

## Studying the Performance Appraisal Practices of Public Sector Organizations, an analytical Case of MEPCO

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### Abstract

The research study discusses about the impacts of performance appraisal practices in Public sector organizations which focus on the performance of employees. The organization of the study was MEPCO and research particularly focuses on the selected branch within Bahawalpur, County in Pakistan. In the study, relationship among the PAS and OC, organizational justice, job satisfaction, employee performance and organizational performance was studied with the mediating effect of motivation. The population of an organization was 2500 and the sample size of the study was 344. Questionnaires survey was used as a tool to collect the information from the employees of MEPCO. SPSS software was used for the analysing of data. The findings of the research study explain that the PAS have the significant connection with organizational commitment, job satisfaction and employee performance. This significant relationship have the positive mediating effect of motivation on that variables .But the study also showed that performance appraisal system with mediating impact of motivation has negative relationship with an organizational justice and organizational performance.

**Keywords:** performance appraisal system, public sector organization, organizational commitment.

### Introduction

In the whole world there is a great competition in the local and international organizations due to the rapid change in business environment. For the long life of organization it is compulsory that business should maintain a competitive advantage and stay active. For the accomplishment of that purpose organizations need to develop and sustain the high level of performance of its employees. The organization success is depends on the abilities of workers.

Human resource is significant element of an organization because it is the source which makes useful other sources of organization. That source can be well managed and directed with the help of PAS. PAS is used both within public and personal division organizations. Within an organization this system is an obvious factor (Longenecker & Fink, 1999). This process is used in many modern organizations (Davis, 2001). In the organizations PAS is an important because of the principle of accountability of employee. Responsibility must be associated at all stage of an organization, and PAS support those actions (Performance Appraisal, 2006).

This system allows the organizations to notify the employees about their duty of development, capability and latent. It enables them to be intended in generating their entity expansion goals to support in their individual enlargement. PAS play functional position in

merging the wants of human resource plus organization (Grote, 1996). A vital objective of organizations is to develop the work performance of employees. PAS is a successful performance development technique (Creamer and Winston, 1999) and this is a commanding instrument because of this organizations classify as well as direct the supremacy of every member of staff towards the attainment of its tactical goals (Grote, 2002). This system was introduced in recent years for the purpose to improve the working of employees. It can improve the employee productivity and also motivate them, encourage them for development and create sequence for a diversity of employee's assessments.

Evaluation of the performance of employees is an ordinary perform in about all the associations. It is done for the betterment both of the employees and the organizations. For the enhancement of an organization contented workers put very important function. Organization conducted the performance appraisal system due to many purposes. Appraisal is done for the purpose to control employee performance with the help of the feedback and to validate some sort of human resource management achievement. In the PSO(Public Sector organization) administration wants to classify how fine employee had executed his service for the precedent months of the year and then many decisions made on that appraisal and these decisions are related to the reimburse, promotion and development, and certification.

This process is the set of activities and through which organizations explore the competence, performance, and allocated loots to employees (Fletcher, 2001). The purposes of PAS was given by Grote (2002) that it give the feedback regarding to employee performance, make the decisions of pay increases, promotions and development, location of goals then determining individual and organizational direction and improving general organizational performance. Similarly (Cleveland et al., 1989) acknowledged that PAS has purposes which are to setting pay package, promotion, termination, identifying the poor performer between employees. SWOT analysis of employee's.

There are many other purposes of PAS which consist on the motivation and potential of employees, humanizing working relations, work expertly (Thomas and Bretz, 1994). When the appraisal process is conducted in any organization then the majority of the employees have only a small number of positive things which they say about the PAS and the several employees even detest it. So the intend of that study is to study an opinions of workforce about that system and their approach towards work. In my work I want to find- out the answer to following questions: Do the employees of an organization can understand obviously the purpose and outcomes of PAS? How frequent do the employees collect feedback and is it obvious enough? Study of PAS and its application in a specific organization "MEPCO" will be carried out and the process will be described. Opinions and the attitudes of an employee will be survey concerning about that system. The PAS and the opinions of staff will be followed by results, recommendations and suggestions for development.

### **Literature Review**

The principle and the importance of PAS has been developed over the last 45 years and the parameters for the evaluation purpose of employees used during the PAS has been there for centuries (Murphy & Cleveland, 1995).While the implementation of PAS has augmented above the previous few decades .

The first company which used the evaluation system was made by Robert Owen at his cotton mills in New Lanark, Scotland, in the early 1800s (Heilbroner,1961). In that wood cube of different colours instead of a variety merit stages and success were dangle over every employee's job region.

PAS had grown to be a standard instrument in various institutes by the untimely on 1950s (Murphy & Cleveland, 1995). In 1962, PAS was mortal worn in 61% of the organizations observed (Spriegel, 1962). The demand for rapid development in organizational PAS was brought as regards by central legislation and constitutional rights and women's arrangements of the 1960s and 1970s (Murphy & Cleveland, 1995).

