# THE EFFECT OF PROCEDURAL JUSTICE AND DISTRIBUTIVE JUSTICE ON SATISFACTION OF PERFORMANCE APPRAISAL SYSTEM A STUDY OF BANK ISLAM'S EMPLOYEES

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# Table of Contents

Permission	to use		vi
Acknowledg	gement		vii
Abstract			viii
Chapter 1	Introd	luction	
	1.0	Introduction to the Study	1-2
	1.1	Background of the Problem	2-6
	1.2	Problem Statement	6-7
	1.3	Research Objectives	7
	1.4	Research Questions	7
	1.5	Significance of the Study	7-8
	1.6	Definition of Key Terms	8-9
	1.7	Organization of Remaining Chapters	9
Chapter 2	Litera	ture Review	
	2.0	Introduction	10
	2.1	Literature Review on Performance Appraisal	10
	2.1.1	Definition and Description	10-12
	2.1.2	Dissatisfaction with Performance Appraisal	
		System	12-15
	2.1.3	Overview of Past Research and Literature	15-18
	2.1.4	Approaches to Evaluating Performance	
		Appraisal	18-21
	2.1.5	Fairness in Performance Appraisal	21-23

	2.2	Theoretical F	Framework	24
	2.2.1	Introduction		24
	2.2.2	Organization	nal Justice Theory	24-25
	2.2.3	Applying Org	ganizational Justice Theory	
		To Performa	nce Appraisal	26-30
	2.2.4	Model Overv	riew	30-31
	2.2.5	Definition of	Conceptual Terms	31
		2.2.5.1	Employee	31
		2.2.5.2	Performance	31
		2.2.5.3	Satisfaction	31
		2.2.5.4	Appraisal	32
		2.2.5.5	System	32
	2.2.6	Definition of	Operational Terms	32
		2.2.6.1	Procedural Justice	32
		2.2.6.2	Distributive Justice	33
	2.3	Statement of	f Hypotheses	33
Chapter 3		Research Me	ethodology	
	3.0	Introduction		34
	3.1	Research De	esign	34-35
	3.2	Population a	nd Sampling	35-36
	3.3	Measuremer	nt Items	36-38
	3.4	Instrumentat	ion	39-41
	3.5	Data Collecti	ion Method	42

	3.6	Data Analysis Techniques	42
	3.6.1	Respondent's Profile	43
	3.6.2	Establishing Reliability and Validity	
		Of Measures	43-44
	3.6.3	Scoring of Constructs	44-45
	3.6.4	Normality of Data	45
	3.6.5	Production of Descriptive Statistics	46
	3.6.6	Bivariate Association	46-47
Chapter 4		Research Findings	
	4.0	Introduction	48
	4.1	Overview of Data Collected	48-49
	4.2	Respondents' Profiles	49-50
	4.3	Assessing Quality of Data	50
	4.3.1	Assessing Reliability	50-52
	4.3.2	Assessing Validity	52-54
	4.3.3	Determining the Normality of Data	54-55
	4.4	Descriptive Analysis	55-56
	4.5	Bivariate Analysis	56
	4.5.1	Pearson Correlation Coefficient	56-58
	4.6	Summary of Findings	59

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Chapter 5		Discussion, Recommendation, and Conclusion	٠.
	5.0	Introduction	60
	5.1	Discussion	60-61
	5.2	Limitation of the Study	62
	5.2.1	Lack of Experience	62
	5.2.2	Small Sample Size	62
	5.2.3	Limitation of Time	62
	5.3	Recommendation for Future Research	63
	5.4	Recommendation for Improvement	63
	5.4.1	Listening to the Voice from the Bottom	63-64
	5.4.2	Implementation of 360-Degree Performance	
		Appraisals	64
	5.4.3	Rater Training	64-65
	5.4.4	Ongoing Feedback	65-66
	5.5	Conclusion	66-67
References			68-71
Appendix			

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#### **ABSTRACT**

Employee performance appraisal is common among organizations in Malaysia including the banking industry. Instead of being an isolated bi annual program, appraisals are but one component in the overall process of performance management. According to Robert Bacal, (1999) performance management is an ongoing communication process, undertaken in partnership, between an employee and his or her immediate supervisor that involves establishing clear expectations and understanding about the jobs to be done.

The objective of this research is to find the effect of procedural justice and distributive justice on satisfaction of performance appraisal system that has been practised at Bank Islam Malaysia Berhad.

The underlying hypotheses of this research are "There is a significant relationship between procedural justice and employees satisfaction with performance appraisal system in Bank Islam Malaysia Berhad" and "There is a significant relationship between distributive Justice and employee satisfaction with performance appraisal system in Bank Islam Malaysia Berhad".

Data were obtained via a survey questionnaire from 102 participants from BIMB branches in Kedah, Perlis and Penang. The findings of the study accept both the research hypotheses.

#### CHAPTER 1

#### INTRODUCTION

# 1.0 INTRODUCTION TO THE STUDY

Employee performance appraisal is an important measurement tools practised by many companies all over the world including Malaysia. The main reason is performance appraisal decisions have effects and consequences on workers' compensation and recognition (Rusli & Azman, 2004). The Performance Appraisal System (PAS) is also important as a management tool to assess employees' efficiency at the workplace (Amstrong & Baron, 1998). According to Robbins and Judge (2009) efficiency is defined as the ratio of effective output to the input required to achieve it.

