triadic trust. It is just a dyadic trust between the producer and its supplier and the producer and its supplier's supplier.

# Table I

Deutsch (1958)	Trust is the nonrational choice of a person faced with an uncertain event in which the expected loss was
Wrightsman (1964)	greater than the expected gain. Trust is an expectancy of how people behave, trust worthiness represents the extent to which one believes that people are basically honest, as opposed to immoral and irresponsible
Rotter (1967)	A generalized expectancy held by an individual that the word, promise, oral or written statement of
Zand (1972)	another can be relied on Trust is an individual decision, based upon optimistic expectations or confidence about the outcome of an uncertain event, given personal vulnerability and the lack of control over the action of others
Schlenker et al. (1973)	Trust is reliance upon information received from another person about uncertain environmental states and their accompanying outcomes in a risky situation
Arrow (1974)	Trust may function as a lubricant of relationship
Frost et al. (1976)	Trust is expectancy held by an individual that the behavior of another person or a group would be altruistic and personally beneficial
Luhmann (1979)	Trust is a risky engagement
Matthews and Shimoff (1979)	Trust is a response by which persons commit themselves to possible loss depending on the subsequent behavior of other persons
Larzelere and Huston (1980)	Trust is to rely upon benevolence in the expected future
Cook and Wall (1980)	The extent to which one is willing to ascribe good intentions to and have confidence in the words and actions of other people
Schurr and Ozanne (1985)	The belief that a party's word or promise is reliable and that a party will fulfill its obligations in an exchange relationship
Zucker (1986)	Trust is a set of social expectations shared by everyone involved in an economic exchange based on person, processed and institution
Swan and Trawick (1987)	The customer believes that what the salesperson says or promises to do can be relied upon in a situation where the failure of the salesperson to be reliable will cause customer problems
Jarillo (1988)	Trust may function as glue in relationships
Gambetta (1988)	Trust is a particular level of subjective probability with which an agent asses that another agent or group of agents will perform a particular action, both before he can monitor such action (or independently of his capacity ever to be able to monitor it) an in a context in which it affects his own action
Hawes et al. (1989)	Trust is reliance upon information from another person about uncertain environmental states and outcomes in a risky situation
Michalos (1990)	Trust is a relatively informed attitude or propensity to allow oneself and perhaps others to be vulnerable to harm in the interest of some perceived greater good
Boon and Holmes (1991)	Trust is a state involving confident expectations about another's motives with respect to one self in situations entailing risk
Lagace and Gassenheimer (1991)	Trust is an attitude that leads someone to commit to a possible loss contingent on the future behavior of the other person
Moorman et al. (1993)	Trust is willingness to rely on exchange partner in whom one has confidence
Lagace and Marshall (1994)	Trust is a person committing to a possible loss contingent upon the subsequent behavior of a specific other person
Barney and Hansen (1994) Ganesan (1994)	Trust is the mutual confidence that no party to an exchange will exploit another's vulnerabilities Willingness to rely on an exchange partner in whom one has confidence. Two distinct components: objective credibility, belief that the other has the expertise to perform the job; and benevolence, belief that the other has motives beneficial to the target when new conditions arise for which a commitment was not made
Lewicki and Bunker (1995)	Trust is a state involving confident positive expectations about another's motives regarding oneself in situations of risk
Mayer et al. (1995)	Trust is willingness of a party based on the expectations that the other party will perform a particular action important to the trustor, irrespective of the ability to monitor or control the party
Hosmer (1995)	Trust is the reliability by one person, group, or firm upon a voluntarily accepted duty on the part of another person, group or firm to recognize and protect the rights and interests of all others engaged in
Bhattacharya <i>et al.</i> (1998)	a joint endeavor or economic exchange Trust is an expectancy of positive (non negative) outcomes that one can receive based on the expected action of another party in an interaction characterized by uncertainty
Cumming and Bromiley (1996)	Trust is an individual's belief or a common belief among a group of individuals that another individual or group

(Continued)

# Table I

Strutton et al. (1996)	A willingness to rely on an exchange partner in whom the customer has confidence
Bidault and Jarillo (1997)	Trust is - believing that the other party will behave in our best interests
Rousseau <i>et al.</i> (1998)	Trust is a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another
Wicks <i>et al.</i> (1999)	Optimal trust is an embedded construct suggesting that it is determined in context shaped by variety of factors such as trustworthiness of the agent local and broader social norms regarding trust and other features of the social structure(s)
Lippert (2001)	Technology trust is an individual's willingness to be vulnerable to the technology based on expectations of predictability, reliability, and utility and influenced by an individual's predisposition to trust technology
Blomqvist (2002)	Trust is "actors" expectation on the capability, goodwill, and self-reference visible in mutually beneficial behavior enabling cooperation under risk
Medlin (2002)	Trust can be viewed as a psychological construct, generated within social structures (i.e. firms and relationships) by individual and group interpretation of "past events"
Halliday (2003)	Trust is best conceived of as theme, providing an approach for proceeding in conditions of uncertainty and as a rich and complex concept
Soroka et al. (2003)	Trust is a belief that other people will honor obligations in varying context in an open commitment to promote social welfare through to mere conformity with conventions.
Riegelsberger et al. (2003)	Trust is a device to reduce complexity, a shortcut to avoid complex decision processes when facing decisions that carry risk
Svensson (2004)	Trust is an important factor in business relationships since people manage the business activities
Lippert and Swiercz (2005)	Trust is an individual's willingness to be vulnerable to the technology based on expectations of predictability, reliability, utility and influenced by an individual's predisposition to trust technology
Michael and Rowe (2006)	Trust is not primarily dispositional or an individual attribute or psychological state, but is constructed from a set of inter-personal behaviors or from a shared identity. These behaviors are underpinned by sets of institutional rules, laws and customs
Chen and Barnes (2007)	Trust is perceived usefulness, perceived security, perceived privacy, perceived good reputation, and willingness to customize are the important antecedents to online initial trust
Kim et al. (2009)	Trust is a complex and multifaceted construct

### 2.2.5 Trust Antecedents: Trustworthiness and Trust Propensity

## 2.2.5.1 Trustworthiness

The trust descriptions presented together, comprise an expectancy that other group will accomplish a specific act. According to Flores and Solomon (1998), "In perfect situation, a party trusts other because he or she is trustworthy, and a person's trustworthiness motivates trust". Evidently, the perception of trustworthiness is essential to understand and predict trust levels.

A longitudinal work of how administrators improve working relations has been showed. It has been showed interviews with afresh-selected supervisors over a three years' time period, concentrating exactly on the "bases of trust". One of these foundations were capability, that shows the skills and knowledge desirable to do an exact job as well as the interpersonal skills and general understanding desired to flourish in an institute (Gabarro, 1978).

Though the importance of ability, benevolence, and integrity might appear spontaneous, it remains uncertain whether each has a unique influence on trust levels. It might be that either capability or personality is enough to raise trust but both are not desirable. Although the belief appears rational, that there are theoretical causes to suppose capability and personality to have exclusive relations with trust. First of all, the capability/ability shows the "can-do" element of trustworthiness by telling whether the trustee has the expertise and skills necessary to perform in a proper manner. In contrast, the character variables capture the "will-do" component of trustworthiness by labelling whether the trustee will choose to use those abilities and skills to perform in the favour of the trustor. Such "can-do" and "will-do" descriptions for unforced performance tend to exercise effects independent of one another (Pučetaite, Lämsä, & Novelskaite, 2010).

It might be that the effects of the two-character facets benevolence and integrity are jobless with each other. In provision of such concept, researches using both variables have failed to reveal importance, exclusive belongings for both. Yet, there are hypothetical causes to suppose benevolence and integrity to have good relations with trust. Integrity signifies a very balanced grounds to trust somebody, as a wisdom of justice or decent personality offers the type of long-term probability that can benefit employee to overcome with vagueness (Lind, 2001). In contrast, benevolence can produce a sentimental connection to the trustee with kind and supportiveness adopting a logic of optimistic affect. Trust intellectuals have proposed that affect-based sources of trust can increase more cognition-based sources such as ability or integrity.

#### 2.2.5.2 Trust Propensity

Indeed, choices regarding trust could be prepared before sufficient time has took place to collect data on trustworthiness. It has been claimed that trust relays not only on previous knowledge but it relays on the issues like personality and character. Rotter (1967) was the first to argue trust as a form of character, describing interpersonal trust as a comprehensive hope that other could be trusted. Such form of trust regarding personality-based has been denoted by other researchers as dispositional trust, generalized trust, and trust propensity (Conlon & Mayer, 1994). It has been claimed that trust propensity has taken on a novel standing as crossfunctional teams, structural reorganizations, and joint ventures make new working associations commonly. In spite of everything, trust propensity is likely to be the most related trust antecedent in contexts including unacquainted performers.

A query that is still not answered is whether trust inclination remains to influence trust after trustworthiness has been evaluated. It has been prominent that trust shall always be linked to "estimating others good' trustworthiness" (Becker, 1996). Govier (1994) has claimed that trust inclination makes a filter that changes clarifications of others' activities. In such like way, "remarks are theory-based" maintaining the effect of trust tendency even after trustworthiness could be conditional. Lewis and Weigert (1985), said of the alike statement, saying that data on trustworthiness only opens the gate to trust without really establishing it. The intellectual component in trust is categorized by a cognitive "leap" afar the hopes that cause and understanding only will permit, they merely serve as the platform from which the leap is made.

#### 2.2.5.3 Trust Outcomes: Risk Taking and Job Performance

Trust has been revealed as the proximal variable of risk and associated results (Mayer et al., 1995). Further models show trust as an immediate antecedent of a diversity of job performance behaviors. It contains task performance, OCB, and ineffectual performance.

Numerous of models guess that trust totally intercedes the properties of trustworthiness and trust tendency on those results (Williams, 2001). Regarding such viewpoint, trustworthiness and trust tendency are significant only because they assist to motivate trust. It is the risk which shortage exceptional or autonomous belongings on risk taking or work performance. However, the total mediation vision denotes the agreement of trust models. It build opposes hypothesis in literature on social exchange.

Primarily, lack of proper agreement or identified recompense timetable makes a built-in vulnerability, with one group exposing the likelihood that another party will fail to overcome responsibilities. As a consequence, social exchange associations will not grow in the lack of trust (Blau, 1964). For this purpose, intellectuals occasionally practice trust levels as a pointer of the presence of a social exchange association. Second, several sides of trustworthiness could be seen as currencies that benefit generate a social exchange. Therefore, from a social exchange viewpoint, trustworthiness motivates a social exchange connection with trust levels working as pointer of that association.

An amount of related concepts also helps as signs of social exchange relationship theories that can themselves work as mediators of trustworthiness outcome relationships. For instance, Meyer, Allen, and Allen (1997) differentiated in affective commitment, that shows a longing to continue as fellow of a communal because of an emotional connection, and affective commitment, that shows a connection founded in financial investments and costs. Affective commitment designates the presence of a social exchange relationship (Shore et al., 2006). An amount of related concepts also have been defined as pointers of social exchange relationships, together with sensed responsibility, which shows the sense that a worker owes the exchange partner as a maximum number of vigor and energy, and psychological contract contentment, that shows the amount to which a group identifies that their exchange partner has achieved promised responsibilities (Turnley, Bloodgood, 2003). To the degree, that trustworthiness guesses outcomes by the methods of affective commitment, psychological contract contentment, and so forth, the mediating role of trust will only be incomplete. Our analysis

concentrating mainly on the mediating role of trust, which further give strength to the engagement level of the employee.

Social exchange opinions too could be used to provision straight effects for trust tendency on results, even when governing for trust. Rotter (1980) recommended that employees with maximum level of trust tendency would himself or herself perform more trustworthy. That is, "high trustors" will display a dispositional inclination to work in a supportive, pro-social, and ethical style across contexts and across circumstances. Experimental study has inclined to back this statement, as greater scores on trust tendency incline to be linked with improved trustworthiness, better compliance, better help proposing, and reduced dishonest (Rotter, 1971, 1980). These consequences propose that high trustors may be improved at constructing social exchange relations because they are more disposed to obey to the custom of reciprocity (Gouldner, 1960), and are more probably to promise to the long-term security of the exchange relationship. If so, such workers shall be able of constructing an expansive social system that could take them to the data and support desirable to advance their decision-making and performance (Burt, 1996).

#### 2.2.6 Mediating effect of trust in supervisor

An optimistic association has been originated by Alexander and Ruderman (1987) between the distributive justice and procedural justice and trust in superior. It has been suggested by the researchers regarding observations of fairness overall, and procedural justice in specific, that in the procedure of construction trust it may be important element (Lind & Tyler, 1988). In another study, organizational justice is originated to be a significant backgrounds of trust of individual and in turn trust of individual has been linked to employee engagement (Aryee, Budhwar, & Chen, 2002). Mengue (2000), in his study, explored the connection among trust in institute and manager which in return grow the engagement level of the employee in workplace. It is worth to notice that other scholars found strong and positive relations among trust in institute system and perceptual work behaviors, such as work engagement (Afzalur Rahim, Magner, Antonioni, & Rahman, 2001). Regarding trust Mayer et al. (1995) says that it is 'The readiness of a group to be exposed to the act of other group grounded on the hope that the second group will achieve a specific act significant to the trustor regardless of the capability 36
to observe that other group.' McAllister (1995) as a psychological stated, notable cognition from affect-based trust. Cognition-based trust reveals a balanced valuation of a worker skill to carry out tasks and, consequently, reveals views about that employee's consistency, consistency and capability. On the other hand, affect-based trust terms an emotional connection which comes from common care which occur between employees. Though a social exchange-based connection was considered by affect-based trust, our conceptualization of trust reveals each of the area that is being recommended to additively affect a worker's trustworthiness (Butler, 1991).