PAS has engaged the concentration of researchers in HRM for the several times. In USA, this system was used first time in 1915 by unrestricted sector association. In Turkey, PAS was firstly in 1948 at Karabuk Iron and Steel plant (Örücü and et al, 2003). According to Wholey Appraisal Systems increase the performance of government, humanizing the output, sensitivity, and efficiency of civic group; and plans are significant to everyone, as recipient of civic overhaul and as taxpayers (Wholey, 2004).

Nowadays, the majority of the organizations have relied upon PAS for the purpose to make a decision about pay increases, promotions, guidance requirements and personality enhancement of the human resources (Cleveland et al, 1989).

### **Defining Performance**

Performance is the future oriented process which is adapted to reflect the particularities of organization or an individual of an organization .An acting company is that which accomplish the aims lay down by the management organization. It is both about the capability and the future of an organization (Lebas, 1995).It is a fundamental instructional system in which it is necessary for the learner to carry out, in banned circumstances, procedure and faction is trained (Tracey, 1998 ).PAS is the definite effort that is made to make sure that a company accomplish an operation. (Maila, 2006).

There are the three main objectives of PAS (Folan et al., 2007). Firstly, the performance needs to be analysing by every unit within limitations of surroundings. Secondly, PAS is always connected mo re than one objective which has been recognized by the unit whose act is analysed. Third, performance reduced to characteristics that are relevant and recognizable.

Job performance is basically the consequence of at least two main features which are the aptitudes and ability of an employee. Number of the authors believed that workers can assist to develop business act from side to side their skill (Sarmiento et al, 2007).Work performance is the outcome of a dealing of a specified task to the employees of an organization (Suliman, A.M., 2001).It is mostly an act of an individual in an organization to achieve goals of it (Honiball, G.F., 2008).At present, nearly each organization wants to evaluate employees performance.

Wiese and Buckley (1998) stated that everybody has had their PA in various conditions. The prearranged scheme of judging the routine of human resources is called performance appraisal system. It is the significant purpose of HRM in every organization (Dulebohn & Ferris, 1999).

### **Defining PAS**

PAS is the most important research themes in the turf of decision-making psychology. This process is the set of the actions during which the organizations look for to evaluate the human resources and increase their knowledge, performance and then allocate them rewards (Fletcher, 2001).It is an important base of an element of the quantity along with excellence of performance of worker in the association. It's the process of extent of employment with its outcomes with the means of the level and directory so as to we be capable of measure preferred extent as well as

value. PAS is the mode during which human resources carry out their responsibilities and it is arbitrator of the act of employee (Scott, 2009). PAS is a necessary element of an organizational life (Brown, 1988). It's a process which is used to evaluate the performance of employees stand on the views of supervisor, peers, subordinates, boss (Jackson & Schuler, 2003). It is central occupation of an organization (Dulebohn & Ferris, 1999).

According to Jawahar (2007) PAS is a process which deals with the processes and an action leading to the PA in an organization. It allows the organization to evaluate the proceedings and accomplishments of its employees above a precise time period (DeVries et al, 1981). In addition, it set up a balanced system in support of administration to create a mixture of choices about workers (Nurse, 2005).

The basic goals of appraisal system is to level the development of management in carrying out the organizational decisions regarding with the promotions, firings, layoffs and pay increases of employees of an organization (Khan, 2007). Reid and Levy (1997) projected that PA of directors might also be take on to recognize region of ability and aptitude deficit which might be exploited to additional the growth of directors.

PAS is a procedure of recognizing, assessing and mounting the job act of human resources within an organization, so managerial goals and objectives are successfully attained, as the related moment advantaging workers in conditions of credit, getting criticism (Lansbury, 1988).

The appraisals system were planned in an organization to develop performance during the detection of preparation and expansion requirements plus to help by means of the evaluation of outlook possible and results on job succession (Hogg, C., 1988). PAS has become more spin into the phase of a planned impend to incorporate HR tricks and trade rules and may be seen as a customary expression cover a blend of actions during which association inquire about appraise workers plus inflate their potential, advance routine and dispense plunders (Fletcher, 2001).

A significant goal of PAS for organizations is to upgrading the employee job performance (Creamer & Winston, 1999). If apply fit, PAS is a powerful means that company include to arrange with synchronize control of each worker of organization to the attainment of tactical ambitions (Grote, 2002).

Performance appraisal is a chance for the workers who concerned about their performance to attach in a conversation about every individual's act and expansion, and it maintain essential from the director. Although PAS is a significant element of PMS and this is the choice of instrument which be used to direct the act of employees. It is a medium-term operational duty and it concerned with individual's performance and enlargement (CIPD, 2012).