In the United States, over 90 percent of large organizations employ some form of PAS and over 75 percent of state employment systems require annual performance appraisal (Locker & Teel, 1988; Murphy & Cleveland,1991;Seldon, Ingraham & Jacobson, 2001). Thus, companies particularly public listed companies have made it as a policy to implement PAS every year. The Public Service Department (PSD), Government of Malaysia implemented the PAS on 1 January 1992 (Rusli & Azman, 2004). Hence, PAS is still a new evaluation tools in Malaysia including in the private sector. In the banking industry, PAS was initially implemented in the late 1990s.

Bank Islam Malaysia Berhad (BIMB) started to introduce PAS to its employees in 2004. Other banks like Bank Simpanan Nasional Malaysia

have implemented its PAS in 2002. At BIMB, PAS is known as Performance Management Development (PMD) which is conducted bi annually i.e in December and June. Prior to the respective months, employees will receive a reminder and a template of PMD's form which is designed according to employees' grade. The completed template must be kept by the branch's manager and only the points received by each employee are to be sent to Human Resource Department.

PAS has many objectives. The successful execution of PAS is crucial to the efficient and smooth operation of BIMB. However employee's satisfaction towards the PAS varies. The level of employees' satisfaction is uncertain.

For example, more than 80 percent of UK organizations surveyed in the UK express some dissatisfaction with their PAS, perceiving that they fail as a mechanism to develop and motivate people (Fletcher, 1993).

#### 1.1 BACKGROUND OF THE PROBLEM

PAS is an important system as it is part of Performance Management in order to achieve organization's goals. PAS, an integral part of Human Resource Management Activities, is of growing concern to all members of organizations including managers, employees, employees unions and even customers (Ab. Aziz Yusof, 2003). A low level of satisfaction towards the PAS can have a significant impact on company performance and review on employees' efforts, evaluation, reward and human capital development.

Widespread frustration and dissatisfaction with performance appraisal has challenged researchers and practitioners in both the private and public sector to evaluate the effectiveness of PAS (Marie, 2003). Negative perception and dissatisfaction with PAS have led researchers and practitioners in both the private and public sectors to evaluate the effectiveness of PAS.

Bank Islam Malaysia Berhad (BIMB) emerged as Malaysian's maiden Shariah-based financial institution when it commenced operations in July 1983. Since then, Bank Islam has become the symbol of Islamic banking in Malaysia

BIMB started its business with capital of RM80million only and at June 2009 BIMB's paid-up capital increased to RM1.3 billion. Today, BIMB operates through its 100 branches nationwide with about 3,000 employees.

As one of the public listed and government linked companies, BIMB follows the industry standard i.e to implement the appraisal system which is named as Performance Management Development (PMD).

BIMB as one of the Islamic banking in Malaysia had been practising appraisal system to evaluate their employees. The purpose is to reward, promote, identify training required, etc. Today, BIMB has 100 branches throughout the country, 5 Regional Offices and the headquarter is located in Damansara, Petaling Jaya. Branch Managers are responsible to evaluate employees' performance at branch level and the performances of Branch Managers are evaluated by the Regional Manager.

The performance evaluation are conducted bi annually through PMD's form. This form which contains Key Performance Index is prepared according to the Grade of Employees. Generally, grading of employees in the branches are as follows:

No	Grade	Job Function	Corporate Title
1	G1 & G2	Clerk Teller Office Assistant	None
2	G3	Chief Cashier	None
3	G9	Officer	None
4	G10	Assistant Manager	None
5	G11	Assistant Manager	Branch Manager Business Manager Operation Manager
6	G12	Deputy Manager	Branch Manager Business Manager Operation Manager
7	G13	Manager	Branch Manager

Performance appraisal is the process of evaluating how well employees do at their jobs compared with a set of standards and then communicating that information to employees (Heuerman, 1997). At BIMB, the process is not materialised. There is no process of communication and comparison with standards set up by management.

Hence, there are doubts whether employees are generally satisfied with the PMD as a fair and just measurement tool to evaluate employees performance at BIMB.

According to the BIMB's guideline of PMD, the purpose of PMD are as follows:

- To promote a change of management culture and in particular, to get staff to think more about the objectives of and cost constraints on their organisations.
- To motivate staff better by making annual salary increments dependent on performance rather than length of service; and
- To introduce a greater element of pay-cost flexibility and discretion which more appropriate to management.

PMD was introduced in 2004 and after three years, the implementation is just a matter of formality. Since 2007, management started to instil the importance of PMD as evaluation tool amongst employees. Evaluation is done bi annually in June and December where managers and employees should come into agreement about performance rating. Then the manager must summarize the rating in Performance Rating Summary (PRS) and submit the final PRS to the Human Resource Department. The PMD's form is kept in the staff's file at the branch. The process of evaluation, PRS's form are shown in Appendix 2.0 & 2.1.

The PMD form is designed according to the grade of employee and job function. Generally employees are categorized into 5 groups; Grade 1-7, Grade 9, Grade 10 – 12, Grade 13 – 15 and Grade 16 and above. The organization is below and is shown in Appendix 2.2.