According to Peter Blau (1964) 'The formation of exchange relations includes building investments that establish obligation to the another group. Since social exchange needs trusting others to respond, the preliminary issue is to attest himself or herself trustworthy.' Accordingly, a principal exchange partner's institute or manager impartial action of other setup a social exchange association with that fellow (individual). With the passage of time, these encouragements establish a worldwide plan of history of support strengthening the trustworthiness of the exchange person. As HR practices, distributive and procedural justice have been analytically revealed to be associated to trust in institution (Pearce, Branyiczki, & Bakacsi, 1994). Interactional justice is claimed to be linked to trust in manager. Additional, as managers shape interpersonal contracts and fulfill individual's opinions of the organization's responsibilities, employee trust in the workplace develops. To guarantee a stability in their exchange, workers would sense grateful to respond to the respectable actions of central exchange partner. As Blau (1964) noticed, 'By fulfilling their duties for facilities rendered,...employees validate their trustworthiness and the continuing growth of joint service.' Reciprocation, thus, strengthens & steadies trust, the axis upon which social exchange rotates. The responsibilities that that party experience in social exchange are usually diffuse and are appreciated as a signs of shared devotion, friendliness and care. Individual wares for reciprocation are hypothesized in terms of constructive effort approaches. It offerings, mainly those that surpass recommended role necessities. There is experiential indication connecting trust in workplace to work engagement, purpose to continue, and the public virtue measurement of citizenship behavior (Robinson & Morrison, 1995). In administration trust is also revealed to be linked to the administrator-directed OCB dimensions of self-sacrifice, politeness, and conscientiousness and 37

a worldwide measure of OCB. Chasing the work of Konovsky and Pugh (1994), it is struggled to the degree that trust is an indicator of social exchange and it reinforces the appearance of mutual devotion, friendliness and provision, the variable trust will mediate the association between the justice of the organizational and the individual task-related approaches and performances.

#### **2.3 Organizational Justice**

Organizational justice is the perception of individual of equality with which organizational specialists treat them (Whitman, Caleo, Carpenter, Horner, & Bernerth, 2012). Job commitment, positive work attitude, job satisfaction and positive behavior can be the result of high level of organizational justice (Rita Silva & Caetano, 2014). The effect of organizational justice on individual outcomes has been explored by many researches (Fadel & Durcikova, 2014). In business management literature it has a lengthy history (Lind & Tyler, 1988). In business management it is revealed that better perceived organizational justice is connected with valuable task related results as organizational commitment between staffs and increased productivity. Several meta-analysis has revealed that workers who see their organization as impartial are extra involved in wide range of valuable task related behaviours (Cohen-Charash & Spector, 2001). The word "organizational justice" is formerly invented by Greenberg in the 1980s and has usually been assumed to cover three unlike components (Bowen, Gilliland, & Folger, 1999).

The first distributive justice is grounded on equity theory (Adams, 1965). In this, workers base their evaluation of managers partly on the degree to which they observe organizational results, such as pay and promotion decisions, as being circulated impartially across the organization (i.e., such choices are not based on employees features or "who you know"). In other words it states the supposed equality of outcomes that a worker obtains (Cropanzano & Folger, 1991).

Second is, interactional justice, which is conceived by Bies and Moag (1986), it deals the amount to which individual perceive they are deal with respect and courtesy by senior or

organization. In other words, it narrates to the supposed justice of the interpersonal communication linking to organizational procedures.

The third and most important was procedural justice (fairness). Over and above result-based equity, individual looks for managerial assessments and workplace processes to be treated in procedurally just behaviors, decisions are evidently described, impartial, and allow for individual effort. In short it is used to govern outcome decisions (Robert Folger & Bies, 1989).

There are two theoretical orientations, which are predominate.

A legal perspective is put forward by (Thibaut & Walker, 1975) which highlighted the part of "voice" or "process control". According to them employee, see decisions impartial if individual observe sufficient chances to partake in choice-making procedure. In contrast, (Leventhal, 1980), emphasized mental procedures and how the damage or accomplishment of procedural rules impacts complete justice opinions. Encouraged by early study of Bies and acquaintances (Tyler & Bies, 1990) investigation in procedural justice has improved by the use of its social facets. However, it is uncertain whether these social dimension are isolated concept, or whether procedural justice may not be considered in terms of two sub-components that are both fair proper procedures and interactional justice.

Current study contributes to procedural justice method, as it was claimed that the way the decisions of the organizational and procedures are conversed are logically dependent with the definite execution. Study linking to this field has mainly been narrowed to the United States, where justice of decision making in organizational has established ample consideration in connection with the notion of the psychological contract, as well as in connection to evaluation and selection and also in the setting of performance appraisal (Erdogan, Kraimer, & Liden, 2001). As it is extensively supposed and understood that by their nature appraisal systems is not reasonable, as corporates are much worried with the evaluation of performance, while workers believe much from the motivational aspects. Investigation on the last field is rather sparse, thus a viewpoint regarding itself with equality might attest beneficial for best exercise in the context of individual growth and pre-empting probable confrontation to growth procedures. Views of procedural justice have constantly been revealed to affect a diversity of result variables such as

workers acknowledgement of performance appraisals, organizational commitment or job fulfilment (Greenberg, 1986a, 1986b). Therefore, it is assumed that the features of any review and growth system are connected to both completely helpful response and communication structure.

Based on the work of (Greenberg, 1986a, 1990) his, Gilliland (1995), model illuminated the part of organizational justice in selection by drawing how situational and private circumstances effect the supposed damage of distributive and procedural justice rules. In pursuance of testing his hypothetical account in practice, he tried to inspect the link of 10 rules of procedural justice "(such as morality, reassessment occasion, and two-way communication)" with individual's responses to interview procedures. It was determined that the delivery of satisfactory clarifications may reduce otherwise undesirable responses, that on time reaction is of main significance and that the interpersonal efficiency of the examiner is a principal aspect for interview responses. Early the term justice outlines inclined to focus on distributive justice, but early 1980s focus has been changed to the inspection of procedural justice (Folger & Greenberg, 1985).

Empirical evidence enhances a connection in organizational justice and individual job engagement, job contentment, attitudes, and actions (Dundar & Tabancali, 2012). While on other hand due to the lack of fair work atmosphere can have undesirable effects on worker's anxiety, nonattendance, retaliatory intentions, psychological well-being and turnover (Rita Silva & Caetano, 2014). Many experiences has provided that "institutions shall become be for individual, as opposite to individuals be resources for organization" (Patterson, 2001).

Procedures and norms in institutions are proposed by the top management to accomplish and defend the benefits of both the company and employee. The staffs who submit these customs typically continue on working with confident feelings in organization. What is mostly significant is to apply those stated values and customs similarly and impartially to everybody in the organizations. The practices engaged in the current outline are labelled in the works by the theory of organizational justice. The valuations prepared by the staffs as to how rational is the managerial process in the organization are described by the term mentioned to as the observation of organizational justice (Greenberg, 1990). The amount of justice supposed in the 40 so-called practices and in distribution of the salary that are carried out for workers, formulate the belief in workers' notices that their comforts and privileges will be secured in the future. These optimistic feelings & observations are related with constructive business result over the manners and approaches of workers (Colquitt et al., 2001). Moreover, the view of organizational justice is main reason in terms of how workers respond to joblessness, whether or not they admit their tasks regarding the commands by managers, their devotion to institution, whether or not they display behaviors of OCB, and also in describing job satisfaction (Ross & Jain, 2004). Job satisfaction, overall, is the optimistic or undesirable approaches of an individual towards her/his duty. In this framework, optimistic status to the job are equal to job fulfilment, and undesirable approaches to the job will tell job discontent (Bhakar & Mehta, 2011). An upper level of job fulfillment relating to individual is a vital component in the performance and achievement of the organization. From this viewpoint, it says that the administrations including staffs content with their job are more competent than those in which individuals that are frustrated with their job are engaged in addition to which those whose job fulfilment levels are fairly greater continue to work in the identical administration for a longer time (Shalley, Gilson, & Blum, 2000).

Except from confident feelings and approaches established to duty, work disappointment happens as the consequence of bad practices. As workers' frustration with the existing environments and practices grows, the sense of job frustration intensifies, as well. An important fundamental of suffering job discontent on the part of individuals' is the observation of managerial justice. Meta-analytic of both two works which estimated correlation between organizational justice and job contentment have put forward the influential relationship between the variables (Colquitt, 2001). The purpose for leaving of job is a belief of an employee about leaving the job in a near future (Mobley, 1982). While exiting the job, employee leaves his experiences and knowledge at the same time. For this purpose, stopping of job causes organizations to compensate such costs as the cost of job enrolment and settlement, academic expenditure, and the expenditure or cost of damages or accidents in the procedure of the adaptation to work (Sanderson, 2006).

Organizational modification is frequently supposed by employees as requiring cautious execution to overcome distrust related with susceptibility and damage of safety and welfare threatening. Such emotional state is usually described in terms of workers' assurance in, or dependence on somebody. Therefore, opinions about the procedures by which change has been imposed, the results and the action of those exaggerated seem likely to affect whether individual sense trust or mistrust. Organizational justice theory proposes an outline by which to discover and comprehend individual's feelings of mistrust or trust. Organization begin by conceptualizing the association between trust and organizational justice in the context of change. A case study taken from a United Kingdom public sector organization, it is inspected that workers' selfcategorized feelings of trust and mistrust in this conceptualization. Organizational justice concept concentrating on insights of equality in organizations. By classifying workers' opinions about their action and that of others in organization. Three kinds of organizational justice theory have been recognized in the work. Expansion of trust concept has been much dissimilar concentrating on a range of levels of analysis from the interpersonal to the inter organizational. Though this has led to in a diversity of meanings of trust, these display an amount of shared elements with ideas of "favorable hopes" and an "inclination to be vulnerable. This proposes that the procedure by which trust in advanced is informed by socially constructed interpretations of realism that comprise a readiness to make judgments about as yet unsettled circumstances and a leap of faith about unidentified ones. Trust, regarding to this style is founded on the acceptance of clarifications that contains awareness that information is defective. Consequently, a "mental leap of trust" is made from understanding to expectancy for trust to be developed (Möllering, 2001).

Four appearances of trust propos a means of connecting process-based explanation to organizational change. First appearance emphasizes sureness that hopes of the results of change will be fortunate, particularly that responsibilities would be achieved. Second, it tells a faith about not being cheated. For instance, that supervisors would not be choosy with the truth or cheat those they succeed. In contrast, the third emphasizes a readiness to be exposed, concentrating on the trust placed in the capabilities of those handling the change procedure to accept this role. Lastly, the fourth deals with trust creating from a trust that individuals are caring, will not damage workers and might even care for their wellbeing during the change process. We reflect each of the kinds of organizational justice in turn together with the possible implications for these manifestations of trust (Möllering, 2001).

# 2.3.1 Distributive Justice and Trust

In a change background, distributive justice is related to the views of equality rising from organizational distributions and results. It is claim that when circulations of organizational outcomes are measured reasonable, greater stages of trust are probably to follow. Adams (1965), suggested that the thought or sensing of unfairness will rise where the ratio of an individual's results in relative to their contributions from an exchange were apparent as uneven, as the outcome of a contrast with others. Opinions of injustice might cause an optimistic unfairness, where an individual observes that other had a better right to a specific distribution cause to a feeling of fault. In such manner, a result might be favorable but it might not enable equality or trust owing to views about absence of honesty in relative to the procedure (e.g. Bews & Uys, 2002). On the other hand, observations of injustice may lead to bad unfairness, where an individual sense that they had a better right to an outcome likened with the individual getting it, leading to outlooks of irritation and perhaps distrust.

Observations of distributive justice are grounded mainly on contrasting with others (Cropanzano, Ambrose, Greenberg, & Cropanzano, 2001). Likewise, opinions about responsibilities and trust are probably to be linked not just to a complete measure but also to one or more relative, social judgments. These are named as referent standards. Feelings of trust are thus probably to be affected by the relative action of others and by more general chances existing inside an individual's work-related group, organization or perhaps even another organizational context.

# 2.3.2 Interactional Justice and Trust

Observations regarding procedural justice associated to change might be distinguished from justice attentions growing from their employment. Firstly, views about procedural justice will rise in connection to the opportunity for those who are probably to be influenced by a decision to be capable to exercise voice and to involve in a level of procedure control. Opinions about whether the choice-making process is fair or unfair are probably to notify their level of trust. However, the level of trust produce might be changed by the supposed equality of the interpersonal behavior received. It has been recognized as being consisted of two major components linking to the clarifications and explanation for decisions made and the level of understanding of action and kindness to those affected during their service of change (Blodgett, Hill, & Tax, 1997).

Validation of organizational choices by effective descriptions has been initiated to harvest an outcome alike to that of procedure control. This might be elucidated by discovering that staffs are more expected to admit decisions, even unfavorable ones, when given a satisfactory and honest causes for it. These conclusions show the vital part that effective message might act in producing trust in a change setting, and probably to permit the interruption of doubt and any corresponding leap of faith. Likewise, the way in which individual is considered during a time of change has been found to affect his opinions about the justice of the procedure (Folger & Cropanzano, 1998). This proposes is a vibrant part for line managers in connection to the growth of juniors' views regarding justice and the creating of trust by the acts of goodwill, and manifestation of trust. The way of nature in which individuals are managed is thus probably to have an important influence on the opinions that they form about impartiality, not only about the procedure of imposing in common but also about the moral responsibility to deal everybody fairly that supports this procedure and its levels of trust.

Interactional justice was consequently presented as a third and separate concept of organizational justice. While it has been assessed as creating the similar kind of perceptual results as procedural justice. It is understood just as an aspect of procedural justice rather than as a discrete aspect of organizational justice (Cropanzano et al., 2001). Still, the merging of these two kinds of organizational justice on the ground of alike perceptual results dims the likelihood of variant influences on trust and, in specific, contrary implications for allowing leap of faith (Möllering, 2001).

#### **2.3.3** The moderation of procedural justice climate

Kerr and Jermier (1978), in their "Substitutes for Leadership Theory" identified that contextual variables can affect the impact of management. Contextual variables are the work setting, task and individual features can alternate for or neutralize the properties of managers' attitude. Substitutes are the features or variables that might abolish the necessity for such manager attitudes and neutralizers are those that can make such manager attitudes fruitless. For instance, in a unified work group where all followers already have capability and inspiration, a task orientation in a manager would be needless, therefore the cohesiveness, capability and inspiration of the group will help as an alternative for task orientated manager. An instance for neutralizer to manager will be a condition where a person who leads has to work in an atmosphere where he makes the shortcoming of official power and assets to lead efficiently. An advanced concept by describing that group rules can be moderators, which can also improve the effects of a person behaviors who leads (independent variable) on outcomes (criterion variable). For instance, in a crunch condition, a leader who is autocratic might be capable to harvest outcomes, but the similar leadership style might not be useful when a disaster is not professed by the workers, thus the disaster awareness improves autocratic leadership behaviors.

Moreover, the adoptability nature of the institution can also replace, improve or neutralize the belongings of leadership behavior. Researches revealed that organizational formality against organizational adoptability affects the supporter require for transformational leadership. Institute formality have been revealed as reasons affecting the efficacy of contemplation and introducing structure leader behaviors. Manager introducing structure behavior was more operative in smaller organizations than in bigger organizations. Since in bigger organizations the official processes in place condensed the requirement for such manager behaviors. Additional study also established that the formalization and reutilization features in organizations moderate the relationship between individual features and their trust in the manager (Krasman, 2014).