### **Previous Studies**

Boice and Kleiner (1997) studied that o be efficient they need sustain of the summit organization to show their obligation and to interpret managerial aim and objectives into adapted employee detailed objectives. That study elucidated a structure for the accomplishment of PAS and in exacting they require for suitable preparation for supervisor, rasters and employees, a scheme performance review, precise evidence custody, obvious dimension scheme, and manifold ratter collection to carry out the assessment.

Ali et al. (2012) studied the purpose of research was to examine the pressure of PAS on employee motivation. Sample size of the research was 80 employees. Data has been collected by

the way of questionnaire. SPSS used for the study. The consequences point out that procedure of assessing performance of employees exaggerated on their inherent motivation and the efficiency is optimistic.

Sanyal and Biswas (2014) move toward of the employees' of the software company in West Bengal (India) to PAS. Sample size of population was 506 employees. Analysis of data has been done by factor analysis and it was done for the purpose to find out the reason of appraisal, pursued by a twofold regression to distinguish their insinuation on the worker incentive. The learning had originate the dissimilar quandary concerning to the assessment apply. The previous researches facilitate to suggest the following hypothesis:

**H1:** there is a positive and significant connection between PAS and employee motivation.

### **Motivation and organizational justice**

The term organizational justice(OJ) explains the employees' awareness of unfair conduct expected from their management and their behavioural reactions to such awareness (Greenberg J, 1990).When the employees of an organization have supposed fairness and reasonable conduct then they have articulated high levels of job satisfaction (Cohen-Charash & Spector, 2001).It relates to the understanding of justice and evaluations concerning to the suitability of organization results or developments (Cropanzano & Greenberg, 1997).

### **Dimensions of organizational justice**

OJ has the three main magnitudes as distributive, procedural and interactional justice (Colquitt et al 2001). Distributive justice indicates awareness of employees about the fairness of the results which they get effective to their contributions, and the result and contributions of their contemporaries (Greenberg J, 1990). It refers to discernment of the fairness of results acknowledged in a business. As it contract through assessments of justice of results, observation of equality of the procedure used to appear at that results is referred towards the procedural justice (Byrne & Cropanzano, 2001). Most of the scholars have understood that the canon for judging distributive justice is fairness (McFarlin & Sweeney, 1992).

Procedural justice is that type of OJ which shows employees' perceptions of the fairness of decision-making method. It is a way that decides those contributions and controls the distribution of assets (Greenberg J, 1990). Systems are moderator which pedestal on the uniformity of a submission, existing principled principles, neutrality and judiciousness (Colquitt et al 2001).

Interactional justice is referring to justice and excellence of interpersonal conduct which established when methods be implementing (Bies & Moag, 1986).As the employees of an organization recognize that they have been be in touch with responsive in addition to courteous mode and be luxury with respect in addition to pride by those moving out the methods (Cohen-Charash& Spector, 2001).It was positively connected to performance of employee, supervisor heading for residency behaviours, the contentment related to the job (Masterson et al, 2000).

### **Previous studies**

Gyekye and Haybatollahi (2014) explored the connection among OJ, organizational safety environment, job satisfaction (JS), safety compliance and accident frequency. Employees of Ghanaian industries contributed in that research. Sample size of that study was 320.In that research safety climate and justice perceptions assessed by means of Hayes, Parender, Smecko, et al.'s (1998) and Blader and Tyler's (2003) balance correspondingly. A middle divide was done to dichotomize workers in two groups as optimistic and unenthusiastic fairness awareness.



Assenting features investigation established five-factor arrangement of protection level. Regression analysis and t -tests used to point out that employees with the optimistic fairness perception have positive standpoints concerning place of work safety, showed better job JS, were acquiescent with security strategy and register inferior mishap charge. The results give confirmation that supposed stage of justice within association be directly connected by way of place of work security awareness and other managerial issues which were significant for security.

Chory and Hubbell (2008) studied OJ and managerial trust as predictors of antisocial employee responses. Contributors from association instead of two geographic areas were reviewed concerning about the main current PAS. The finding of the study showed that awareness of fairness and faith unenthusiastically predicted meandering interpersonal antagonism, unfriendliness, and dishonesty. Post hoc analyses confirmed fairness and faith work together to calculate disruptive reply, and faith mediate the relations among justice and disruptive reaction.

According to Hubbell and Chory (2005) studied motivating factors: perceptions of justice and their relationship with managerial and organizational trust. This study was conducted to conclude dissimilar kinds of justice relay toward decision-making and managerial trust in distinctive customs. Contributors from various groups representing two geographic areas were reviewed concerning about previous PA. The finding of the study point out that procedural justice was the sturdy analyst of both managerial and executive trust.