Part	Purpose	Details
Part A	Goals Setting – Key	Information about Goals,
	Performance Indicator (KPIs)	Responsible/Timeframe, Status,
		Weights%, Rating and Score.
Part B	Competency For Grade	Information about Competency such
		as communication skills, Customer
		orientation, Drive for Results, etc.
Part C	Overall Performance Rating	Score of rating and comments from
		appraisee and appraiser.

#### 1.2 PROBLEM STATEMENT

Satisfaction with PAS is important as it is part of Performance Management at BIMB. Are the employees satisfied with the process of PAS and the outcome or reward of PAS at BIMB?

Skarlicki and Folger (1997) suggest that the appraisal process can become a source of extereme dissatisfaction when employees believe the system is biased, political and irrelevant. Landy, Barnes and Murphy (1978) studied employee perceptions of the fairness and accuracy of a performance appraisal system. The researchers found that frequency of evaluation, identification of goal to eliminate weaknesses, and supervisory knowledge of a subordinate's level of performance and job duties were significantly related to perceptions of fairness and accuracy of performance appraisal.

Many researches have been directed at expanding the meaning of fairness. According to Robbins and Judge (2009), equity theory focused on distributive justice, which refers to employee's perception of the fairness of the amount and allocation of rewards among individuals. Distributive justice is

part of organizational justice, which is defined as an overall perception of what is fair at the workplace. The other key side of justice is procedural justice, which is the perceived fairness of the process used to determine the distribution of rewards.

Distributive justice and procedural justice are two variables that will be studied in relation to employee satisfaction of PAS at BIMB.

#### 1.3 RESEARCH OBJECTIVES

This study attempts to investigate to what extent procedural justice and distributive justice affect the employee satisfaction of PAS at BIMB.

# 1.4 RESEARCH QUESTIONS

This research focuses on employees' satisfaction with PAS implemented at BIMB in order to answer the following questions:

- Does procedural justice affect employee satisfaction of PAS at BIMB?
- Does distributive justice affect employee satisfaction of PAS at BIMB?

#### 1.5 SIGNIFICANCE OF THE STUDY

Since the implementation of PAS is still new, there is uncertainty whether it is successful or not. Thus, this research is very important as we can reveal what are the factors that contribute to the successful implementation of PAS.

Hopefully, this study will give useful feedback to the management as they will know what is the actual response and feeling of employees with regards to PAS. It is also an honour if this piece of study would be useful information to students, academicians and researchers.

#### 1.6 DEFINITION OF KEY TERMS

Despite the vast literature available on satisfaction, there is no common definition across disciplines. From the linguistic point of view, the word satisfaction is derived from the root word satisfy meaning "the fulfilment of some needs and desires" (Webster's New World Dictionary, 1990, page 523). When it comes to operational definition, some researchers view the construct as one that is defined by some identified dimensions while others view it is an overall affective state resulting from some cognitive processes. However, one common and salient aspect of the diverse definitions offered by researchers and academicians involve an evaluative judgment, one that is arrived at by comparing one's present state with some prior standards. (Oliver, 1980).

In the context of employee satisfaction, Susan M. Heathfield, About.com Guide describe it as a terminology used to describe whether employees are happy and contented and fulfilling their desires and needs at works. Employee satisfaction can be observed at in relation to the work place, salary, recognition, promotion, workplace environment, benefits, trainings and appraisal system.

Performance appraisal system is defined by Dick Grote as a formal record of a manager's opinion of the quality of an employee's work. Ab. Aziz (2003) contends that managers are interested in PAS as they are required to make judgments and evaluate employees. Employees on the other hand

believe that PAS will directly influence their pay and future career in the organisation.

#### 1.7 ORGANIZATION OF REMAINING CHAPTERS

This paper is divided into 5 chapters as follows:

The following chapter reviews the literature about performance appraisal, theoretical framework and statement of hypotheses. Chapter 3 defines the instruments used, the characteristics of the sample selected to conduct this study and the procedures implemented to collect the data. It describes the specific tests performed, reliability, normality and validity of the instruments. Chapter 4 presents the findings obtained from the research. The results are analyzed and interpreted in relation to the hypotheses formulated. Chapter 5 summarizes and concludes this study.

#### CHAPTER 2

#### LITERATURE REVIEW

#### 2.0 INTRODUCTION

People, especially employers and employees often talk about performance appraisal and the question that is usually raised is how does one's job performance is measured and evaluated in the pursuit of determining how much it is worth.

This chapter will explore the application of performance appraisal and address its shortcomings. The rest of the chapter describes the theoretical framework and hypotheses.

#### 2.1 LITERATURE REVIEW ON PERFORMANCE APPRAISAL

# 2.1.1 Definition and Description

The term, performance appraisal (DeCenzo & Holoviak, 1989:Ivanevich, 2001), staff appraisal (Randell, Packard and Slater, 1990), performance management (Armstrong, 1990), employee appraisal (Sisson, 1991), performance assessment (Torrington and Hall, 1987) all refer to the same essential process i.e. a process whereby an employer evaluates the job performance of his employees by using a systematically developed data handling system in order to facilitate managerial control. The appraisal process is generally presented as the acquisition of information to aid a process of rational decision-making and resource allocation (Townley, 1992).

An employee is evaluated and informed of how he is doing and how he should be doing differently.