Earlier exploration described the constructive influence of procedural justice on organization citizenship behaviour of workers. Moreover, the outcomes of a study established the prominence of procedural justice mainly in the service organizations (Yung Chou & Lopez-

Rodriguez, 2013). Staff in the service companies frequently relay on random, uncertain and constantly varying client requirements and get lesser levels of pays even if they are needed to work additional hours (Wang, 2009). This contradiction between pay levels and labor demand disturb the opinions of workers' procedural justice and consequently their readiness to display organization citizenship behaviour. By nature, workers in service companies, mainly in generosity companies, effort collectively and in collaboration. So, justice of applied procedures and practices by the company could be more obviously observed by the workforces.

Since the entire workforce in a sector are uncovered to the identical processes and the similar management. They will formulate a collective justice awareness with respect to the decorum of the procedures functional in sections. The view of justice for distributive and interactional could be observed at employee level. Only procedural justice opinions could be calculated at group level as a contextual variable. Thus, a procedural justice is shaped because the rules and activities applied by the organizational establishments are understood by workforces in an organization in same way (Liao & Rupp, 2005). It is specified that procedural justice opinions of workforces in the same group become alike to everyone because of social information processing that make a group level environment (Jones & Skarlicki, 2005).

#### 2.4 Employee Performance Appraisal

For prolong growth, developing competent and strong workforce and financial success, the employment of a fair, effective, and well-organized performance-appraisal system is necessary (Espinilla, de Andrés, Martínez, & Martínez, 2013). Employee performance appraisal is an important instrument to sustain individual performance and evaluate and to create strategic organizational strategies, goals, and objectives. Outdated performance appraisal system has been criticized because of the absence of its impartiality, equity and paying individual at higher level of the institute's hierarchy. An appraisal system shall be created in such a way where employees feel it fair and will make a culture of trust, which will be supportive for its staff. An appraisal system can be fair enough when it integrate the strategy, philosophy and culture of organization (Rowland & Hall, 2012). Employee performance appraisal is the intervallic evaluation of the outcome of employee which is measured against such expectation (Yong, 1996). It was used for

many reasons and have significant influence on performance response, promotions, pay administration, coaching, growth and identifying individual's power and faults. It is the need for private and public sector organization which demonstrate the improvement in performance and achievement of goals and objectives by employee performance appraisal (Wisniewski & Stewart, 2004). For a company success employee performance appraisal is a critical part because it let the organization to retain and reward better level performers and gives opportunity for development to the low performers (Smith & Rupp, 2003). Contrarily, it is said by the Brumback (1998) that for two purpose individual performance appraisals is used, i.e. helping manager to make administrative decision e.g., pay and promotion, and secondly, meeting development objectives, such as assessing training for staff, developing their needs and coaching them. Performance appraisal is a management instrument through which individual's competence in an organization can be assessed (Armstrong & Baron, 1998). It has a direct link with employee job satisfaction and engagement.

Performance appraisal is a vital human resource management practices in an organization as it profits serious conclusions essential to many human resource activities & results (Jawahar, 2007). Execution of performance appraisal is one of the utmost challenges of effective human resource management (Taylor, Tracy, Renard, Harrison, & Carroll, 1995). Though, a performance appraisal is likely to deliver beneficial knowledge to individual about his achievement and development at duty. Assessment consistency and rationality endure to continue main concern for workplace. Performance appraisals are frequently encountered with considerable conflict (Taylor et al., 1995). Performance appraisal has wide implications for approaches and manners in an institute (Erdogan, 2002). Responses to appraisal and the procedure of appraisal are supposed to meaningfully affect the efficiency and the total feasibility of performance appraisal (Jawahar, 2007). Individual commitment has received better attention from scholars as a vital factor of individual performance. The concept has become standard amid of consulting businesses and has been found to confidently affect employee performance and organizational performance, and output economic performance. (Gruman & Saks, 2011). Given the prominence of individual engagement at workplace, an important matter is how to encourage the commitment or engagement of workers (May et al., 2004). Engagement researchers oppose that engagement is hypothetically dissimilar from old-style variables like commitment,

enthusiasm and thus the aspects which harvest engagement might be unlike from those that harvest these variables (Macey & Schneider, 2008). The belief of "fairness" has been recognized as significant aspects of workers' replies to performance appraisal sessions (Erdogan, 2002). Opinions of performance appraisal justice can produce comfort with performance evaluations, performance appraisal rater and its response and to employee perception of instrumental control over the appraisal procedure thereby improving their logic of psychological security, self-worth and group standing (Thurston & McNall, 2010). Less is acknowledged of the possible effect of performance appraisal justice on individual engagement and shows an important study gap in justice, engagement and performance management literatures (Moliner, Martinez-Tur, Ramos, Peiró, & Cropanzano, 2008). However, there present rare work that have discovered the effect of justice opinions on individual commitment, most of these are shown in an established economy setting. The effort of the current research is to examine the influence of performance appraisal justice on the engagement of the individual in Peshawar, Pakistan. Present study contributes to employee performance appraisal and its effect on employee engagement. Side by side, organization justice (moderator) and trust (mediator) effect will be tested. Performance appraisal and engagement background in three significant ways. First, by a positive examination of performance appraisal justice, we offer an understanding of performance appraisal justice & its basic dimension. Next, we tested the association between performance appraisal justice and individual engagement. At last, being surrounded by the Indian cultural context, the research enhances to the restricted set of studies that have measured individual engagement and performance appraisal in this setting.

#### 2.4.1 The logic why performance appraisal is not greeted.

To date, there is not a flawless degree in performance appraisal, because performance appraisal lacks a definite standard somewhere. It has been discovered in one work about scales that it might produce appraisal errors (Murphy & Constans, 1987). When evaluators use BARs (Behaviorally anchored rating scales), he or she might only detect behaviors concerning to gauge in effect of the standard messages that scales have given, and might have missed the correct information in reminiscences after examination. Furthermore, with the discovering of contextual performance, there is one more job in performance appraisal: appraise contextual performance.

However, contextual performance heals uncountable care in communication skills and interpersonal behaviors. This care is aim to support job relations, and its index structure generally centered on descriptive index. Most assessment indexes have some biases to affect fairness, particularly when task performance is not defined well.

#### 2.4.2 How to make performance appraisal welcome?

First, as a supervisor, actual control and management of organizational political behavior are significant. Due to the resources shortage and struggles, organizational political performance would continuously be in organizations. As personnel, they must confront the reality of organizational political behavior. As a supervisors, he or she shall support communications with workforces, discussing of ideas and views with fellows. Through such ways, it will confirm the understandings in two groups or parties. It could be performed in proper or by other methods like internet BBS and other known and unknown communication system. Take 'higher appraisal' and 'low appraisal' as instances, supervisors can provide the actual purpose to personnel or bring them to real purpose over employees. Such like performances could halt the rumors in staffs that are not beneficial for institute and avoid avenge attitude taken by workforces who have the sensation of injustice (Hui & Qin-xuan, 2009).

On second number, the strategy of performance appraisal ought to be bound to significant appraisal sources. Performance appraisal should not be an instrument only, to control workers' performance. Performance management must be combined to company's strategic goal and give notice to "objective leading', 'corporation development', 'client satisfaction.' and 'individual' growth' (Hui & Qin-xuan, 2009).

While on third number, emphasize individual' coaching linked to the appraisal of the performance. In the model the cognition of performance appraisal, they selected two parties of performance assessors who have unlike job skills, one party has been qualified for the related know how of appraisal of the performance and has five-year job practices while other party does not have any appraisal skills. We can understanding from the work that training and knowledge both show countless prominence in assuring effective assessment decisions. Therefore, it is necessary to let both evaluators and workers to understand much regarding performance assessment and to reach an agreement about some skills. Through training, evaluators can

identify how to escape halo error effect, signal effect, "similar to me" effect and other effects that make performance appraisal's outcomes have deflections, workforces can have rational cognitions to 'higher appraisal' and 'lower appraisal' phenomenon, so they can view it from all sides, when they face it in the future.

Lastly, supervisors' management is vital. Supervisors shall lead workforces to make share in all procedures of the appraisal of the performance from creating the standards of the appraisal to proper publication of performance appraisal report completely. It is necessary to maintain the feeding back as well as both sides communicating. By the deep analysis of workplace fairness, the sense of fairness of workers is from the justice of the distribution, justice of procedure, justice of informational discrimination, and justice of interpersonal. In addition, because the effect of system factors, it is not easy to allocate impartially. Therefore, it requires for the companies, to give much care to interpersonal justice, procedure justice, and informational justice (Hui & Qin-xuan, 2009).

Companies maintain a faultless communication structure and performance appraisal response sources to confirm justice of appraisal. The response must be tackled completely to let workforces have the sense of contributing and having rights. According to Lu and Yu (2005) that model that if an employee is permitted a permission to some of the control in the process of the appraisal then employee will acknowledge the procedure as reasonable. One way that individual contribute is that workers can make impact in appraisal outcomes directly or can demonstrate their opinions of evaluation procedure by the mean of indirect behaviors. When workforce senses that they can make effect in the outcomes appraisal, he or she will reflect the appraisal as unbiased and satisfactory (Lu & Yu, 2005).

Employee performance appraisal is measured an important component in organizational goal achievement for the healthier share of the twentieth century. It is a recognized rehearsal to practice performance appraisal methods to measure an employee outputs and improving the performance standard. The rehearsal is connected to pay for performance policies paying worthy work with increased salary and welfares. A statistician named Deming stressed inspecting the institution as a system. According him, calculating performance of employees is related to improve the system of know-how and expertise. Identifying that performance of employee woks as an organized system, it is suggested by Deming that almost anywhere in any organization

96% of workforces perform well (at least in the limits of the system) and only 4% of the employees create major issues in organization. The procedure of individual performance assessment is scheduled to label problematic performance, and there is a fundamental supposition that all workers must obtain an assessment. The works distributes to a varied variety of standpoints on this practice. Mainly, however, viewpoints on performance appraisal could be divided into two main groups: (a) the articles and works, which accept that there is a characteristic assessment in the performance assessment procedure, on (b) those who query the rationality and helpfulness of the performance assessment procedure itself. Usually, the mainstream of research printed on the use of performance assessment in advanced academic sectors are helpful of the practice. Therefore, there are many scholars who observe to the position that performance appraisals are a beneficial and necessary system in organization development.

In advance academics sectors, the usage of performance appraisal procedure is familiar. As states pursue answers for getting advanced schooling, some are using performance appraisal as a tool of deciding pay for performance. After all, it has encountered some conflict as well. Investigation at East Carolina University (ECU), labelled the influence of state directed the appraisals of performance at the university (Mani, 2002). According to Hanna, there were distresses about insufficient drill for managers. Side by side weighted pay without satisfactory funding, and low level of interaction between workers. Additionally, 40% of the workers assessed were not satisfied with the ECU performance appraisal system. Remarkably, instead of the disappointment of staffs, none of the managers were not satisfied with the system.

While managers might maintain performance evaluation structures, but numerous juniors don't heel to it. George (1995), considered the interpretations of two performance evaluation models in the setting of a university library; a supervisor-directed model and a novel self-assessment model. The supervisor-directed model had been in place for some time at the university, while the novel model being applied, contained a better importance upon individual self-assessment. The consequences of the research presented that workers evidently favored the self-assessment model. They were not satisfied with the absence of clearness in organizational objectives and with the absence of chance for effort into the project of the new model. A research has also found outcomes reliable with those found by George (1994). By using an example of

lecturers, and associating two models, it is found that the lecturers favored effort in the performance assessment procedure. They chose a problem-solving technique to the management-by-objectives technique. It is recommended that the amalgamation of objectives associated to Total Quality Management (TQM) as a part of the lecturers assessment procedure (Andrews, 1997). Identifying conflict with supervisor-directed objectives, he struggles that there will be improved lecturers participation in the procedure if there is better recognition of the fundamental standards of the organization. By containing TQM standards into the process, it is claimed that some of the innate anxiety of the performance evaluation procedure might be eradicated. There might be manifold causes for unlike observations of lecturers and managers, along with training for managers and better communication. After all, there is indication that manager prejudice might be a reason as well. In every studies a reports by the researchers in the above mentioned, frustration related to the performance evaluation practice is obvious. Still at the same time, there appears to be a supposition that, with the appropriate approaches for development, the performance assessment procedure will work. It maybe with a supposition that the rivals of performance assessment start their attack. Debatably, an employee who had the utmost effect in determining an another viewpoint is Deming. In Deming work, out of the disaster, Deming (1986), marked extensively about common reason for mistake in institutions. Basically he maintained, institutes which could discover and eliminate the causes that are common for mistake will develop. Additionally, in the devastating mainstream of cases, common reason for mistake is not found within the performance of employees but within system. He also stressed the significance of keeping a confident institutional environment. He clarified that it is the accountability of the managers to "drive out fear" in the workplace. Unless workers sense secure to discover issue and problems (without distress of vengeance), he or she will not pursue to fix issues within the system.

He also accepted the significance of the employee in the institution and he did not rule out the presence of individual difficulties. Though, he recommended that a usual circulation of performances in the institutions, and 95% of all workers are performing for company achievement. Only 5% of all workers are feeling severe problems. Numerous companies use the performance evaluation system in order to state the problems of "5% group." Therefore, the companies use a procedure that covers the whole staff, rather than covering up exact performance issues, when and where they may happen. According to him, the issue is compounded when the performance assessment is used to regulate pay-for-performance, a procedure that devotes to terror and efforts inside of organization.

Performance appraisal are generally managed to control pay against the level of performance of the employee, which means that pay is issued according to the performance of the employee, under the assurance that financial incentives will advance the performance. He quotes significant investigation that assumes that intrinsic rewards are much significant than financial recompenses. Additionally, since establishments are systems functioned by sets of individuals, by selectively defining that some employee shall obtain improved payments for effort that is fundamentally share of a party energy, we establish deep separations in the organization.

Scholtes (1999), is an honest critic of performance appraisals. He was Deming follower of, and has showed wide work on such topic. Indeed, Deming specified, "if you are viewing for an another option to performance evaluations, just pay attention to what Peter Scholtes has said". According to Scholtes (1999) at top, performance evaluations do not work, at worst, they cause severe harm to morale within the organization (Scholtes, 1999). He perceives that in spite of the wide use of performance appraisals, maximum individuals have no sureness in the procedure. He quotes review directed by the Society for HR Management, which found over 90% of evaluations, were judged ineffective. Actually, Scholtes (1999) studied Smither work in the spring 1999 issue of Personnel Psychology. In the examination, he observed (with some surprise) that writer after writer admits the faults of individual performance appraisal, and then suggests fixing it.