Chory and Westerman (2009) studied connection connecting unconstructive performance criticism and OJ. That reading inspected relations among 4 magnitudes of unenthusiastic reaction as clearness, constructiveness, cognizance, and constancy and awareness of organizational justice. The finding of the study showed that unenthusiastic reaction magnitude level was consistent plus applicable. It forecast 3 types of justice; cognizance predicted distributive and procedural justice; and clarity predicted distributive justice. Constancy was the sturdy analyst of distributive and procedural justice with usefulness was the sturdy judge of interactional justice.

Manzor et al (2012) studied impact of OJ on Sale Personnel motivation. The research was fractious sectional. The questionnaire was circulated amid the sale personnel of IBL, corporation Pakistan. SPSS software methods were used for analysis. Research findings suggested a positive contact of predictors on the comeback changeable. The study of the previous literature facilitates to suggest the following hypothesis:

**H2:** there is a positive and significant correlation among motivation and OJ

### **Motivation and job satisfaction:**

The association among the motivation and JS at job has been one of the usually investigated areas in the management field. But in Pakistan very little studies have investigate this concept. The thought of the job satisfaction was begun in 1911 with the study of Taylor. He declared that the loots as job wages, spur payments, promotion, positive reception, and chance of development direct to improved job satisfaction (Aslan, 2001). A variety of researchers have definite word job satisfaction in different ways. According to Feinstein (2000), job satisfaction is additional of a reaction to exact work and a variety of characteristic of work. It is a significant constituent as of managerial standpoint because it direct toward maximum directorial commitment of workers and then this obligation direct to overall managerial growth and expansion .Furthermore the enlargement, efficiency as well as competence of association and low down workers' purpose to go away from association (Mosadeghard 2000). Motivation and

job satisfaction of employee cannot be cut off; except both of them harmonize one another and then react to diverse managerial variables. Worker satisfaction and work satisfaction depends on motivation. JS be a feeling to the job connected circumstances, features of work (Wiener, 1982).

It speak about employee own assessment of work beside that matters that are significant to them (Sempane et al, 2002). It is related to the outcomes of employee and organization; vary from job performance (JP) toward fitness plus prolonged existence (Spector, 2003). The outside environment of the work will openly influence the feelings and behaviour of employee in organization (Hadebe, 2001). The positive relationship exists among work and verve pleasure of employee (Judge and Watanabe, 1993). Employees of organization know-how JS when they experience good quality about their works, and that emotions repeatedly communicate to the doing of their work fine or their flattering extra capable in their occupations, or their creature familiar for good quality act (Megginson et al, 1982). There are many factors which motivate employees at job such as money, sagacity of achievement (Spector, 2003). According to Schultz and Schultz (1998) JS included the optimistic and unenthusiastic approaches which employee grasp concerning their works. That approaches depend on much work connected distinctiveness.

JS submit towards common approach of human being to his work. Employee with high satisfaction would have a positive approach towards the job whereas a dis-satisfied person would express a negative approach towards the work (Robbins, 2005). JS is a optimistic touching condition consequential from assessment of employee work knowledge comparing to their individual hope. Job dissatisfaction would appear when hope of the employee is not met. Human resources who are not pleased with their job would become irritated (Mathis & Jackson, 2000).

Variety of researchers has contributed their research for the purpose to find out organizational position, in sort to augment the worker JS and have given a variety of proposals to enhance the satisfaction. Feinstein (2000) said that developmental opportunities should be give to employees for the purpose to increase their satisfaction level. In the same way the alteration in the organizational variables like reimburses balance, worker contribution in strategy improvement, work surroundings might be complete in an attempt to increase organizational obligation and conclusion. Elton Mayo originated communication inside cluster is main satisfier (Bektas, 2003). Retirement fund and income distribution tactics are completely linked with JS (Bender and Heywood, 2006). When the employee reached at the ideal stage in his job then he will be satisfied and expand the positive feelings toward their work (Sirin 2009). Nonexistence of effort time stability, need development opportunity, occupation situation, need of support, need of acknowledgment can escort to anxiety, which eventually grounds discontent, be exhausted and lastly improved income speed inside association (Ahmadi and Alireza, 2007). JS level augmented as revenue is better than forecast profits in public division (Bender and Heywood, 2006).

### **Previous Studies**

Mertler and Craig (2001) studied teacher incentive and JS. This study examined the present condition of teacher motivation and job satisfaction, structure in the lead of preceding research by significantly raising the sample to 969 contributors. Contributors were commonly female basic, middle, and high school educators. They reacts to Web-based investigation which observed general point of JS, either they would wish for to turn into a teacher another time if preliminary all above in a fresh vocation, degree to which teachers in general are motivated. Analysis of data indicates that 77 percent of educators were satisfied with their jobs. In study males respondents were to some extent extra satisfied as teachers than females. Males reported significantly unmotivated teachers than did females, and 23 percent of respondents reported functioning with more than 10 teachers they would categorize as unenthusiastic.