Performance appraisal can either be done formally or informally. An example of an informal appraisal is the prejudgment made by appraisers (employers) toward their employees' work performance (Ab. Aziz Yusof, 2003). It is not a well structured system whereby the employers are very often influenced by political and interpersonal relationship. It is also an unfair system as the judgment is made not based on proper rules and procedures.

Formal appraisal on the other hand is a structured interaction between managers and their subordinates which will be done periodically during which the work performance of every employee will be evaluated and discussed. Coens and Jenkins (2000) suggest that performance appraisal is a mandated process whereby in a specified period of time, the employees' work behaviors or traits are individually rated, judged or described by a rater and the results are kept by the employers.

Performance appraisal system has many objectives. To the employers, PAS allows them to evaluate their employees' performance, to indicate their employees' weaknesses and how to overcome the weaknesses and to give respond and indication as to the effectiveness of the PAS adopted by them. The rating given by the employers to their employees can be used as the tool for salary determination, promotion and etc. According to Morrisey (1972), the measurement done by employers is used for other related activities such as salary determination, promotion, layoffs, reassignment and for development

purposes. To the employees on the other hand, PAS is seen as either the organization's management system for command and control (Swiss, 1991) or to satisfy their desire for development and rewards (Daley, 1992).

A PAS may contain different essential components which suit the requirement of each organization. Landy and Farr (1980)'s model of PAS contained 13 interacting components; 1) position characteristics, 2) organization characteristics, 3) the purpose of the rating, 4) the rating process, 5) scale development, 6) the rating instrument, 7) rater and ratee characteristics, 8) the observation and storage of performance data, 9) the retrieval and judgment of that performance, 10) analysis of this information, 11) performance description and 13) personnel action. Latham and Wexley (1981) listed 8 requisite components in PAS: 1) defining what performance is or should be, 2) measuring and evaluating performance, 3) feeding information about that performance back to the individual, 4) providing information to other organizational systems that use it, 5) review of legal requirements, 6) development of an appraisal instrument, 7) selection and training of observers and 8) praise or reward for performance.

PAS is seen as a formal part of organizational activity and according to Miner, (1985) its importance has made it part of an organizational life. However, employees often are no satisfied with the PAS.

# 2.1.2 Dissatisfaction with Performance Appraisal System.

It is commonly acknowledged that Performance Appraisal System is widely adopted and relied upon by organizations. Traditional discourse on

appraisal as found in many text books and journals gives an image of rationality, technicism and neutrality. It is pictured as a tool to achieve objective assessment and a tool that can enhance human relations and boost employee motivation within an organization (Beer, 1985; Longenecker, 1999). Thus, in many literatures, performance appraisal system has an important place both in HRM and strategic management.

Whilst it is often thought that Performance Appraisal like "Done Properly" appraisal can provide feedback on employee's job performance and thus stimulates his development and motivation (Thomas, 1996a), it can also lead to negative outcomes. This is evidenced by employees being left 'bitter, crushed, bruised, battered, desolate, despondent, feeling inferior, some even depressed, unfit for work for weeks after receipt of rating, unable to comprehend why they are inferior' (Deming, 1992).

Thus, the significant role of PAS is always given an impression of not being welcome. Managers and employees always complain about PAS and some even complain about them putting their great energy and money but yet gotten no benefits. Surveys done through the years showed that there is a lack satisfaction towards the effectiveness of PAS in organizations and this dissatisfaction is not only restricted locally but also globally. As such, Bricker (1992) whose survey indicated that only 20 percent of American companies were satisfied with their performance review process. Small Business Report, (1993) reported a survey done by Wyatt Company on some 900 companies and the result showed that only 10 percent of the companies were satisfied

with the employee evaluation programs, 30 percent were not satisfied and 60 percent were not convinced.

So, what is the reason for this dissatisfaction? Hui and Qin-Xuan in Procedia Earth and Planetary Science 1 (2009), looked at this question and answered it from different views. According to them, there is no one perfect measure in PA. There is no confirmed standard. Hence, Murphy and Constans (1987) found out that when an appraiser used scales to measure, they may lead to appraisal errors and when appraisers use BARs, they may only observe behaviors regarding to scales in influence of the standard messages that scales have given, and may have lost true information in memories after observation.

Hui also looked at the dissatisfaction of PAS from the appraisers' view and they conducted a research to 30 HR managers from 5 corporations whereby the managers confirmed that they faced lots of scruples such as management, human relationship, profit and so on and they also worried about conflict with employees that made them hard to choose between part and whole benefit and that made the performance appraisal's results deflected.

From an employee's view, once that PAS' result is out, it normally sickens them. Employees who think that they have done better than the others sometimes get bad appraisals and this is the time when they have the feeling and the thinking that those with higher appraisals get higher score in an informal way/s. As such, we must always remember that organizational

political behavior often affects one's sense of injustice and this is when we must consider the personal attribution deflection. An employee always attribute his success to personal ability and effort and his failure to external factors such as bad luck and insufficient time to complete his task but when it comes to other people's success, he attributes it to external factors and to other people's failure to personal factors. Hence, this attribution deflection leads to injustice sense so employees begin to think that PAS has no sense.

#### 2.1.3 Overview of Past Research and Literature

Since PAS is one of the most important human resource systems in organizations as they yield critical decisions integral to various human resource actions and outcomes (Murphy & Cleveland, 1995), research on performance appraisal is vast. However, the limitation of much of this research to the advancement of the understanding or practice of performance appraisal is generally acknowledged (Latham & Lee, 1986; Murphy & Cleveland, 1991).