He argued that the performance evaluation theory couldn't be fixed since; it is a repetition of management viewpoint. He says that there are two fundamental and basically unlike methods to management: (a) management which pursues to execute outward controls on individuals, and (b) management or leadership that pursues to adopt inside desire between individuals (Scholtes, 1999). Scholtes (1999) describes that those who encourage the use of performance evaluation hold the "external controls on individuals" philosophy. Similarly, manager or leader who pursue to implement inside desire in individuals would have trouble with

the underlying "control" philosophy of the performance assessment. He claims that managers cannot successfully follow both methods to management and leadership.

Scholtes, like Deming, identifies that individual issues would happen. Scholtes (1999) proposed that for such issues, a superior performance assessment shall be measured. In these examples, the distinct performance assessment had better to use to heal to recognized difficulties with exact performance objectives. In term of 95 to 5, he proposes that 95% of institutes would not need (or advantage) from performance assessments. Meanwhile, 5% of the institutions might require this intensive consideration. The superior performance appraisal could be an actual instrument with this population.

Gray (2002), enhances to the situation in contradiction of performance assessments. He disproves some elementary opinions made to protect the appraisal of the individual performance: (a) that appraisal of the performance deliver lawful defense for the company against discrimination objections, and (b) that individual grading systems could differentiate above and below average workers. He quotes some works that confirm the performance evaluation procedure undergoes from low employer-employee confidence, and defective application. Therefore, without the performance appraisal is working at whole proficiency, the structure offers no lawful defense for the institution. Imperfect accounts and unreliable manager scores incline to work against the organization in a court of law.

Concerning the second supposition, he says that performance appraisal scores structures are focused on shaping normal performance. He, then, contrasting employees' grading to the average. However, limited individuals reflect themselves to be "average." In realism, the supposition of normal performance really sets the phases for collision among the individual and manager, rather than the environment of employee development desired. The importance in the performance assessment becomes absorbed on the rating, rather than objectives for individual development and enhancement.

Where does this leave us concerning the two elementary inquiries? Is the performance assessment being important portion for institution development? The works appears to care the situation that performance appraisals are supposed to be a vital fragment of the company.

However, there is significant frustration with their use. Whether performance assessments are vital for institutional development possibly relay upon the management viewpoint of the institute. It positively seems that institutions with a control entered management attitude are much possibly to trust that performance appraisals are indispensable to the procedure. Certainly, if this is the path a company elects to follow, then they shall be ready to address the second query: In relations of assets, how much are we keen to capitalize to decrease the innate irregularities with the performance evaluation procedure?

Concerning question number second is the 95=5 concept, is the performance assessment perception itself faulty? The indication showed in this path, mainly in line of the overall concerns related with the procedure. Moreover, there is an obvious absence of models of effective performance evaluation systems in place. Given the widespread use of performance assessment, one can presume to discover researches and articles of high-performing models.

The use of appraising of individual performance is mainly interesting for such institutions dedicated to nonstop development. For institutions that are dedicated to "set sail" using an endless development viewpoint, the response seems to be positive. The appraisal procedure of individual performance must be stopped. One cannot set sail with one foot on the boat and one foot on the dock! To be sure, there are inferior queries that is necessity to be solved if this path is chosen. How do we report employee's issues when they happen? While how do we assure steadiness and justice in the procedure? The succeeding are some recommended steps to consider:

- Inaugurate a method for a person specialized development for all of the staffs. Western Wisconsin Technical College (WWTC) advanced a Worker Success Strategy (Rasch, 2004). Rather than a procedure for performance evaluation, WWTC practices a method for worker expert objective identification, which works as foundation for discourse with the employee's manager, and as a technique for recognizing college wide training and specialized development chances. Since there is no grading for previous performance, the emphasis is on optimistic chances with the additional aim of better alignment with institution objectives.
- 2. Advance and device or implement a system for special performance appraisals.

This method would allow an institution to effort regarding the issues of employee that happen. Superior performance appraisal emphasis on specific, recognized issues, and offer equivalent chances for achievement, along with advanced steps for correction, if difficulties continue. The distinct performance assessment strategy and process must obtain a lawful examination for fair-mindedness and agreement with rules.

3. Effort with managers to grow an understanding of Unceasing Enhancement leadership notions. Leadership training is vibrant to institutional achievement. In addition, managers shall be trained, as (Scholtes, 1999) states, in nurturing inner longing amongst employees.

With the 95=5 rule, as with any philosophy, the utmost demanding and claiming are in the execution of the perceptions in the organization. Concerning fears regarding the appraisal of the performance, the indication is important. Several institutions will fare healthier by giving time and assets in increasing substitute practices, such as those emphasized in this work, rather than trying to fix a system that could not be fixed. The queries raised concerning performance assessment as central. They are engaged at serving employee be effective in the workplace because employee help to confirm institutional achievement.

It is demanded by Cleveland, Murphy, and Tziner (2002) that with such different determinations for performance evaluations, evolving one system which would fulfill all necessities is a hard job. In order to develop and enhance a specific assessment method, the purposes that it is to help must first be expressed. With respect to ways in which performance assessment are executed, many problems regarding employment may rise, like: what facets of performance are evaluated; whether performance is defined as, narrative (classified or assessed); the standards upon which decisions are grounded (behavioral versus outcomes). The kind of tools used for score; who develop the assessment; and how often evaluations are developed. In an alike style, earlier work has concentrated on the results attained by unlike kinds of assessment tools, such as, graphic rating scales (GRS); ranking; forced distribution; behavioral observation scales (BOS);360-degree feedback; management by objectives (MBO); behavioral anchored rating scales (BARS); and peer- and self-evaluations (Abu-Doleh & Weir, 2007). However Ferris and Judge (1991), showed that these diverse kinds of assessment tools could be

recommended and used for developmental decisions (in-employee) and for employees decisions (between-employee comparisons).

# 2.4.3 The Justice of Performance Appraisal and Engagement of Employee

In order for individual to develop and prompt himself or herself physically, expressively and cognitively at the time of the performances of the role (i.e. showing engagement), performance appraisal system shall be supposed as reasonable by the workers. It is stated that individuals differ their personal engagements regarding the observations of welfares, or the importance, and the assurances, or security, they identify in circumstances. Psychological safety is related to components of public structures that make non-threatening, foreseeable and reliable societal conditions in which to engage. Opinions of justice assist in making a logic of security in the notices of workers as they start to consider that even if they flop in their duty, the workplace would identify their struggles and would deal them justly. In likely condition, individuals are capable to display and engage themselves without terror of undesirable results to self-image, position or career (Kahn, 1990).

Regarding social exchange theory of (Blau, 964), better fairness at organization shall remain responded with manners which profit the foundation. Founding their discussion regarding the customs of exchange, Macey and Schneider (2008) perceived that engaged workforces devote their time, trusting that their share would be satisfied (extrinsically or intrinsically) in significant step by step organization. Better justice views would more probably be linked to individual performance successfully and paying to managerial consequences i.e. outcomes related leader and performance (Elicker, Levy, & Hall, 2006).

It is established that justice observations, in a main appraisal role, lessen psychological suffering, concern and depression (Spell & Arnold, 2007). Limited investigators verified the association between justice and engagement; and there is no consistency in the measurement used in their research and none who has confirmed performance appraisal justice and engagement relationship. Saks (2006), in a work of Canadian personnel, verified the effect of distributive & procedural justice opinions on wok and employee commitment. In his work, he advanced his personal scales of work engagement and workplace engagement rather than using

any recognized scale. According to Maslach and Leiter (2008), they showed engagement as an antithesis of stress (tiredness, distrust & inefficacy). They, though, never used multi-dimensional approaches of fairness and used a six-item scale to measure justice. Moliner et al. (2008), established the connection between procedural, distributive, and interactional justices and engagement in the Spanish service sector (hotels). In his work, they only calculated stamina and devotion and left out absorption. No research has confirmed the association in justice and engagement using standard measures of both justice and engagement and no two works measured justice and engagement in a reliable way. Therefore, it is, hard to reach any results about the association between justice and engagement.

Engagement theory has been operationalized in two ways: Kahn (1990), vision of engagement as the immediate employment and appearance of an individual's "preferred self" in task manners that encourage associates to work and to work with others, individual company (physical, intellectual and emotional), and energetic, performance of full role. Schaufeli et al. (2002), observe of engagement as theoretical linked the condition that is considered by potency, devotion and engagement.

#### 2.4.4 Relationship between Employee Performance Appraisal and Employee Engagement

Today's important area is performance management (Mone et al., 2011), the connection between employee engagement and performance management not fully and thoroughly explore but however Gibbons (2006), reported that the decision and practices of manager have strong impact on the engagement of employees. Such people care of the company future and remain willing to exert their efforts in, exceeding his duty hours and see the organization to lead and succeed (Seijts & Crim, 2006). Mone and London (2009), has pointed out 5 management activities as (i) Setting performance and development goals, (ii) assisting constant feed-back and acknowledgement, (iii) Supervision and managing of employee improvement, (iv) Conducting mid-year and year-end assessments, (v) Constructing an environment of trust and authorization.

According to social exchange theory, when the workforce recognize that their employer appraises their performance with standard measures fairly, in return, they will reciprocate this favor by engaging in their job. On the ground of above cited literature and social exchange theory, it can be hypothesized that;

H<sub>1</sub>: Employee Performance Appraisal has significant relationship with Employee Engagement.

H2: Employee Performance Appraisal has significant relationship with Employee Trust.

H<sub>3</sub>: Trust has significant relationship with Employee Engagement.

# 2.4.5 Mediating role of trust

When manager solves problem between two parties, a relationship of trust appears in supervisor and subordinate, (Fisher, Ury, & Patton, 2011) by recognizing trust as the mediator. Researches of trust are constructed on social exchange theory, that states the "voluntary activities of employee that are inspired by the revenues they are estimated to bring and, classically, do in fact bring from others" (Blau, 1964). Recent studies shows that existence of a helpful and confident work setting is necessary for improving employee engagement (Macey & Schneider, 2008). A study conducted by (Butler, Cantrell, & Flick, 1999) on a self-directed effort groups, which supported the indication that trust in manager mediates the association between a leader's individualized support behavior and an individual's satisfaction with work. Further studies show that improved trust in supervisor is negatively linked to turnover intension of the employee (Brashear, Boles, Bellenger, & Brooks, 2003). Trust is instrumental in supporting group concerns grounded on social exchange, and it is conceivable that supposed fairness and high-quality leader-member relationships reinforce group concerns. It is the employee performance appraisal that directly pushes an employee to engage in his or her job.

In the same line of the fore cited literature and social exchange theory, it can be claimed that when an employee feels that his employer has standard, employee performance appraisal system, his trust will be developed on the employer. According to social exchange theory, after employee has trust on his employer, he will engage in his job, in return.

Hence on the basis of above cited works and arguments, it can be hypothesized that;

H4: Trust mediates the relationship between Employee Performance Appraisal and Employee Engagement.

# 2.4.6 Moderating role of Organization Justice

Organization justice is very important in prevailing a relative atmosphere in workplace. Organization justice is the perceptions of employee towards the justice in organization, where equity concept is also based on the same notion in which employees are encouraged by fairness. Organization justice is of prime importance because if employee does not feel any justice they can lose their interest, which can be in shape of low work intension, absenteeism etc.

Organization justice can be further divided in four categories: distributive, procedural, informational, and interactional. Here in our study we will select the most important "Procedural Justice". If an employee feels that an organization has sound procedural justice, he would have a trust on his performance appraisal and will accept it.

Basis on the above organization justice and equity theory, it can be hypothesized that;

H5: Organization Justice moderates the relationship between Employee Performance Appraisal and Trust.

# **2.5 Research Model**



# 2.6 Hypothesis

- H1: Performance Appraisal System has significant positive effect on employee engagement
- H2: Performance Appraisal System has significant positive effect on employee trust.
- H3: Trust has significant positive effect on employee engagement
- H4: Trust mediates the relationship between employee performance appraisal and employee engagement.
- H5: Organization justice moderates the relationship between employee performance appraisal and trust.

# CHAPTER 3

# Methodology

#### **3.1 Research Methodology**

The determination of this research is to solve the problem under a systematic procedure, which is known as research methodology. In this procedure researcher adopts procedures like describing, explanation of the phenomena for the work and its results. In other words, it is the method and procedure by which knowledge could be gained. In this research, two questions are explored and answered. These questions are; how the data are collected and generated? And how was it was processed and analyzed?

Tense used in the research are in past, direct and it must be precise (Labaree, 2009). The aim of the work is to know about the association and impact of the Employee Engagement with Employee Performance Engagement with moderating role of Organization Justice and mediating role of Trust. In this line, different statistical tests are used by the researcher on the gathered data set.

## **3.2 Research Design**

The design of the research is "the arrangement of circumstances for gathering and investigation of the statistical information in a way which purposes to syndicate significance to the research purpose with economy in procedure" (Shahzad, 2011). Research is differentiated from other form of observation because of it is the step-by-step continuous design and planned nature. In research study, a researcher follows the steps regarding, setting, time horizon and unit of analysis are discussed as below.

The term methodology is explained as a system of explicit rules and process in which research is grounded. In this unit, emphases will be on the research methods assumed, and is used for this research with the purpose to achieve the study aims. It comprises population of the study, sampling process and size, theoretical framework, research hypothesis, variables and their measurements, data gathering, data analysis. All these procedures are described in the succeeding units as systematically.

# **3.3 Type of study**

The nature of the study is causal/relational where the effect of employee performance appraisal, organizational justice and trust on employee engagement has been measured on the ground of self-reported perception of interviewees regarding the variables.

In this research, the views and perceptions of respondents are weighted most and it is because of the facts that great number of information's can be gathered from the respondents over questioners. Burn 2000 pointed out two main advantages of survey. First, respondents answer to the question at their own pace which increases the chance of accuracy. On second, in survey method, same questions, same method and similar ways are applied for each respondent, which gives no room to the biasness that could be caused during the words delivering and the style during interviewer uses. In this research, one of the important and unchangeable method is survey method, which is used in quantities data handling. Data in shape of sample is collected which represents all of the population (N) by which we promote a new method for problem.

According to Rungtusanatham, Choi, Hollingworth, Wu, and Forza (2003), he describes two types of survey. One is descriptive survey where present state of affairs is studied while second is relational survey which studies the relationship of variables. In other words, relationship is studied between dependent and independent.

Relational survey design has been used in this research to find the relation between employee performance appraisal, organizational justice (Procedural justice), trust and its effects on the engagement of the employee of the organization.