Ayub (2010) studied the connection between work incentive and job approval, in which researcher attempted to discover connection among work motivation and job satisfaction. In that research two hypotheses were prepared firstly here would be optimistic connection among work motivation and JS, secondly sex dissimilarity on changeable of work motivation and job satisfaction. Sample size of the study consists of 80 employees. Results of research suggested a positive relationship among work motivation and JS. In addition, there was important sex dissimilarity on the changeable of work motivation and JS.

Ahmad et al (2010) Studied belongings of Motivational factor on workers work approval. The purpose of the research was to analyse the belongings of motivational factors on job satisfaction of the employees. It was an exploratory research. The data collected from non-academic workforce of Punjab University. SPSS software had been assumed for analysis of data. The consequences were uncertain to confirm Herzberg's theory. It has been concluded that inherent motivational factors having important connection with employee JS, while extrinsic features were not have considerable connection through employee JS.

Jahanzeb et al (2012) studied the contacts of recompense and motivation by means of apparent amount of recompense on JS. Sample sizes of the research were 568 employees. Regression analysis was urbanized for testing the connection between rewards, motivation and JS. The result showed that (1) rewards had positive impact on motivation (2) motivation was absolutely connected to JS (3) rewards had a constructive important effect on JS. The study of previous researches permits to propose the following hypothesis:

**H3:** there is positive and significant connection between motivation and JS

### **Motivation and organizational commitment**

In an organization a good quality manager assist his inferior to consider physically powerful and accountable, recompenses them correctly for the high-quality act and observe to belongings are organised in that way which assistant employees sense that they recognize what they should be doing. The managements of an organization should recompense their employees for their performance and devotion in the two forms that are extrinsic rewards or intrinsic rewards (McClelland and Burnham, 1997).

### **Previous studies**

Farwa and Niazi (2013) studied an impact of intrinsic motivation on OC. The reason of that research is to argue on impact of intrinsic motivation lying on an OC between Islamic Bank workers. Questionnaire survey was used for data compilation. The results demonstrated their survive connection among intrinsic inspiration and OC. The reasons used for this implication were difference in behaviours, attitudes, and perceptions of the human resources of an organization.

Alhaji and Yusoff (2011) studied the method take on was previous literature stand on precedent studies of motivational features, OC and organizational efficiency of an organization. Research was anticipated which assist organization with studious towards have imminent on how to productively sprint a production at association either civic or confidential sector. It was confirmed by study that motivated employees were contented and would raise their contribution to high stage, and they would donate general achievement for organization.

Rageb et al., (2013) studied OC, job satisfaction and job performance as a intermediary between position stressors and earnings intention. The reason of this essay was to investigate the



consequence of the connection amongst the function stress on the job performance and satisfaction, OC with revenue intentions. It also found association between JS along with performance, employee commitment with the organization and worker precedes intentions throughout investigation at institution CMT one of Arab conservatory for science and knowledge and naval transportation. The planned survey was urbanized. Sample size was 65 employees. Pearson correlation and chi-square methods used to find out connection amongst variables. Hierarchical regression used to calculate mediating function. Finding showed important associations amongst variables of study. It was very significant to recognize that how skilled employees could successfully handle by role stress with plummeting to some degree its unconstructive consequence at act, job satisfaction and OC which used in a mode not to control their purpose toward go away.

Warsi et al (2009) conducted research to analyse an association amongst work motivation, JS and OC amongst Pakistan labour .It was analysing common behaviour of employees to the work motivation and JS that lead to advanced stage of OC. Random method was used in that study . Data collected was analysed by the means of SPSS. The findings of the study demonstrated the positive connection present among the work motivation, JS and OC. Even though sovereign variables were powerfully connected with OC, effect of JS on OC. Administrative suggestion of research was center additional on motivating workers for encouraging OC. The study of literature enables to propose the following:

**H4:** there is positive and significant association between motivation and OC

### **Motivation and employee performance**

The work of the public employees has to reproduce environment of job in public division by magnetize workers who want better opportunity to observe advanced order of needs and humane intentions. This human being uniqueness which advertise as the means to inspiring behaviour as accepting principles along with payment liking of public director is necessary at an arrangement of organizational environments and motivation system to gratify those predilections (Wittmer, 1991).According to Baron (1983) that is locate of processes connecting to variety of strength which boost behaviours with undeviating for the achievement of precise objectives.

Employees who are motivated have the understanding of precise goals which must be achieved in particular ways (Nel et al., 2001). Motivated employees are most fit for an organization. Hence managers position were assumed to effectively direct workers to organizational schedule of attaining its objective, then it's significant for him to instruct and comprehend the psychological process and responsibilities which basis reason the motivation, way to goal, willpower and determination of intentional proceedings (Roberts, 2005).