Feldman (1981) reports that prior to the 80's, majority of the theoretical and empirical studies revolved around the improvisation of the psychometric characteristics of the rating instrument in order to reduce the subjectivity inherent in performance ratings. The emphasis on the psychometric aspects resulted in the development of a "better" rating scale format that was valid and reliable and received a great deal of attention (Woehr & Miller, 1997). Thus,

several new formats that focused on rating scale were developed eg.

Behavioral Observation Scale (BOS), Behavioral Anchored Rating Scale

(BARS) and Mixed Standard Scale.

Another popular topic of research then was the training of raters which was aim at reducing rating errors, improving observational skills and developing performance appraisal practices. On this topic, Woehr and Miller (1997) reports that research examining the efficacy of the different rating scales format generally indicated that ratings were not affected by changes in the rating scale format. Arvey and Murphy (1998) found that between 1950 and 1980, there were literally hundreds of studies on different types of rating inclusive of rating versus ranking and the ways of achieving ratings that were objective measures of performance.

In the 1980s, it was common that literatures focused on performance rating accuracy and the development of accuracy criteria. Ilgen, Barnes-Farrell and McKellin (1993) reported that then researches had focused on common psychometric biases or rating errors like leniency, central tendency and halo and it was commonly assumed that those rating errors indicated lack of accuracy. Therefore it was thought that decreased biases meant increased accuracy, a point argued by researches to be not necessarily true (Hulin, 1982; Murphy & Balzer, 1989, Roch, 1997). It was then that the research on accuracy shifted from rater errors to discrepancy between ratings and some standard of performance.

The various researches in the 80's had contributed the followings:-

- Heightened awareness of the importance of observation in the appraisal process and how knowledge obtained by raters is utilized;
- 2) Helped to clarify or correct some assumptions about performance appraisal such as the belief that rating errors as commonly defined were evidence for rating errors when in fact the research indicated that there may not be resulting inaccuracies. (Murphy & Balzer, 1999; Smither & Reilly, 1987).

Though Ilgen, Barnes-Farrell and McKellin (1993) acknowledged the contributions of the researches on PAS, they stated that the overall impact to the improvement of PAS had been limited and like Landy and Farr (1980), they called for redirection of research efforts away from demonstrations of cognitive effects towards the investigation the content of cognitive variables, the identification of factors that influence these variables and the design of appraisal systems that incorporate cognitive principles.

The more recent researches emphasized on the process and structural characteristics that influence the attitudes and effective reactions of system participants in addition to psychometric characteristics. Murphy and Cleveland in 1991 and 1995 suggested that researchers should consider the rating context before attempting to analyze or evaluate the effectiveness of rating or rating systems.

Arvey and Murphy (1998) highlighted the substantial gap between research and practice in performance appraisal especially in the late 1980's when then the studies were conducted in the lab and focused on discrete variables of cognitive processing in appraisal and evaluation.

When we see the pattern in the researches made, we can see that past researches concentrated on individual performance as opposed to performance appraisal as a system. The more recent researches however focused more on the performance appraisal in a more comprehensive and organizational context.

# 2.1.4 Approaches to Evaluating Performance Appraisal

A PAS must be evaluated to see its' effectiveness and viability. The evaluation of the existing PAS would indicate whether it should be implemented further or it should be modified and changed to suit the organization's goals.

The need to evaluate PAS was highlighted by Murphy and Cleveland (1991) when they contended that the effectiveness of all human resource systems including performance appraisal need to be evaluated. However, because of the complex nature of the systems involved and the limited selection of evaluation criteria, comprehensive research on PAS is scarce. Bernardin, Hagan, Kane and Villanova (1998) suggested that the practice of evaluating performance is inadequate.

The question is how can PAS be evaluated? Mohrman, Resnick-West and Lawler (1989) listed the following items as part of PAS:-

- Appraisal tools and methods;
- 2) The degree of fit between other features of the organization and the appraisal system;
  - 3) The system design;
  - The proper introduction of the system;
  - 5) Training of individual system users.

According to them, a complete appraisal system includes the following components:-

- Two performance appraisal cycles that deal with immediate feedback and long term career issues;
  - A decision about who defines performance;
  - How performance will be measured;
  - 4) Who will measure performance;
- 5) What method will be used to gather performance information; and
- 6) Effective feed back that is timely correctly and delivered by the appropriate person.

According to them also, a performance appraisal process must be designed to match the organization's goals and the type of work it performed. An effective appraisal system is the one that defines its purpose like monetary compensation, career planning, documentation of staffing changes, work load evaluation, counseling and development and training. (Mohrman and Lawler, 1983) suggested that researchers should concentrate on how the PASs are perceived by the employees to improve its accuracy and suggested that organizations should examine the uses of performance appraisal information to determine if the uses and functions are conducive to accurate performance appraisal.

Murphy et all (1995) referred to employee reaction to appraisals as one class of neglected criteria which might be considered when evaluating PAS. According to Keeping and Levy (2000) employees' reactions to PAS may be considered important for a few reasons being:- 1) reactions are of great interest to practitioners; 2) while reactions have been theoretically linked to determinants of performance appraisal success and acceptance, they have been overlooked in the research. Ostroff, 1983 contended that reactions may even contribute to the validity of a system.