# 3.4 Study setting

Questioners are filled by the lecturers in the university premises, which makes the study a field study by nature. Questioners are filled in their own natural network and no artificial setting has been created which has no manipulation and control system.

# 3.5 Time Horizon

Data collection duration is from Jun 2017 to Aug 2018 from public and private universities operating in Peshawar region, KPK, Pakistan. Most of the data has been collected during July to September months because during this time teachers feel relax and no burden which makes an environment to fill the questioners with ease. They have no classes and less administration responsibilities during this time. So summer time has been found suitable for contacting them easily where they found time to fill lengthy questioners, which is used in the study, and neglect from their side is reduced.

## 3.6 Unit of analysis

In this work, individual (university lecturer) is focused which is the unit of analysis. Here individual perception is weighted regarding employee performance appraisal, their view regarding procedural justice and their trust level on justice of the organization, which make them, engaged in their work. All of the variables are connected with each other, which show their relationship, and return enhances the level of the engagement of the individual at work.

#### **3.7.** Population of the Study

According toUma (2000), a population comprise of the whole cluster of people the researcher intends to study. Population of this study are all public and private sector universities operating in KPK, Pakistan. Number of employees working in these universities are the population of the study. This study is interested in the commitment of the employee in the universities, which improve the output of the organization/universities. In current situation, there are many public and private sector universities in District Peshawar. Among these universities, only number are of business university. Seven Business Schools were selected randomly for this

study. The faculty members working in the Business Schools (private and public sector business universities) will constitute a universe of the study.

# 3.8. Sample Size

According to Cooper & Emory, (1995), sampling is a course of action that opt for a portion of the essentials in a population, and then utilizing the information attained, and in the end draw conclusion about the total population. This research will use convenience-sampling technique for the purpose of collection of data. Calculation is based on Rao Software which is online available on internet. I will select a sample size of 312 for this study.

	No. of	Sampled	References
Name of the Business School	employees	employees	
Iqra National University	30	28	http://inu.edu.pk/faculty/business-department/
Abasyn University	23	22	Administration / Faculty member
Peshawar University	67	58	http://www.uop.edu.pk/departments/?q=Institut e-of-Management-Studies&r=Teaching-Faculty
Sarhad University	20	20	http://www.suit.edu.pk/department-info/3
University of Agriculture Peshawar	65	56	http://www.aup.edu.pk/tttstaff.php?f_id=8
IM Sciences	85	70	http://www.imsciences.edu.pk/index.php?act= faculty_view
Islamia college University (ICU)	67	58	sbbwu.edu.pk/sbbwu/Department/index/mana gement_sciences
Total	353	312	

 Table 3.8.1: Number of sampled faculty members in the selected Business Schools.

## 3.9 Scales Used

This research is relational in its nature. Following scales in table 3.9.1 are used to measure the variables of the research and to discover out the connection between these variables.

**Table 3.9.1** 

Variable	Author	No of Items
Performance Appraisal System	Sukumar , (2001)	10
Employee Engagement	Schaufeli & Bakker, 2003	09
Organizational Justice (Distributive)	Niehoff and Moorman (1993)	20
Trust	Podsakoof et. al., (1990)	34

# 3.10 Data Collection Method

# 3.10.1 Pilot Testing and Administration of Questionnaire

Self-administered questionnaires are used in this research by uniting scales for variables of the research together with a set of questions for developing demographic belongings of the interviewees. Scales managed in research are mostly advanced in English. According to Raja and Johns (2010) English language scales could be easily used in Pakistan particularly when the population are used to advanced schooling sector. The instruction medium in all higher education institutions of Pakistan is in English, it is necessary for all educational institutions teachers to provide the lectures in English, and because of this factor it is decided to use the scale in English. Alongside with the questioner a covering letter is also attached in order to describe the aim of the research for the respondents while privacy and anonymity is also ensured for them. At the end of the questioner a thank letter is also attached to appreciate the respondents for giving the time and feedback. Before distributing the questioner, a permission letter was obtained from the university on a letter head pad in order to keep the work smooth. Received questioners were mainly taken by hand while some were received by couriered by the universities while other were emailed.

#### **3.10.2. Handling of Received Questionnaires**

While receiving the questioners, they were checked with care for missing data. Questionnaires got back by the researcher were first of all cautiously inspected to know about of any missing data. It is important to check the missing because it makes problems. Guidelines are also available online to control missing data. If the missing is minor and variables are not missed, then the problem can be marginalized.

#### **3.11 Cronbach's Alpha Test**

In order to calculate and measure the internal steadiness and consistency of the variables, reliability of variables Cronbach's alpha was considered. According to the concept of George and Mallery (2003) reliability coefficient of .90 or superior is outstanding, .80 or better is good, .70 or upper is measured "acceptable", .60 or bigger is questionable, .50 or higher is poor, whereas lesser than .50 is not acceptable. Cronbach alpha for each variables items were measured independently. The results of current research showed that Cronbach's alpha for employee performance appraisal items was .93, for organizational justice it was found to be .89, .90 for Trust and .85 for employee engagement items, which is good. The above-mentioned variable's reliability values propose that the variables have relatively high internal consistency. The techniques of Cronbach's Alpha (1995), are used to test the internal consistency of the data. It show the reliability of the scale. The data will be considered reliable according to this method if the value data lies between the range of 0.70 and 0.90. Although below table 3.11.1 shows the values in range between of 0.85 and 0.93.

# Reliability

<b>Table 3.11.1</b>	Reliabity Analysis			
	Items	Cronbach's Alpha	-	
EPA	11	0.93	_	
OJ	17	0.89		
Trust	3	0.90		
EE	3	0.85		

# **3.12 Demographic Characteristics of Respondents**

Demographic features of respondents that is being noted in this research contain 03 different aspects. First is gender in university, which has two choices male and female. Second is marital status, which comprised two four choices of single, married, widow and divorced. Third is education level of lecturers in university, which is calculated as categorical variable, having three options of PhD, MS and Masters.

# **3.12.1 Gender**:

Gender of the interviewees are nominated in two groups of male and female. In KPK, Peshawar many of the interviewees are male and less are female. Entire sample size is exposed in below table 3.12.1. This is in-line with the fact that women in Peshawar have usually been only domestic part and men being accountable of making cash for the household. This has been changed in the recent past and now more women last for their job even after their marriage because of endlessly increasing price of living and little growth in the pays of their spouses.

Table 3.12.1	Frequency Table				
			GENDER		
		Frequenc y	Percent	Valid Percent	Cumulative Percent
	Female	110	35.3	35.3	35.3
	Male	202	64.7	64.7	100.0
	Total	312	100.0	100.0	

# 2.12.2 Marital Status:

Marital status of the interviewee is taken with four choices in Peshawar, in below table 3.5.1 four choices of married, single, divorced are common. Astonishingly 12 were divorced. This might be because of the reason that being divorced is not measured well in the socio-cultural context of KPK, Peshawar, and such individual loses social connectivity. That is why generally individuals do not willingly report their divorced status.

Table 3.12.1	12.1 Frequency Table							
	M_STATUS							
				Cumulative				
	Frequency	Percent	Valid Percent	Percent				
Single	186	59.6	59.6	59.6				
Married	108	34.6	34.6	94.2				
Widowed	12	3.8	3.8	98.1				
Divorced	6	1.9	1.9	100.0				
Total	312	100.0	100.0					
3.12.3 Education:								

Qualification of interviewee are calculated in three groups as revealed in the below table 3.12.1. In Pakistan, maximum proportion is of those who have sixteen years of degree i.e. 62.2%. Respondents with MS qualification are found to be 24.4 % of the total sample size in Peshawar. Only 13.5% of the interviewees were having PhD degree. This is because of the fact that in Peshawar, having a PhD degree to be a professor of the university has just been required in recent past and most of the faculty members are presently in the diverse phases of the achievement of their PhD degree.

<b>Table 3.12.1</b>	Frequency Table			
		EDUCATIO	)N	
Frequency Percent Valid Percent Cumulativ				
PhD	42	13.5	13.5	13.5
MS	76	24.4	24.4	37.8
Masters	194	62.2	62.2	100.0
 Total	312	100.0	100.0	

# **CHAPTER 4**

# DATA ANALYSIS AND DISCUSSION

The current chapter deals with the investigation by which information is collected from the respondents. In this chapter four analysis namely demographic analysis, descriptive test, correlation, moderation and mediation of the variables. Hypothesis are tested by collecting of data from the respondents of public and private business universities operating in Peshawar, KPK, Pakistan. The hypotheses are summarized in this chapter including discussion regarding the obtained results.

# 4.1 Demographic analysis (Gender)

In table 4.1.1 of frequency shows its description regarding gender. In below table 4.1.1 the total number of female is 110 which is 35%. On the other hand, male percentage is 64% having strength of 202 out of 312 respondents.

Table 4.1.1	Frequency Table				
	GENDER				
		Frequency	Percent	Valid Percent	Cumulative Percent
	Female	110	35.3	35.3	35.3
	Male	202	64.7	64.7	100.0
	Total	312	100.0	100.0	



71

# 4.2 Demographic analysis (Marital Status)

Frequency table 4.2.1 shows the description regarding marital status. In table 4.1.2 the number of single / unmarried respondents are 186 which is 59% while married respondents are 108 having 34 percentages. On the other hand widowed are 12 with 1.9 percentage and divorced are 06 with 1.9 percentage.

<b>Table 4.2.1</b>		Frequency Table				
M_STATUS						
					Cumulative	
		Frequency	Percent	Valid Percent	Percent	
	Single	186	59.6	59.6	59.6	
	Married	108	34.6	34.6	94.2	
	Widowed	12	3.8	3.8	98.1	
	Divorced	6	1.9	1.9	100.0	
	Total	312	100.0	100.0		


# 4.3 Demographic analysis (Education)

Below table 4.3.1 of education shows the education level of the lecturers (respondents) in the universities. Regarding PhD doctors, they are total 42 out of 312 with 13 percentage while MS qualified were 76 with 24 percentage. Third category for Masters Level. Total Masters are 194 with 62 percent.

<b>Table 4.3.1</b>		Freque	ency Table	
		EDUCATIO	)N	
	Frequency	Percent	Valid Percent	Cumulative Percent
PhD	42	13.5	13.5	13.5
MS	76	24.4	24.4	37.8
Masters	194	62.2	62.2	100.0
Total	312	100.0	100.0	



### 4.4. Descriptive Statistics

In this study, variables has Five Lickert Scale. It starts from the strongly agreed to strongly disagreed. The data has been analyzed with SPSS. In below table 4.4.1 minimum, maximum, average, and standard deviation mean are elaborated. Table 4.4.1 shows the statistics for the variables of this research. In table 4.4.1 the names of the variables has been shown in the first column while total observed clients has been shown in the second column for the study. In the third column the minimum value is shown as 1.00. 2.65, 1.00 and 1.00 respectively for variables. Column four shows the maximum value which is 5.00 for each variable. The preceding and fifth column show the mean value or average value which is 4.2602, 3.6406, 3.8910 and 3.5641 for EPA, OJ, Trust and EE respectively. In other word the value of mean are above 4, which elaborates that data provided by respondents are much confirmatory and also willingness to the agreement. It is shown in the below 4.4.1 table that mean value are predisposing to come to an agreement side, but somewhat at the side of unbiased. The column of standard deviation shows the values as .76501, .63033, .95834 and 1.00596 for EPA, OJ, Trust and EE.

Descriptive Statistics									
	Minimum	Maximum	Mean	Std. Deviation					
EPA	1.00	5.00	4.2602	.76501					
OJ	2.65	5.00	3.6406	.67033					
Trust	1.00	5.00	3.8910	.95834					
EE	1.00	5.00	3.5641	1.00596					
Valid N (listwise)									

Table	4.4.1
-------	-------

### 4.5 Correlation

To check the association among dependent and independent variables, Pearson correlation analysis was performed. The matrix of correlation shows the results value of these correlation. Table 4.5.6 shows the linear association among independent variables that is Employee Performance Appraisal and dependent variable, Employee Engagement. Researcher of this study examined through below results of correlation and all the variables are correlated and significant correlation arises between Employee Performance Appraisal, Organization Justice, Trust and Employee Engagement.

**4.5.1. Trust and EPA**: The coefficient of correlation between trust and employee performance appraisal of the universities teachers in KPK, Peshawar found positive and significant at level of .01 with value of 0.517 as shown in table 4.5.6.

**4.5.2. EE and EPA**: The value of correlation coefficient between these variables is .258 and it is at level of .01 which is positive and significant. Thus for the data from universities faculty of Peshawar, EE and EPA are significantly and positively related with each other.

**4.5.3. Trust and EE**: Trust and employee engagement of universities faculty members in KPK was observed over their Pearson correlation coefficients and it was found that coefficient of correlation between these variables is .402 and is positive and significant at level of .01. which indicates that there is positive and significant relationship between Trust and EE of universities teachers in KPK.

**4.5.4. Trust and OJ**: Pearson correlation coefficient of .134 significant at level of .01 was found for the relationship between organizational justice and trust. It means that if OJ is maintained along with trust the teachers of KPK will be highly engaged in their work.

**4.5.5. EE and OJ**: Correlation coefficient of .244 was observed between two predictor variables of this study i.e. organizational justice and employee engagement style as shown in table 4.5.6. Though correlation coefficient is not very high but as it is highly significant at .01, there could be possibility of multicollinearity.

<b>ZPA</b>	Trust	EE	OJ
1			
17**	1		
58**	.402**	1	
.037	.134**	.244**	1
	1 17 <sup>**</sup> 58 <sup>**</sup> .037	58** .402**	58** .402** 1

**Table 4.5.6** 

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

### 4.6 Moderation Analysis

In below table 4.6., in model summery "F" value is 135.3068, which is above 4. It means that model is fit. R-sq value is .1430. R-sq shows that how much contribution independent variable has in dependent variable. Its value must be above .4, which shows the significance of model. If .14 is multiplied with 100 it will be 14.

In model table beta value is .3213, it means that how much change is occurred in dependent variable by independent variable. T value is above 2. It is also known as 2t values. If the value is above 2 will mean that there is moderation. P value is below .05, which is significant value. Next most important is called confidence interval. They are Lower Level Confidence Interval (LLCI) and Upper Level Confidence Interval (ULCI). Here both must be positive or negative. We will say there lies no 0 between the two confidence interval, upper level and lower level. 0 will not occur if both are positive or negative e.g 1.2.3, -1,-2,-3. So it can be said that there is significant moderation relationship.