According to Smith, the cause behind employer's motivate of employees is done for the survival purpose within the organization because the employees within the organization comes from disparate backgrounds, have dissimilar learning with dissimilar practices (Smith, 1994). Motivated employees are extra dynamic and effectual. Managers should need to understand the motivating factors of employees within the circumstances of the roles they present. The most complex function of manager is to motivating the employees (Bowen and Radhakrishna, 1991). According to Robert (2005) it is the duty of manager to motivate the employees, if the employees are self-motivated then the involvement of managers is not so much significant in the motivation of human resources. Motivation plays very vital role in the employee performance. Without motivation human resources may not put in their paramount on the work.

It is the fact that when workers are motivated they perform very well their job. Financial rewards like bonuses, overtime allowance are the source of motivation for employees. Vroom (1964) suggested that employees of organization are motivated by how much they desire somewhat and how expected they think they are to obtain it. It will be practical for management to reward human resources their requirements. Motivation directs to hard work and the hard work pooled with employee's aptitude mutually with surrounding factors consequential towards act.

### Previous Studies

Kiruja and Mukur (2013) conducted the research wanted to find the consequence of incentive on employee performance. It has that study descriptive study plan. Sample size was 315. Questionnaire used for data compilation and an interview was also conducted. Two substance theories used in research. The study originated that workers were unsatisfied by their return and working atmosphere. This was limited study because it was conducted only within one county so it could not be indiscriminate at public and private organizations.

William (2010) studied employee motivation and performance. The main purpose of study was to find out the effect of motivation on the employee performances and it done for to find that how motivated employees show high performance within organization. This study looked at the different reward systems which could be used by an organization. It also alert on organizational culture and its contact on the behavior and performance of employee within an organization. The study seemed to access the motivational correspondence existing at Ghana Commercial Bank and it affected employee performance to the objective of Bank corporate. There was a optimistic connection involving worker and organization act.

Gungor (2011) studied association among reward organization scheme and employee presentation with mediating function of motivation. This was quantitative study. The target of the study was to find out the connection among recompense management and employee performance. It focused on intervening function of motivation. In that research hypothesis was experienced by means of information collected from 116 bank workers in 12 global banks and results were analysed.

Iqbal et al (2013) studied performance of employees is the main subject of an organization. That research focused to discover effect of PAS on employee performance and analysed motivation impacts on the association of PAS and performance of employees. In study two hypotheses were analysed by the mean of sampling method. Sample sizes were 150. Questionnaire used for data collection. Analysing was done by Correlation coefficient. Final Results presented positive connection between PAS and performance of employees. Motivation as a moderator optimistically exaggerated connection between variables.

Williams et al (2013) studied motivation and its effects on worker performance at UBA Bank Ghana Ltd. For that stratified sampling was adopted. The whole population was divided along with by random sampling, respondents were selected. The selected population consist of male and female. Result showed that the motivation that best affect employees was increase in salary, extreme benefits and encouragement. All these packages were able to prohibited high work productivity in respondents and its deficiency will give way negative results. The study of literature enables to propose the following:

**H 5:** There is a positive association between motivation and employee performance

### Motivation and organizational performance

The act of workers is essentially lie on numerous factor as PAS, worker enthusiasm and contentment, rewards, preparation and growth, work safety. According to Rutherford (1990) motivation makes organization extra flourishing for the reason that aggravated human resources continually seem for better follow to perform exertion. Wright and Gardner (2002) classified performance procedures into employee outcomes, organizational outcomes and financial outcome.

### Motivation and organizational performance relation

It is clear that motivation in addition to performance equally accustomed. Employee's motivation within an organization is done for reason of getting elevated performance results, donate to boost in competence of work, as increase in act is not always frankly to concentration of inspiration. According to "the Yerkes - Dodson law", relationship among inspiration power and act stage depends on difficulty of duty to satisfied by human being. In difficult errands, increase in strength of motivation decides boost of act (Zlate, 2007). Sturdy motivation can direct towards anxiety. An instant once refuse creates depends on difficulty of job. So notion of motivational best materialize, connotation inspiration amount strength which helpful in obtaining elevated act. Work is a basis of employee satisfaction, who intends to exercise capabilities in regulate to attain maximum principles of act (Hutu and Avasilcai, 2011).