Tziner, Prince and Murphy (1997) measured political considerations in performance appraisal to determine the extent to which distortions in ratings were present and in 1999 they studied the attitudes of managers towards performance appraisal and their organizations. In 2001, Tziner, Murphy and Cleveland reported that attitudes and beliefs toward the organization and the

appraisal system affect the rating and the handling of appraisal information which attitudes influence the accuracy and usefulness of the ratings.

#### 2.1.5 Fairness in Performance Appraisal

PAS though accepted as a necessity in determining the performance of employees, may not be so welcome by the employees especially when the ratings made by the raters do not meet their level of satisfaction. Thus the negative perceptions of the processes involved in making such ratings are always present. Researchers and practitioners always include employees' satisfaction and their perceptions of the processes into account when evaluating the efficacy of PAS. Therefore, Roberts in 1990 found out that the ultimate effectiveness of a PAS is determined by the attitudes of the system's users toward the whole processes involved.

The employees' reactions to appraisal and the processes involved influence the effectiveness and the viability of the appraisal system (Bernardine & Beatty 1984; Cardy & Dobbins 1994; Carroll & Schneier 1982; Lawler 1994). An example is the contention made by Murphy and Cleveland (1995:314) that "reaction criteria are almost always relevant, and an unfavorable reaction may doom the most carefully constructed appraisal system".

Fairness in PAS is very crucial and "dissatisfaction and feelings of unfairness in process and inequity in evaluations, any appraisal system will be doomed to failure" (Cardy and Dobbins 1994:54). In practice, the evaluation, the procedures used to evaluate performance and the manner the

performance related information is communicated to the employee determine how the employees would react to the critical elements of the appraisal process.

If we were to look for researches made primarily to examine the influence of fairness perceptions on appraisal reactions, we would be surprised to see that they are virtually non-existent even though the importance of fairness in appraisals is acknowledged.

Labor Res (2007) contended that early research on fairness focused on the fairness of the distribution of outcomes like salary. Adams (1965) and Greenberg (1988) through the researches established that people care about the fairness of outcomes. It was in 1975 that Thibaut and Walker introduced the construct of procedural justice and highlighted the importance of fair procedures to overall perceptions of fairness.

However, it was in the 1990s that researchers began to examine the social side of justice. Bies and Moag (1986) introduced the construct of "interactional justice" and argued that the employees' perceptions of the quality of interpersonal treatment received during the process of appraisal likely influence the individual's overall sense of organizational justice. According to them, there are two elements that central the perceptions of interactional justice namely 1) whether the reasons underlying the resource allocation decision are clearly, truthfully and adequately explained to the affected parties; and 2) whether those responsible for implementing the decision treat the affected individuals with dignity and respect. Greenberg

(1993) proposed that interactional justice might actually consist of two factors

1) respect and sensitivity aspects; and 2) the explanation aspect. He suggested that interpersonal justice primarily alters reactions to decision outcomes because sensitivity can make people feel better about an unfavorable outcome and informational justice alters reactions to procedures as explanations provide the information needed to evaluate structural aspects of the process.

Colquitt (2001) supported Greenberg's (1993) proposal and identified distributive justice, procedural justice, interpersonal justice and informational justice as the four factors comprising the construct of organizational justice.

Some researchers treat interactional justice as a component of procedural justice (Tyler & Blader 2000) while some others threat it as a third form of justice, independent of procedural and distributive justice (Bies 2001; Bies and Moag 1986). However, "While there is a disagreement about which justice constructs are conceptually distinct from others, there is no disagreement about the importance of these constructs to individuals and the impact they have on individual behavior" (Ambrose, 2002).

In short, justice literature clearly establish that people care the fairness in appraisal may it be fairness of the outcomes, the procedures that they are made subjected to, the fairness of the interpersonal treatment and communication that they receive (Ambrose, 2002).

# 2.2 THEORETICAL FRAMEWORK.

#### 2.2.1 Introduction

This part of the chapter presents a general idea of the theoretical framework that provides the conceptual basis upon which the research is based. A framework based on theory is said to be "a set of interrelated constructs, definitions and propositions that presents a systematic view of phenomena by specifying relations among variables, with the purposed of explaining natural phenomena" (Kerlinger 1979, quoted by Creswell, 1994, page 82) The next part begins with a discussion of Organization Justice Theory. This is then followed by the introduction of the constructs in the model and a brief outline of the central propositions of the framework. Then it will continues with operational definitions of the various terms employed in the study and concludes by building up the hypotheses relating to the relationship among the constructs.

#### 2.2.2 Organizational Justice Theory

Apart from being a tool of measuring performance, PA is also a means of providing information and feedback to employees. This feedback makes the employees aware of the discrepancies between the standards of performance and assessments made against them. Organizations often hope that individuals will seek to improve their performance on dimensions rated below standard (Tornow, 1993). But how do organizations ensure improved performance? Organizational justice plays an important role of ensuring the same. Organizational justice encompasses distributive and procedural justice.

Distributive justice theory suggests that outcomes at or above standard are perceived as acceptable to employees and no action is taken to change them (Brockner & Wiesenfeld, 1996). However if the outcomes are perceived as negative, the employees will examine the procedure used by the organizations to arrive at such outcomes. This is done to determine fairness. Therefore, there are researches that indicate the willingness of the employees to accept negative outcomes when and if they perceive that the process by which the outcomes were made is fair. Procedural justice is the term used to describe this phenomenon (Cropanzano & Folger, 1991; Greenberg, 1990; & Leventhal, 1980).