**Table 4.6.1** 

# **Moderation Table**

## **Matrix**

Run MATRIX procedure:

Written by Andrew F. Hayes, Ph.D. www.afhayes.com Documentation available in Hayes (2018). www.guilford.com/p/hayes3 Model : 1 Y : EmpEng X : EPA

W : OrgJust

\*\*\*\* coefficient is beta value. It shows per unit change. It means per unit change of independent variable in dependent variable 

Model Summary

R	F	l-sq	F	Р	
.3781	.1	430	135.3068	.0000	
Model					
	coeff	t	р	LLCI	ULCI
EPA	.3213	3.2219	.0013	.5169	.1257
OrgJust	.2439	2.1060	.0353	.4710	.0168
Int_1	.1688	5.9303	.0000	.1130	.2246

### **4.7 Mediation Analysis**

Hypothesis states that Trust mediates in the relationship between EPA and EE. First condition for mediation analysis was fulfilled as EPA has the significant impact on EE, ( $\beta$ = 0.74, t= -11.91, p=0.00). When both Trust and EPA were regressed together to explain the indirect effect of counterproductive work behavior, third condition has also been satisfied as Trust has significant impact on EE ( $\beta$ =-0.15, t=-2.48, p=0.01). When controlled for Trust, value of R<sup>2</sup> changed from 0.25 to 0.23 and  $\beta$  value reduced from -0.74 to -0.63 but overall impact of EPA on EE remained significant as shown in table 4.13. In addition to this, the difference between bootstrap confidence intervals (i.e., LLCI and UPCI) of total effect of EPA and direct effect of EPA on EE does not cross the zero which implies that there is the difference between the two hence mediation occurred. So as the impact of EPA reduced but remained significant after controlling for Trust, hypothesis will be partially accepted and we will say that Trust partially mediates the relationship between EPA and EE.

	EE				<u>Trust</u>				
	R <sup>2</sup>	В	t-value	P-value	R <sup>2</sup>	В	t-value	P-value	
Direct effect									
EPA	.22	.74	11.91	.00	.36	.75	16.91	0.00	
Indirect effect									
Trust	.23	.15	2.48	.01					
EPA		.63	8.11	.00					
Total effect of X on YEffecttp.739811.91.00Direct effect of X on YEffecttEffecttp	LLCI .86 LLCI	ULCI .62 ULCI							
.63 8.11 .00		.47							
Indirect effect of X on Y Effect LL	CI UI	LCI							
Job Satisfaction .11 .24	.(	)1							

Table 4.7.1: Mediated Regression Analysis of EPA, Trust and EE

# **CHAPTER 5**

# **CONCLUSION AND RECOMMENDATIONS**

#### 5.1 Conclusion

This study contributes to the gaining knowledge of organization body of Employee Engagement. Through the current study a manager would be able to gain the knowledge to engage the workforce of the organization effectively and to get the maximum benefit. Current study is based on the sample of the public and private sectors universities of KPK, Pakistan. Respondents are the management sciences faculties of the universities. They were given the questioners to know about their engagement level in the university/organization. Basic purpose was to confirm the impact of employee performance on the engagement level of the worker in the workplace. Moderator variable Organizational Justice has been used as a segment of procedural justice while trust was used as a mediator to know the engagement level of the lecturers. The focus is on the individual development of the employee in shape of the engagement level in the organization.

#### **5.2 Contributions of the Study**

This research will have a great contribution in the area of the engagement of the employee/lecturers in organization/universities. This study has contributed to improve employee engagement level. Through this study, it has been examined that engagement level of the employees could be improved if they are measured by a proper employee performance appraisal. A moderator, organizational justice segment procedural justice is included. It has been included to know that if there is no procedural justice employee could not be engaged in work just by fair employee performance appraisal. A fourth variable Trust is included in shape of mediator. It is

included to know that if employee performance appraisal is fair and side-by-side, procedural justice is also fair but if there is no trust of employee on the system i.e. EPA and OJ then he or she will not considered as engaged workforce. The whole model is developed to improve the engagement level of the employee in order to get the maximum output.

#### **5.3 Implications for Managers**

The outcomes of this research makes available valuable vision for the practitioners who by certifying the exhibition of employee engagement through employee performance appraisal, organizational justice as moderator and trust as mediator could be increased the social capital of their organizations. Managers in Pakistan need to emphasize both justice in organization and to maintain the trust level of lecturers to inculcate employee engagement. They should improve the justice level in organization and to maintain the trust of the employee to increase the work engagement. Supervisors should also intervene in problems that arises in employee and to get best solution for it in order to improve the trust level in shape of justice by which they (employees) will feel more secure and will dedicate his or her time to the organization. For managers it is necessary to cover the overall dimension of organizational justice like distributive justice, procedural justice, informational justice and international justice to improve the engagement level of employees.

## **5.4 Implications for Future Research**

Though independent and dependent variables along with moderator and mediator are used to exhibit high explanatory power in the improvement of the engagement level of the employees, yet few other key variables have been not involved in this research. Future studies relating to employee engagement could include following among others:

- To explore other dimensions of organization justice like interactional justice, distributive justice and informational justice among these variables should be included.
- A main variable that could help to increase the engagement level of the employees is the attitude or ethical behaviours of the manager in the university / organization.

If manager will have good behavior, then it will be possible for lecturers / employees to stay in the universities. Being an educated and academic institute, it is necessary to have good relations and ethical environment in the universities and workplace.

## **5.5 Limitations**

Following limitations for this research should be kept in mind when drawing conclusion from its findings:

It is very difficult to get questioner filled from lecturers because most of the time they spend their time in class and researcher will have to wait for long time due to which it become very hard to get data easily.

There are many chances for error in filling of the questioner from individual. Some time they hand over the questioner to the pupil and fill it by them that can cause error. In order to overcome this problem it is necessary to get the questioner fill by hand.

Some time there are issues of ethics from lecturer side as well. It becomes very hard to deal with the faculty members. Not all but some of them might have rude behavior, which could be because of burden of the classes or problems from home side which make them rude or stress. So it becomes impossible to get data from each lecturer in university.

### REFERENCES

- Abu-Doleh, J., & Weir, D. (2007). Dimensions of performance appraisal systems in Jordanian private and public organizations. The international journal of human resource management, 18(1), 75-84.
- Adams, J. S. (1965). Inequity in social exchange Advances in experimental social psychology (Vol. 2, pp. 267-299): Elsevier.
- Adams, J. S. (2010). Equity theory. chair in human resources at the State University of New York–Buffalo and was faculty director of the Center for Entrepreneurial Leadership there. Previously he was Research Professor of Management at Georgia State University. He has written over fifty books and over 135 other publications., 134.
- Afzalur Rahim, M., Magner, N. R., Antonioni, D., & Rahman, S. (2001). Do justice relationships with organization-directed reactions differ across US and Bangladesh employees? International Journal of Conflict Management, 12(4), 333-349.
- Ahmad, R., & Azman Ali, N. (2004). Performance appraisal decision in Malaysian public service. International Journal of Public Sector Management, 17(1), 48-64.
- Al-Zu'bi, H. A. (2010). A study of relationship between organizational justice and job satisfaction. International journal of business and management, 5(12), 102.
- Alexander, S., & Ruderman, M. (1987). The role of procedural and distributive justice in organizational behavior. Social justice research, 1(2), 177-198.
- Andrews, H. A. (1997). TQM and Faculty Evaluation: Ever the Twain Shall Meet? ERIC Digest.
- Appelbaum, S., Bartolomucci, N., Beaumier, E., Boulanger, J., Corrigan, R., Dore, I., . . . Serroni, C. (2004). Organizational citizenship behavior: a case study of culture, leadership and trust. Management decision, 42(1), 13-40.
- Armstrong, M., & Baron, A. (1998). Performance management: The new realities: State Mutual Book & Periodical Service.
- Aryee, S., Budhwar, P. S., & Chen, Z. X. (2002). Trust as a mediator of the relationship between organizational justice and work outcomes: Test of a social exchange model. Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior, 23(3), 267-285.

- Atkinson, S., & Butcher, D. (2003). Trust in managerial relationships. Journal of Managerial Psychology, 18(4), 282-304.
- Bachmann, R. (2001). Trust, power and control in trans-organizational relations. Organization studies, 22(2), 337-365.
- Bakker, A. B., & Demerouti, E. (2007). The job demands-resources model: State of the art. Journal of managerial psychology, 22(3), 309-328.
- Bakker, A. B., & Demerouti, E. (2008). Towards a model of work engagement. Career development international, 13(3), 209-223.
- Bakker, A. B., Demerouti, E., De Boer, E., & Schaufeli, W. B. (2003). Job demands and job resources as predictors of absence duration and frequency. Journal of vocational behavior, 62(2), 341-356.
- Becker, L. C. (1996). Trust as noncognitive security about motives. Ethics, 107(1), 43-61.
- Bews, N., & Uys, T. (2002). The impact of organisational restructuring on perceptions of trustworthiness. SA Journal of Industrial Psychology, 28(4), 21-28.
- Bhakar, S., & Mehta, S. (2011). A Systematic Guide to Write a Research Paper: Excel Books India.
- Bhatla, N. (2011). To study the Employee Engagement practices and its effect on employee performance with special reference to ICICI and HDFC Bank in Lucknow.International Journal of Scientific & Engineering Research, 2(8), 1-7.
- Bhattacharya, R., Devinney, T. M., & Pillutla, M. M. (1998). A formal model of trust based on outcomes. Academy of management review, 23(3), 459-472.
- Blau, H. (1964). The Impossible Theater: A Manifesto: Macmillan.
- Blau, P. (1964). Power and exchange in social life. New York: J Wiley & Sons, 352.
- Blau, P. (2017). Exchange and power in social life: Routledge.
- Blau, P. M. (1964). Social exchange theory. Retrieved September, 3, 2007.
- Blodgett, J. G., Hill, D. J., & Tax, S. S. (1997). The effects of distributive, procedural, and interactional justice on postcomplaint behavior. Journal of retailing, 73(2), 185-210.
- Bowen, D. E., Gilliland, S. W., & Folger, R. (1999). HRM and service fairness: How being fair with employees spills over to customers. Organizational Dynamics, 27(3), 7-23.

- Brashear, T. G., Boles, J. S., Bellenger, D. N., & Brooks, C. M. (2003). An empirical test of trust-building processes and outcomes in sales manager–salesperson relationships.
  Journal of the Academy of Marketing Science, 31(2), 189-200.
- Brewster, C., Morley, M., Buciuniene, I., Pučėtaitė, R., Lämsä, A.-M., & Novelskaitė, A. (2010). Building organizational trust in a low-trust societal context. Baltic Journal of Management, 5(2), 197-217.
- Butler Jr, J. K. (1991). Toward understanding and measuring conditions of trust: Evolution of a conditions of trust inventory. Journal of management, 17(3), 643-663.
- Carmeli, A., Brueller, D., & Dutton, J. E. (2009). Learning behaviours in the workplace: The role of high-quality interpersonal relationships and psychological safety. Systems Research and Behavioral Science: The Official Journal of the International Federation for Systems Research, 26(1), 81-98.
- Chen, J., & Eldridge, D. (2010). Are "standardized performance appraisal practices" really preferred? A case study in China. Chinese Management Studies, 4(3), 244-257. doi: 10.1108/17506141011074138
- Cleveland, J. N., Murphy, K. R., & Tziner, A. (2002). Does Conscientiousness Moderate the Relationship between Attitudes and Beliefs Regarding Performance Appraisal and Rating Behavior? International Journal of Selection and Assessment, 10, 218-224.
- Cohen-Charash, Y., & Spector, P. E. (2001). The role of justice in organizations: A metaanalysis. Organizational behavior and human decision processes, 86(2), 278-321.
- Colquitt, J. A. (2001). On the dimensionality of organizational justice: A construct validation of a measure. Journal of applied psychology, 86(3), 386.
- Colquitt, J. A., Conlon, D. E., Wesson, M. J., Porter, C. O., & Ng, K. Y. (2001). Justice at the millennium: a meta-analytic review of 25 years of organizational justice research. Journal of applied psychology, 86(3), 425.
- Conlon, E., & Mayer, R. (1994). The effect of trust on principal-agent dyads: An empirical investigation of stewardship and agency. Paper presented at the annual meeting of the Academy of Management, Dallas, Texas.
- Cook, J., & Wall, T. (1980). New work attitude measures of trust, organizational commitment and personal need non-fulfilment. Journal of occupational psychology, 53(1), 39-52.

- Cropanzano, R., Ambrose, M. L., Greenberg, J., & Cropanzano, R. (2001). Procedural and distributive justice are more similar than you think: A monistic perspective and a research agenda. Advances in organizational justice, 119, 151.
- Cropanzano, R., & Folger, R. (1991). Procedural justice and worker motivation. Motivation and work behavior, 5(131143), 317372.
- Cropanzano, R., & Greenberg, J. (1997). Progress in organizational justice: Tunneling through the maze. International review of industrial and organizational psychology, 12, 317-372.
- Das, T. K., & Teng, B.-S. (1998). Between trust and control: Developing confidence in partner cooperation in alliances. Academy of management review, 23(3), 491-512.
- Demerouti, E., Bakker, A. B., De Jonge, J., Janssen, P. P., & Schaufeli, W. B. (2001). Burnout and engagement at work as a function of demands and control. Scandinavian journal of work, environment & health, 279-286.
- Demerouti, E., & Cropanzano, R. (2010). From thought to action: Employee work engagement and job performance. Work engagement: A handbook of essential theory and research, 65, 147-163.
- Deming, W. E. (1986). Out of the Crisis (Massachusetts Institute of Technology, Center for Advanced Engineering Study, Cambridge, MA 02139, USA).
- Desai, M., Majumdar, B., & Prabhu, G. P. (2010). A study on employee engagement in two Indian businesses.
- Dirks, K. T., & Ferrin, D. L. (2002). Trust in leadership: meta-analytic findings and implications for research and practice. Journal of applied psychology, 87(4), 611.
- Doney, P. M., & Cannon, J. P. (1997). An examination of the nature of trust in buyer-seller relationships. the Journal of Marketing, 35-51.
- Dundar, T., & Tabancali, E. (2012). The relationship between organizational justice perceptions and job satisfaction levels. Procedia-Social and Behavioral Sciences, 46, 5777-5781.
- Dutton, J. E., & Heaphy, E. D. (2003). The power of high-quality connections. Positive organizational scholarship: Foundations of a new discipline, 3, 263-278.