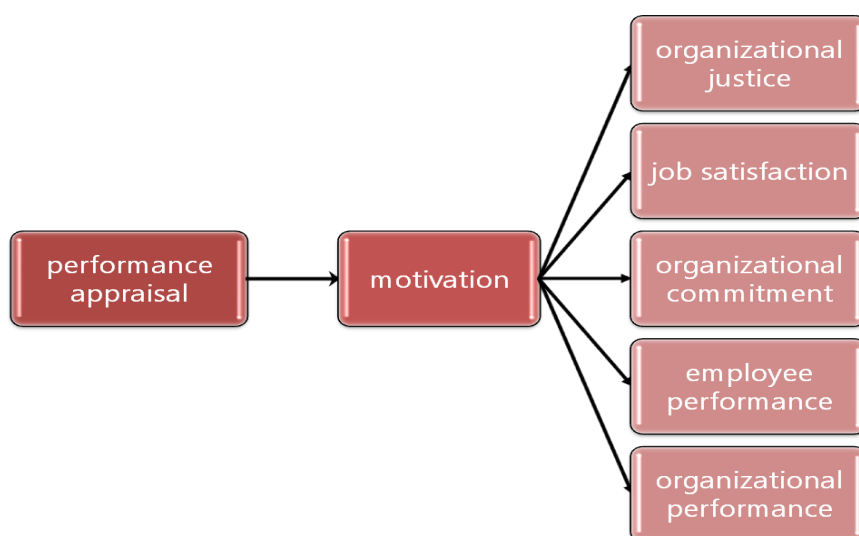
### Previous studies

Muogbo (2013) investigated the collision of worker motivation on organisational presentation. Sample size was 103 respondents. In the study descriptive statistics were used. The Spearman Rank Correlation Coefficient of SPSS used for data analysis. The consequences of research have a positive connection linking worker stimulus and managerial performance.

Taylor (2008) examined the shock of directorial factors and work outcome as JS and OC. Sample size was 2200 employees in the Australian public and private sectors. The findings proved a positive relationship among work outcomes and performance management system. The studies of previous researches allow suggesting the following hypothesis:

**H6:** there is a positive association between motivation and organizational performance

### Conceptual Framework



## Research Methodology

In the research method and design, mostly quantitative and qualitative methods are used. The difference between these two methods is that qualitative study expresses the human knowledge and views with the help of words, while quantitative study expresses them in the term of numbers (Duffy and Chenail, 2008). In research quantitative method was used. This method is best and it is adopted due to the reasons of previous research, objectivity and time Constraints Creswell defined (2008) the quantitative study is the way of testing purposeful theories by investigating the relationship among the variables. Variable is the term which refers to the feature of organization which planned and varies amongst an organization mortal considered (Creswell, 2007). This type of method is the gathering of figures and exhibiting an analysis of the connection among hypothesis plus study as deductive approach (Bryman and Bell, 2007).

Normally that variable can be calculated on tool and then the numeral figures are analysed by means of statistical measures. In that study data has one independent, one mediating, five dependent and seven demographic variables and they were collected from employees working in MEPCO Pakistan, through the questionnaires. The concluding printed statement have situate of arrangement which consist on introduction, literature, methodology, findings, along with conclusions. In the quantitative approach the survey method is used. It is used to gather the information.

## Population

It means cosmos of components from which sample has been chosen (Bryman and Bell 2007). In general it is the whole set of individual or objects of interest or the dimension obtained from all individuals or matter of interest. Sample is the segment of population. It is more realistic than studying the whole population. The population of the study was workers of MEPCO. It has round about 2500 employees.

Total Population = 2500, Sample Size =  $n = N / (1 + N * e^2)$  T. Yamne (1967)

Where N = Population Size, e = Marginal Error, n = Sample Size

So,

$N = 2500, e = 0.05$

By using the formula Total Sample Size =  $n = 344$

## Sample

Sampling is a technique which is used to collecting data without using the entire population. There are much type of sampling and random sampling used for collecting data from population in study. Its advantage is that data can be collected quickly and easily. The sample size of the total population is 344 employees and they were willing to participate in the research.

## Findings, Analysis and Discussion of Data

### Descriptive Statistics

#### Gender of Respondents

All the employees of MEPCO were divided gender wise. This gave an idea that more than 60% of employees in MEPCO are males and females are around 40%. This idea illustrates that a company is a male dominated company. Out Of the 344 respondents, 210 were male which about 61% of the respondents and 134 females which were 39% of the respondents.

**Age of Respondents**

Most of the respondent of the survey are aged between 36-45, totalling 137 or 39.8% of the respondents. The after that mainly common age group was 26-35, which had 36% of the respondents. 17% of the respondents of the company are 61 and in last 3% respondent were under the age of 20-25 and above 55 similarly.

**Marital Status**

In an organization all the employees have different marital status and these statuses shows that about 68% employees are married and 32% are unmarried in an organization. It shows that most of the employees of an organization are married.

**Education**

All the employees in an organization have different educational level. Employees with bachelor degree in organization are about 25.3%, with master degree are about 44.5%, with MS about 28.2%, with PhD about 2%.

**Employment Status**

Employment status included the part time and full time nature of the employment of employees in an organization. In organization about 20% employees have part time job and 79% employees have full time nature of job.

**Income Level**

Income level shows the different level of income in an organization of the employees. In organization about 38% employees get 36000 to 50000 incomes, and about 27.6% employees get 25000 to 35000 incomes, 24.4% employees get less than 25000 incomes, and 9.9 % employees get above 50000 incomes.