Procedural justice is concerned with the fairness of the process used to arrive at an outcome-distribution (Greenberg, 1990). It increases employees' perceptions of justice as well as associating the perceptions with the outcomes. Therefore, when distributive justice is seen low, procedural justice has a significant effect on the favorability of employees' reactions to outcomes. On the other hand, when distributive justice is high, procedural justice has no significant effect.

Cropanzano and Folger (1989) attempted to integrate distributive and procedural forms of justice in a referent cognition theory. This theory describes the role played by decision-making procedures in determining the perception of unfair treatment. It predicts that employees will react positively to a negative outcome if the procedures used by the organizations are fair. If the procedures used are unfair, then the employees will act negatively to the negative outcomes.

# 2.2.3 Applying Organizational Justice Theory to Performance Appraisal.

Landy, Barnes and Murphy (1978) and Landy, Barnes, Farrell and Cleveland (1980) in their researches showed that employees were more willing to accept a performance appraisal system to be fair when the system integrated certain conditions. These conditions included frequency of performance feedback, supervisor familiarity with the work performance, the opportunity of employees to express their feelings during performance review and the setting of new performance goals. Employees were found to have positive perception of the PA when they were able to identify the processes within the appraisal system. This explained Landy (1985) when he generalized a fair evaluation to be one that contains certain procedural elements regardless of the outcomes of the evaluation themselves.

Greenberg (1986) supported the above researches and was among the first to apply organizational theory to performance evaluation. His research revolved around the questions as to what made a performance appraisal seem fair, was it what an employee received or how the decision was made or both that made the performance appraisal seemed fair. Other than the two distinct concepts of distributive and procedural justice, he proposed five other procedural categories that contributed to perception of fairness and they were (1) supervisors soliciting input prior to evaluation and use the input during evaluation, (2) two-way communication between the supervisor and subordinate during the appraisal interview, (3) the ability of the employee to dispute and challenge the rating made, (4) rater characteristics such as

consistency in applying standards and (5) rater familiarity with the work being rated. The occurrence of performance based ratings and pay or promotion outcomes based on the ratings were included in the distributive category.

In 1992, Folger, Konovsky and Cropanzano adopted a "due process" metaphor to apply the concept of justice to performance appraisal which consisted of three factors to describe a procedurally fair system. The three factors were (1) adequate notice, (2) fair hearing and (3) judgment based on evidence.

Adequate notice required that the organization to set its standards and criteria and to have the same published, distributed and explained to the employees before evaluation and rating were actually made. Employees should also be allowed to not only offer their input in developing their performance standards but also to question the organization's plan of achieving their business objectives.

Fair hearing required that the employee be given the chance to have a face-to-face evaluation with the rater. The rater must have had the opportunity to observe and evaluate the employee's behavior and work product. The employee must have been given the chance to provide a self-assessment or other input to the appraisal and the right to challenge the rating given by the rater.

Judgment based on evidence required the rater to apply same standard on all employees without any influence, bias or pressure. The rater

must be honest and consistent in his rating. Employees on the other hand had the right to question the rating and to make appeals if he or she so desired.

This "due process" model was proven to have been in consistent with the procedural justice concept. Hence the subsequent research by Taylor, Tracy, Renard, Harrison and Carroll (1995) showed that employees who had undergone the due process PA gave more favourable and positive reactions to the PA, its perceived fairness and its accuracy. The employees also showed positive attitudes towards the system and their intention of remaining with the organization.

Further Korsgaard and Roberson (1995) examined how a subordinate voice could create positive attitudes in the performance appraisal context. This was where the instrumental and non-instrumental voices were studied. Instrumental voice refers to the indirect control over decisions when direct control is impossible (Thibaut & Walker, 1975) whereas non-instrumental voice refers to the idea that "voice" is valued intrinsically regardless of whether the impact influences the decision. The findings showed that perceptions of instrumental and non-instrumental voice were independently and comparably predictive of appraisal satisfaction. Leung and Li, 1990 concluded that voice affected perceptions of procedural justice, distributive justice and agreement with the decision and therefore voice affected distributive justice only when it was considered to be influential whereas voice only had to be considered by the decision maker to affect procedural justice.

In 1996, Cobb and Frey studied the effects of procedurally fair leadership and payment outcomes in relation to subordinate reactions to supervisor. The results indicated that subordinates reacted positively to procedurally fair leadership and that the subordinates discerned differences in leadership behaviors that enact procedural fairness.

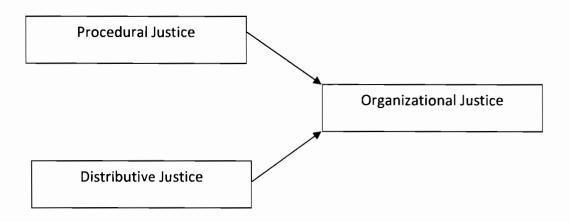
Tang and Sarsfield-Baldwin (1996) found the relationship between distributive justice and personal level job satisfaction and between procedural justice and organizational commitment. They then

developed scales for procedural and distributive justice and used them to predict satisfaction with pay, promotion, supervision and their performance appraisal. In 2001, Bartol, Durham and Poon found that the rating system and the performance rating itself affected perceptions of distributive justice.