- Eisenberger, R., Fasolo, P., & Davis-LaMastro, V. (1990). Perceived organizational support and employee diligence, commitment, and innovation. Journal of applied psychology, 75(1), 51.
- Elicker, J. D., Levy, P. E., & Hall, R. J. (2006). The role of leader-member exchange in the performance appraisal process. Journal of management, 32(4), 531-551.
- Elliott, R., & Yannopoulou, N. (2007). The nature of trust in brands: a psychosocial model. European Journal of Marketing, 41(9/10), 988-998.
- Erdogan, B. (2002). Antecedents and consequences of justice perceptions in performance appraisals. Human Resource Management Review, 12(4), 555-578.
- Erdogan, B., Kraimer, M. L., & Liden, R. C. (2001). Procedural justice as a two-dimensional construct: An examination in the performance appraisal context. The Journal of Applied Behavioral Science, 37(2), 205-222.
- Espinilla, M., de Andrés, R., Martínez, F. J., & Martínez, L. (2013). A 360-degree performance appraisal model dealing with heterogeneous information and dependent criteria. Information Sciences, 222, 459-471.
- Fadel, K. J., & Durcikova, A. (2014). If it's fair, I'll share: The effect of perceived knowledge validation justice on contributions to an organizational knowledge repository. Information & Management, 51(5), 511-519.
- Ferris, G. R., & Judge, T. A. (1991). Personnel/human resources management: A political influence perspective. Journal of management, 17(2), 447-488.
- Fisher, R., Ury, W. L., & Patton, B. (2011). Getting to yes: Negotiating agreement without giving in: Penguin.
- Flores, F., & Solomon, R. C. (1998). Creating trust. Business Ethics Quarterly, 8(2), 205-232.
- Folger, R., & Bies, R. J. (1989). Managerial responsibilities and procedural justice. Employee responsibilities and rights journal, 2(2), 79-90.
- Folger, R., & Greenberg, J. (1985). Procedural justice: An interpretive analysis of personnel systems', Research in Personnel and Human Resources Management, 3, 141-183.
  Folger1413Research in Personnel and Human Resources Management1985.
- Folger, R., & Konovsky, M. A. (1989). Effects of procedural and distributive justice on reactions to pay raise decisions. Academy of management journal, 32(1), 115-130.

- Folger, R. G., & Cropanzano, R. (1998). Organizational justice and human resource management (Vol. 7): Sage.
- Gabarro, J. J. (1978). The development of trust, influence and expectations. Interpersonal behavior: Communication and understanding in relationships, 290-303.
- George, D., & Mallery, M. (2003). Using SPSS for Windows step by step: a simple guide and reference.
- George, V. E. (1995). Performance Appraisal in an Academic Library: A Case Study.
- Gibbons, J. M. (2006). Employee engagement: A review of current research and its implications.
- Giffin, K. (1967). The contribution of studies of source credibility to a theory of interpersonal trust in the communication process. Psychological bulletin, 68(2), 104.
- Gillespie, N., & Dietz, G. (2009). Trust repair after an organization-level failure. Academy of management review, 34(1), 127-145.
- Gilliland, S. W. (1995). Fairness from the applicant's perspective: Reactions to employee selection procedures. International Journal of Selection and Assessment, 3(1), 11-18.
- González-Romá, V., Schaufeli, W. B., Bakker, A. B., & Lloret, S. (2006). Burnout and work engagement: Independent factors or opposite poles? Journal of vocational behavior, 68(1), 165-174.
- Gouldner, H. P. (1960). Dimensions of organizational commitment. Administrative science quarterly, 468-490.
- Govier, T. (1994). Is it a jungle out there? Trust, distrust and the construction of social reality. Dialogue: Canadian Philosophical Review/Revue canadienne de philosophie, 33(2), 237-252.
- Gray, G. (2002). Performance appraisals don't work. Industrial Management, 44(2), 15-15.
- Greenberg, J. (1986a). Determinants of perceived fairness of performance evaluations. Journal of applied psychology, 71(2), 340.
- Greenberg, J. (1986b). Organizational performance appraisal procedures: What makes them fair. Research on negotiation in organizations, 1, 25-41.
- Greenberg, J. (1990). Organizational justice: Yesterday, today, and tomorrow. Journal of management, 16(2), 399-432.

- Gruman, J. A., & Saks, A. M. (2011). Performance management and employee engagement. Human Resource Management Review, 21(2), 123-136.
- Hakanen, J. J., & Roodt, G. (2010). Using the job demands-resources model to predict engagement: Analysing a conceptual model. Work engagement: A handbook of essential theory and research, 85-101.
- Hallberg, U. E., & Schaufeli, W. B. (2006). "Same same" but different? Can work engagement be discriminated from job involvement and organizational commitment? European psychologist, 11(2), 119-127.
- Harter, J. K. (2016). First, Break All the Rules: What the World's Greatest Managers Do Differently: Simon and Schuster.
- Harter, J. K., Schmidt, F. L., & Hayes, T. L. (2002). Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: a meta-analysis. Journal of applied psychology, 87(2), 268.
- Hobfoll, S. E. (1989). Conservation of resources: A new attempt at conceptualizing stress. American psychologist, 44(3), 513.
- Hui, L., & Qin-xuan, G. (2009). Performance appraisal: what's the matter with you? Procedia Earth and Planetary Science, 1(1), 1751-1756.
- Jackson, S. E., & Alvarez, E. B. (1992). Working through diversity as a strategic imperative.
- Jahangir, N., Akbar, M. M., & Begun, N. (2006). The Impact of Social Power Bases, Procedural Justice, Job Satisfaction, and Organizational Commitment on Employees' Turnover Intention. South Asian Journal of Management, 13(4).
- Jamieson, D., & O'Mara, J. (1991). Managing workforce 2000: Gaining the diversity advantage: Jossey-Bass.
- Janssen, O. (2001). Fairness perceptions as a moderator in the curvilinear relationships between job demands, and job performance and job satisfaction. Academy of management journal, 44(5), 1039-1050.
- Jawahar, I. (2007). The influence of perceptions of fairness on performance appraisal reactions. Journal of Labor Research, 28(4), 735-754.

- Jones. (1995). Performance management in a changing context: Monsanto pioneers a competency-based, developmental approach. Human Resource Management, 34(3), 425-442.
- Jones, A. P., James, L. R., & Bruni, J. R. (1975). Perceived leadership behavior and employee confidence in the leader as moderated by job involvement. Journal of applied psychology, 60(1), 146.
- Jones, D. A., & Skarlicki, D. P. (2005). The effects of overhearing peers discuss an authority's fairness reputation on reactions to subsequent treatment. Journal of applied psychology, 90(2), 363.
- Kahn, W. A. (1990). Psychological conditions of personal engagement and disengagement at work. Academy of management journal, 33(4), 692-724.
- Kaptein, M. (1998). Ethics management Ethics Management (pp. 31-45): Springer.
- Karasek, R., Brisson, C., Kawakami, N., Houtman, I., Bongers, P., & Amick, B. (1998). The Job Content Questionnaire (JCQ): an instrument for internationally comparative assessments of psychosocial job characteristics. Journal of occupational health psychology, 3(4), 322.
- Kerr, S., & Jermier, J. M. (1978). Substitutes for leadership: Their meaning and measurement. Organizational behavior and human performance, 22(3), 375-403.
- Klie, S. (2007). Senior leadership drives employee engagement: Study. Canadian HR Reporter, 20(20), 1-2.
- Kompaso, S. M., & Sridevi, M. S. (2010). Employee engagement: The key to improving performance. International journal of business and management, 5(12), 89.
- Konovsky, M. A., & Pugh, S. D. (1994). Citizenship behavior and social exchange. Academy of management journal, 37(3), 656-669.
- Koyuncu, M., Burke, R. J., & Fiksenbaum, L. (2006). Work engagement among women managers and professionals in a Turkish bank: Potential antecedents and consequences. Equal Opportunities International, 25(4), 299-310.
- Kramer, R. M., & Lewicki, R. J. (2010). Repairing and enhancing trust: Approaches to reducing organizational trust deficits. Academy of Management annals, 4(1), 245-277.

- Krasman, J. (2014). Do my staff trust me? The influence of organizational structure on subordinate perceptions of supervisor trustworthiness. Leadership & Organization Development Journal, 35(5), 470-488.
- Labaree, R. V. (2009). Research Guides: Organizing Your Social Sciences Research Paper: Types of Research Designs.
- Landy, F. J., Barnes-Farrell, J. L., & Cleveland, J. N. (1980). Perceived fairness and accuracy of performance evaluation: A follow-up. Journal of applied psychology, 65(3), 355.
- Larson, C. E., Larson, C., & LaFasto, F. M. (1989). Teamwork: What must go right/what can go wrong (Vol. 10): Sage.
- Lawler III, E. E. (1992). The ultimate advantage: Creating the high-involvement organization.
- Leiter, M. P., & Bakker, A. B. (2010). Work engagement: introduction. Work engagement: A handbook of essential theory and research, 1-9.
- Leventhal, G. S. (1980). What should be done with equity theory? Social exchange (pp. 27-55): Springer.
- Lewis, J. D., & Weigert, A. (1985). Trust as a social reality. Social forces, 63(4), 967-985.
- Liao, H., & Rupp, D. E. (2005). The impact of justice climate and justice orientation on work outcomes: a cross-level multifoci framework. Journal of applied psychology, 90(2), 242.
- Lind, E. A. (2001). Fairness heuristic theory: Justice judgments as pivotal cognitions in organizational relations. Advances in organizational justice, 56(8).
- Lind, E. A., & Tyler, T. R. (1988). The social psychology of procedural justice: Springer Science & Business Media.
- Liou, K. T. (1995). Understanding employee commitment in the public organization: A study of the juvenile detention center. International journal of public administration, 18(8), 1269-1295.
- Lippert, S. K. (2002). An exploratory study into the relevance of trust in the context of information systems technology.
- Lu, X., & Yu, W. (2005). Organization fairness structure in organization appraisal. People'S Ergonomics, 4, 24-26.
- Luhmann, N. (1979). Trust and Power. John Wiley & Sons, Chichester: NewYork.

- Macey, W. H., & Schneider, B. (2008a). Engaged in engagement: We are delighted we did it. Industrial and organizational Psychology, 1(1), 76-83.
- Macey, W. H., & Schneider, B. (2008b). The meaning of employee engagement. Industrial and organizational Psychology, 1(1), 3-30.
- Mani, B. G. (2002). Performance appraisal systems, productivity, and motivation: A case study. Public Personnel Management, 31(2), 141-159.
- Maslach, C., & Goldberg, J. (1998). Prevention of burnout: New perspectives. Applied and preventive psychology, 7(1), 63-74.
- Maslach, C., Jackson, S. E., & Leiter, M. (1981). Maslach Burnout Inventory: MBI: Consulting psychologists press Palo Alto, CA.
- Maslach, C., & Leiter, M. P. (2008). Early predictors of job burnout and engagement. Paper presented at the Journal of applied psychology.
- Maslach, C., Leiter, M. P., & Schaufeli, W. (2008). Measuring burnout The Oxford handbook of organizational well being.
- Maslach, C., Schaufeli, W. B., & Leiter, M. P. (2001). Job burnout. Annual review of psychology, 52(1), 397-422.
- Masterson, S. S., Lewis, K., Goldman, B. M., & Taylor, M. S. (2000). Integrating justice and social exchange: The differing effects of fair procedures and treatment on work relationships. Academy of management journal, 43(4), 738-748.
- May, D. R., Gilson, R. L., & Harter, L. M. (2004). The psychological conditions of meaningfulness, safety and availability and the engagement of the human spirit at work. Journal of occupational and organizational psychology, 77(1), 11-37.
- Mayer, R. C., Davis, J. H., & Schoorman, F. D. (1995). An integrative model of organizational trust. Academy of management review, 20(3), 709-734.
- McAllister, D. J. (1995). Affect-and cognition-based trust as foundations for interpersonal cooperation in organizations. Academy of management journal, 38(1), 24-59.
- McCall, J. (2000). An ethical basis for employee participation. Contemporary Issues in Business Ethics, Wadsworth/Thomson Learning, Belmont, CA, 194-201.

- Mengue, B. (2000). An empirical investigation of a social exchange model of organizational citizenship behaviors across two sales situations: A Turkish case. Journal of Personal Selling & Sales Management, 20(4), 205-214.
- Meyer, J. P., Allen, N. J., & Allen, N. J. (1997). Commitment in the workplace: Sage Publications.
- Mishra, A. K. (1996). Organizational responses to crisis. Trust in organizations: Frontiers of theory and research, 261.
- Mishra, A. K., & Mishra, K. E. (2008). Trust is everything: become the leader others will follow: Lulu. com.
- Mobley, W. H. (1982). Employee turnover: Causes, consequences, and control: Addison-Wesley.
- Mobley, W. H., Griffeth, R. W., Hand, H. H., & Meglino, B. M. (1979). Review and conceptual analysis of the employee turnover process. Psychological bulletin, 86(3), 493.
- Mohyeldin Tahir Suliman, A. (2007). Links between justice, satisfaction and performance in the workplace: A survey in the UAE and Arabic context. (26). (4)
- Moliner, C., Martinez-Tur, V., Ramos, J., Peiró, J. M., & Cropanzano, R. (2008).
  Organizational justice and extrarole customer service: The mediating role of well-being at work. European Journal of Work and Organizational Psychology, 17(3), 327-348.
- Möllering, G. (2001). The nature of trust: From Georg Simmel to a theory of expectation, interpretation and suspension. Sociology, 35(2), 403-420.
- Mone, E., Eisinger, C., Guggenheim, K., Price, B., & Stine, C. (2011). Performance management at the wheel: Driving employee engagement in organizations. Journal of Business and Psychology, 26(2), 205-212.
- Mone, E. M., & London, M. (2009). HR to the Rescue: Routledge.
- Moorman, R. H., Blakely, G. L., & Niehoff, B. P. (1998). Does perceived organizational support mediate the relationship between procedural justice and organizational citizenship behavior? Academy of management journal, 41(3), 351-357.
- Murphy, K. R., & Constans, J. I. (1987). Behavioral anchors as a source of bias in rating. Journal of applied psychology, 72(4), 573.