**Correlation**

The degrees to which two or more variables are vary together. The table of co relation shows that all the variables have two stars which mean that all the variables of the study are highly significant because Correlation is important at the 0.01 stage.



		performance appraisal	organizational justice	job satisfaction	motivation	employee performance	organizational performance	Organizational commitment
performance appraisal	Pearson Correlation Sig. (2-tailed) N	1 344						
organizational justice	Pearson Correlation Sig. (2-tailed) N	.472** .000 344	1 344					
job satisfaction	Pearson Correlation Sig. (2-tailed) N	.431** .000 344	.522** .000 344	1 344				
Motivation	Pearson Correlation Sig. (2-tailed) N	.404** .000 342	.359** .000 342	.496** .000 342	1 344			
employee performance	Pearson Correlation Sig. (2-tailed) N	.384** .000 344	.373** .000 344	.407** .000 344	.401** .000 344	1 344		
organizational performance	Pearson Correlation Sig. (2-tailed) N	.425** .000 344	.569** .000 344	.494** .000 344	.395** .000 344	.478** .000 344	1 344	
Organizational commitment	Pearson Correlation Sig. (2-tailed) N	.403** .000 344	.322** .000 344	.368** .000 344	.392** .000 344	.322** .000 344	.315** .000 344	1 344

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

## Regression

Regression analysis is an arithmetical process which is used for approximating the relationships between all the variables. It includes many methods which used for analysing the number of variables, when the focus is on the connection between dependent and one or more variables. By considering the SPSS results the present study have analysed the hypotheses.

In research firstly connection of motivation with OC, organizational justice, job satisfaction, employee performance and organizational performance has been find out that either the dependent variable which is motivation has positively relationship with the independent variables or not. The independent variables of the study are organizational commitment, organizational justice, job satisfaction, employee performance and organizational performance.

### **Motivation and independent variable's relationship**

Regression analysis shows F value highly important at the stage of 0.00. The value of  $F=33.824$  in the study at the significant level of 0.00 which shows in table of appendix. The t -test in the table shows the affiliation among dependent and independent changeable. t-test value of organizational commitment is equal to 3.857 and this is highly significant at 0.000 at the level of significance. Then the t-test value of organizational justice is equal to the .487 and this value is insignificant at .626. The t- test value of job satisfaction is 5.306 which is highly significant at the level of 0.000. The employee performance has t-test value which is equal to the 3.077 at the significant level of .002. Organizational performance have the 1.574 t-test that is insignificant at level of .117. So, on the basis of the values of f-test and t-test it proved;

**H2:** unenthusiastic and insignificant correlation between motivation and organizational justice

**H3:** there is a positive and highly significant affiliation between motivations with JS

**H4:** positive and highly momentous link between motivation and organizational commitment

**H5:** positive and important bond between motivation and employee performance

**H6:** negative and insignificant connection between motivation and organizational performance

### **Motivation and PAS relationship**

In that relationship PAS is reliant and motivation is a free changeable. Regression analysis shows that the value of  $F=66.369$  in the study at the highly significant level of 0.00 which shows in table of appendix. The t -test in the table shows connection between them. The t -test value of motivation is equal to 8.147 and this is highly significant at 0.000 at the level of significance. So,

**H1:** optimistic and highly significant rapport between motivation and PAS

### **Motivation as a mediator**

In the study motivation act as the mediating variable which mediates the constructive as well as highly significant rapport between PAS and three independent variables (OC, JS, employee performance). Motivation cannot mediate the optimistic along with significant bond with an organizational act and organizational justice.

### **Conclusion**

This research study was conducted on MEPCO organization. This study has three main objectives. First objective was to discover consequence of PAS on employee's organizational commitment; organizational justice, job satisfaction, employee performance, and organizational performance through mediating effect of motivation. The previous chapter show that PAS with motivation has optimistic rapport with OC, job satisfaction and employee performance but it has negative affiliation in the midst of organizational performance and organizational justice.

The second objective was to evaluate impact of relationship between PAS and motivation on the worker of MEPCO. Results show that this relationship has the affirmative and highly important blow on the worker along with their performance in MEPCO.

### **Recommendations**

The results and the findings of the research study have exposed several probable weaknesses and these weaknesses put off the system of an organization from the efficiency .There are so many disputes which have been recognized and need to be obvious if the entire procedure is to be valuable and reasonable to all involved. It is necessary for management to develop the PAS in organization. There are three main recommendations which are given by the researcher to create PAS effectively.

- a. MEPCO management should focus on the greater participation of employee within the organization appraisal system.
- b. Management should introduce a system which works on the development of employees and due to that their organizational performance enhanced.
- c. Management should focus on the factors which play vital role to increase the organizational justice within the employees of MEPCO.

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