- Myers, D. G. (2000). The funds, friends, and faith of happy people. American psychologist, 55(1), 56.
- Nair, M. S., & Salleh, R. (2015a). Linking Performance Appraisal Justice, Trust, and Employee Engagement: A Conceptual Framework. Procedia-Social and Behavioral Sciences, 211, 1155-1162.
- Patterson, F. (2001). Developments in work psychology: Emerging issues and future trends. Journal of occupational and organizational psychology, 74(4), 381-390.
- Pearce, J. L., Branyiczki, I., & Bakacsi, G. (1994). Person-based reward systems: A theory of organizational reward practices in reform-communist organizations. Journal of Organizational Behavior, 15(3), 261-282.
- Pillai, R., Williams, E. S., & Justin Tan, J. (2001). Are the scales tipped in favor of procedural or distributive justice? An investigation of the US, India, Germany, and Hong Kong (China). International Journal of Conflict Management, 12(4), 312-332.
- Podsakoff, P. M., & MacKenzie, S. B. (1997). Impact of organizational citizenship behavior on organizational performance: A review and suggestion for future research. Human performance, 10(2), 133-151.
- Pučėtaitė, R., Lämsä, A.-M., & Novelskaitė, A. (2010). Building organizational trust in a lowtrust societal context. Baltic Journal of Management, 5(2), 197-217.
- Raider, H. J., & Burt, R. S. (1996). Boundaryless careers and social capital. The boundaryless career: A new employment principle for a new organizational era, 42(2), 187-200.
- Raja, U., & Johns, G. (2010). The joint effects of personality and job scope on in-role performance, citizenship behaviors, and creativity. Human relations, 63(7), 981-1005.
- Rasch, L. (2004). Employee performance appraisal and the 95/5 rule. Community College Journal of Research and Practice, 28(5), 407-414.
- Redman, T., Dietz, G., Snape, E., & van der Borg, W. (2011). Multiple constituencies of trust: A study of the Oman military. The international journal of human resource management, 22(11), 2384-2402.
- Ristig, K. (2009). The impact of perceived organizational support and trustworthiness on trust. Management Research News, 32(7), 659-669.

- Rita Silva, M., & Caetano, A. (2014). Organizational justice: what changes, what remains the same? Journal of Organizational Change Management, 27(1), 23-40.
- Robbins, S. P., & Digby, V. (2003). Organizational Behaviour: Concepts, Controversies, Applications, Third Canadian Edition. Test Item File: prentice Hall.
- Robinson, S. L. (1996). Trust and breach of the psychological contract. Administrative science quarterly, 574-599.
- Robinson, S. L., & Morrison, E. W. (1995). Psychological contracts and OCB: The effect of unfulfilled obligations on civic virtue behavior. Journal of Organizational Behavior, 16(3), 289-298.
- Rosen, B., & Jerdee, T. H. (1977). Influence of subordinate characteristics on trust and use of participative decision strategies in a management simulation. Journal of applied psychology, 62(5), 628.
- Ross, A., & Jain, A. K. (2004). Multimodal biometrics: An overview. Paper presented at the Signal Processing Conference, 2004 12th European.
- Rotter, J. B. (1967). A new scale for the measurement of interpersonal trust 1. Journal of personality, 35(4), 651-665.
- Rousseau, D. M. (1998). The'problem'of the psychological contract considered. Journal of Organizational Behavior, 665-671.
- Rousseau, D. M., Sitkin, S. B., Burt, R. S., & Camerer, C. (1998). Not so different after all: A cross-discipline view of trust. Academy of management review, 23(3), 393-404.
- Rowland, C. A., & Hall, R. D. (2012). Organizational justice and performance: is appraisal fair? EuroMed Journal of Business, 7(3), 280-293.
- Rungtusanatham, M. J., Choi, T. Y., Hollingworth, D. G., Wu, Z., & Forza, C. (2003). Survey research in operations management: historical analyses. Journal of Operations management, 21(4), 475-488.
- Saks, A. M. (2006). Antecedents and consequences of employee engagement. Journal of managerial psychology, 21(7), 600-619.
- Salanova, M., Agut, S., & Peiró, J. M. (2005). Linking organizational resources and work engagement to employee performance and customer loyalty: the mediation of service climate. Journal of applied psychology, 90(6), 1217.

- Salanova, M., & González-Romá, V. (2002). The measurement of engagement and burnout: A two sample confirmatory factor analytic approach. (3). (1)
- Sanderson, P. A. (2006). The relationship between empowerment and turnover intentions in a structured environment: An assessment of the Navy's Medical Service Corps: UMI Dissertation Services.
- Schaufeli, Taris, T. W., & Bakker, A. B. (2006). Dr. Jekyll or Mr. Hyde: On the differences between work engagement and workaholism.), Research companion to working time and work addiction, 193-217.
- Schaufeli, W. (2013). What is engagement?, [w:] C. Truss, K. Alfes, R. Delbridge, A. Shantz,E. Soane (eds.), Employee Engagement in Theory and Practice: Routledge, London.
- Schaufeli, W., & Salanova, M. (2007). Work engagement. Managing social and ethical issues in organizations, 135, 177.
- Schaufeli, W. B., & Bakker, A. B. (2004). Job demands, job resources, and their relationship with burnout and engagement: A multi-sample study. Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior, 25(3), 293-315.
- Schaufeli, W. B., Salanova, M., González-Romá, V., & Bakker, A. B. (2002). The measurement of engagement and burnout: A two sample confirmatory factor analytic approach. Journal of Happiness studies, 3(1), 71-92.
- Schneider, B., Macey, W. H., Barbera, K. M., & Young, S. A. (2010). The role of employee trust in understanding employee engagement. Handbook of employee engagement: Perspectives, issues, research and practice, 159-173.
- Scholtes, P. R. (1999). Performance appraisal: State of the art in practice. Personnel psychology, 52(1), 177.
- Schultz, D., & Schultz, S. E. (2015). Psychology and Work Today: Pearson New International Edition CourseSmart eTextbook: Routledge.
- Seijts, G. H., & Crim, D. (2006). What engages employees the most or, the ten C's of employee engagement. Ivey Business Journal, 70(4), 1-5.
- Seligman, M. E., & Csikszentmihalyi, M. (2000). Positive psychology: An introduction (Vol. 55): American Psychological Association.

- Shahzad, K. (2011). Development Of A Model Of Organizational Citizenship Behavior (Ocb):
   A Comparative Study Of University Teachers From A Developing And A Developed
   Country. Unpublished doctoral thesis, Mohammad Ali Jinnah University, Islamabad.
- Shalley, C. E., Gilson, L. L., & Blum, T. C. (2000). Matching creativity requirements and the work environment: Effects on satisfaction and intentions to leave. Academy of management journal, 43(2), 215-223.
- Shapiro, D. L., Sheppard, B. H., & Cheraskin, L. (1992). Business on a handshake. Negotiation journal, 8(4), 365-377.
- Shore, L. M., & Shore, T. H. (1995). Perceived organizational support and organizational justice. Organizational politics, justice, and support: Managing the social climate of the workplace, 149, 164.
- Siegrist, J. (1996). Adverse health effects of high-effort/low-reward conditions. Journal of occupational health psychology, 1(1), 27.
- Sitkin, S., & Beis, R. (1994). The legalisation of organisations: a multi-theoretical perspective. The Legalistic Org, 19-49.
- Sitkin, S. B., & Roth, N. L. (1993). Explaining the limited effectiveness of legalistic "remedies" for trust/distrust. Organization science, 4(3), 367-392.
- Smith, A. D., & Rupp, W. T. (2003). Knowledge workers: exploring the link among performance rating, pay and motivational aspects. Journal of Knowledge Management, 7(1), 107-124.
- Solomon, R. C., & Flores, F. (2001). Building Trust in Business. Politics, Relationship and Life. ISBN: 0-19-512685-8.
- Spell, C. S., & Arnold, T. (2007). An appraisal perspective of justice, structure, and job control as antecedents of psychological distress. Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior, 28(6), 729-751.
- Staples, D. S. (2001). A study of remote workers and their differences from non-remote workers. Journal of Organizational and End User Computing (JOEUC), 13(2), 3-14.
- Sundaray, B. K. (2011). Employee engagement: a driver of organizational effectiveness. European Journal of Business and Management, 3(8), 53-59.

- Tatum, B. C., Eberlin, R., Kottraba, C., & Bradberry, T. (2003). Leadership, decision making, and organizational justice. Management decision, 41(10), 1006-1016.
- Taylor, M. S., Tracy, K. B., Renard, M. K., Harrison, J. K., & Carroll, S. J. (1995). Due process in performance appraisal: A quasi-experiment in procedural justice. Administrative science quarterly, 495-523.
- Thibaut, J. W., & Walker, L. (1975). Procedural justice: A psychological analysis: L. Erlbaum Associates.
- Thurston Jr, P. W., & McNall, L. (2010). Justice perceptions of performance appraisal practices. Journal of managerial psychology, 25(3), 201-228.
- Turnley, W. H., Bolino, M. C., Lester, S. W., & Bloodgood, J. M. (2003). The impact of psychological contract fulfillment on the performance of in-role and organizational citizenship behaviors. Journal of management, 29(2), 187-206.
- Tyler, T. R., & Bies, R. J. (1990). Beyond formal procedures: The interpersonal context of procedural justice. Applied social psychology and organizational settings, 77, 98.
- Ulrich, D. (1997). Human resource champions: The next agenda for adding value to HR practices. Harvard Business School Press, Boston, MA.
- Uma, S. (2000). Research Method for Business. John willy and Sons Inc.
- Watson, T. (2012). 2012 Global Workforce Study: engagement at risk: driving strong performance in a volatile global environment.
- Wefald, A. J., & Downey, R. G. (2009). Job engagement in organizations: fad, fashion, or folderol? Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior, 30(1), 141-145.
- Wellins, R. S. (1991). Empowered teams: Creating self-directed work groups that improve quality, productivity, and participation: ERIC.
- Whitener, E. M. (1997). The impact of human resource activities on employee trust. Human Resource Management Review, 7(4), 389-404.
- Whitman, D. S., Caleo, S., Carpenter, N. C., Horner, M. T., & Bernerth, J. B. (2012). Fairness at the collective level: A meta-analytic examination of the consequences and boundary conditions of organizational justice climate: American Psychological Association.

- Wisniewski, M., & Stewart, D. (2004). Performance measurementfor stakeholders: The case of Scottish local authorities. International Journal of Public Sector Management, 17(3), 222-233.
- Yong, A. K. B. (1996). Malaysian human resource management: Malaysia Institute of Management.
- Young, L. (1992). The role of trust and cooperation in interfirm relations in marketing channels. Unpublished doctoral thesis, University of New South Wales, Kensington.
- Yung Chou, S., & Lopez-Rodriguez, E. (2013). An empirical examination of service-oriented organizational citizenship behavior: The roles of justice perceptions and manifest needs. Managing Service Quality, 23(6), 474-494.
- Zand, D. E. (1972). Trust and managerial problem solving. Administrative science quarterly, 229-239.

# Questionnaire

This questionnaire has been designed to investigate the relationship of employee performance appraisal and employee engagement; moderating role of organizational justice and mediating role of trust. The questionnaire is purely for academic purpose. The data will be used for the MS/M.Phil (Management) research conducted by Mr. Naveed Iqbal student of the mentioned course at National University of Modern Languages (NUML) Peshawar campus. The respondents' cooperation in this regard will be highly appreciated

 Gender:
 Qualification:

Married/Unmarried/Divorced: \_\_\_\_/\_\_\_

Experience: (please tick one of the following)

Tick one of the five choices (ranging from A to E) give under the questions.

A = Strongly Agree

B = Agree

C = Neutral

D = Disagree

E = Strongly Disagree

Question/ Statement	S.A	Α	Ν	D	S.D
The purpose of performance appraisal has been clearly defined.					
The employees and managers' input has been solicited in designing PAS.					
The appraisal forms are job-related and user friendly.					
Employee and managers are trained enough to conduct the appraisals.					
Our top management set the proper example effective managerial appraisals.					
Our managers conduct effective performance planning to clarify employee duties, responsibilities and goals.					

Question/ Statement	S.A	A	N	D	S.D
Our managers provide their employees with ongoing performance feedback and coaching.					
Our managers are motivated to conduct effective and candid appraisals.					
The appraisal ratings are linked to organizational outcomes.					
We provide an ongoing system review and take steps when problems exist.					
Job decisions are made by my supervisor in an unbiased manner.					
My supervisor makes sure that all employee concerns are heard before job decisions are made.					
To make formal job decisions, supervisor collects accurate and complete information.					
My supervisor clarifies decisions and provides additional information when requested by employees.					
All job decisions are applied consistently across all affected employees.					
Employees are allowed to challenge or appeal job decisions made by the supervisor.					
Concerning decisions made about my job, the manager discusses with me the implications of the decisions.					
The manager offers adequate justification for decisions made about my job.					
When making decisions about my job, the manager offers explanations that make sense to me.					
My manager explains very clearly any decisions made about my job.					
If I have a problem at work, I know my coworkers will try to help me out					
The people I work with pull together to get the job done.					

Question/ Statement	S.A	Α	N	D	S.D
Most of my coworkers can be relied on to do as they say they will do					
The management of this organization tries to understand the workers' point of view.					
I feel that my coworkers and I will be treated fairly					
The management of this organization would be willing to deceive employees if they thought it would give them an advantage.					
I have confidence in the abilities of my coworkers.					
Most of my coworkers would get the job done even if the boss were not around.					
Other workers make my job more difficult by careless work.					
Our organization has a poor future unless it can attract better managers					
The management of this organization makes decisions that will be good for the future.					
My supervisor is competent.					
The managers in this organization work together to get the job done.					
The managers of this organization help everyone to understand what needs to be done					
This organization shows its concern for its "customers" by					
giving them high quality products and/or service.					
This organization is out to make a quick buck or get by.					
This organization acts in a socially responsible manner and					
takes steps to be a good citizen of the community.					
This organization is honest in its business dealings.					

Question/ Statement	S.A	A	N	D	S.D
My supervisor is a person of integrity					
People in this organization are more concerned with looking good in the eyes of the boss instead of being concerned with doing good work.					
If they have an opportunity, workers in this organization will cause trouble for other workers					
I feel as if my ideas are valued by this organization					
This type of work offers its own rewards: I like to do it.					
The people in this organization work to the best of their ability.					
I feel competent in my ability to do this job well					
The managers in this organization appreciate and acknowledge a job well done.					
On this job, I often learn new things and improve my skills					
This organization values employee input when resolving problems					
The managers in this organization reward personal loyalty first, then performance.					
There are supervisors in this organization who feel threatened if you do outstanding work.					
The workers here resent someone who works hard.					
My job is frustrating and/or routine, I work here because I get a paycheck					
The workers in this organization are supportive of each other					
The managers set a good example for others through their work habits					
At work, I felt bursting with energy					

Question/ Statement	S.A	A	Ν	D	S.D
at work, I felt strong and vigorous					
At work, I was enthusiastic about my work					
Today, my job inspired me					
When I got up this morning, I felt like going to work					
Today, I felt happy when I was working intensively					
Today, I was proud of the work that I do					
Today, I was immersed in my work					
Today, I got carried away when I was working					