Leung, Su and Morris (2001) found that fair interpersonal treatment by the supervisor elicits positive attitudinal reactions from recipients towards both the supervisor and the organization.

The relationship between perceptions of justice and reactions to performance appraisal have been theorized and found to exist by a number of researchers. It is clear that both fairness and justice are important concepts in many organizational processes including performance appraisal.

Figure 2.1 below depicts the Model of Organizational Justice. (Robbins and Judge, 2001).



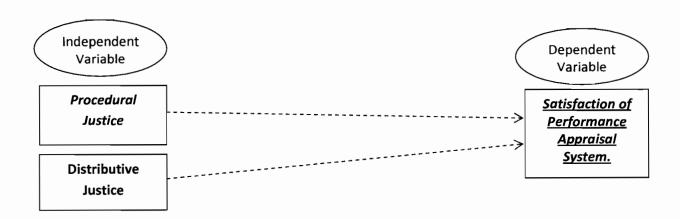
## 2.2.4 Model Overview

Figure 2.2 depicts a graphical overview of the model used in the study.

The independent variables are distributive justice and procedural justice; the dependent variable is employees satisfaction.

Figure 2.2

The Satisfaction of Performance Appraisal System



The proposed model depicted in Figure 2.2 suggests that employee satisfaction with PAS can be examined via a process of evaluating procedural justice and distributive justice. Thus the model introduces procedural justice and distributive justice as the independent variables. The model proposes that an employee gain a certain level of satisfaction with PAS if he or she is satisfied with procedural justice and distributive justice. The employee satisfaction of PAS is the dependent variable.

# 2.2.5 Definition of Conceptual Terms.

# 2.2.5.1 *Employee*

Employees satisfaction is the terminology used to describe whether employees are happy and contended and fulfilling their desires and needs at work (Heathfiled, M.S, About.com Guide)..

#### 2.2.5.2 Performance

Performance is defined by BusinessDictionary.com as an accomplishment of a given task measured against preset standards of accuracy, completeness, cost and speed.

#### 2.2.5.3 Satisfaction

Employee satisfaction is the terminology used to describe whether employees are happy and contented and fulfilling their desires and needs at work. (Healthfiled, M.S, About.com Guide).

# 2.2.5.4 Appraisal

Appraisal is defined by BusinessDictionary.com as an impartial analysis and evaluation conducted according to established criteria to determine the acceptability, merit or worth of an item.

# 2.2.5.5 System

Bacal (1999) defined system as a set of components that work together in an interdependent way to accomplish something.

# 2.2.6 Definition of Operational Terms.

#### 2.2.6.1 Procedural Justice

Procedural justice is concerned with the fairness of the processes used to arrive at an outcome-distribution (Greenberg, 1990). Procedural justice has proven to be a strong organizational fact. Its relevance lies not simply in increasing employees' perception of justice but in the association of those perceptions with organizational outcomes. According to Flint, (1999), in many studies, perceptions of procedural justice have been shown to affect many organizational outcome variables such as Procedural Justice has shown a positive association with performance, organizational commitment, job satisfaction, organizational citizenship behaviour, commitment to organizational decisions and co-worker monitoring behaviour.

#### 2.2.6.2 Distributive Justice.

Distributive justice has its origins in equity theory (Adams, 1965), which argues that individuals compare their input – output ratios with those of others in order to determine the level of fairness. In performance appraisals, employees made comparisons between their efforts with the rating they received and the fairness of the rating constitutes Distributive Justice perceptions.

### 2.3 STATEMENT OF HYPOTHESES

Based on the proposed model and on the literature reviews, the present study forwards the following hypotheses.

- H1: There is a significant relationship between procedural justice and employee satisfaction with PAS at BIMB.
- H2: There is a significant relationship between distributive justice and employee satisfaction with PAS at BIMB.

### **CHAPTER 3**

#### RESEARCH METHODOLOGY

#### 3.0 INTRODUCTION

This chapter introduces the research methodology employed in the study. A research methodology is basically a discussion within the body of a research report of the research design, data collection methods, sampling techniques, fieldwork procedures and data analysis efforts. (Zikmund, 2003). The study begins with a review of past research methodologies, follows by an explication of the survey design. The third part of the chapter describes the population in the study and identifies the sampling procedure that includes the determination of the number of people in the sample.

This chapter revealed the methods used to study the relationships between the independent variables and the dependent variable. This chapter outlines the research design, the sources of data, unit of analysis, the population frame, the sample and sampling technique, the measurement, the collection and administration of data and finally the techniques of analyzing data.

#### 3.1 RESEARCH DESIGN

A research design is a master plan specifying the methods and procedures for collecting and analyzing the needed information. (Zikmund, 2003) The purpose of this study is to investigate the satisfaction with a performance appraisal system. The study included measurement of employee perception

of the fairness of performance appraisal based on a hypothesized four-factor model of organizational justice (Greenberg, 1993).

This research is a correlational study which aims at examining the association between procedural justice and distributive justice (independent variables) and satisfaction (dependent variable). The study employs the survey design over other research methods such as ethnography, content analysis or personal observation. Similar research in the past have all utilized the survey method of data collection. The advantage of the survey method is its ability to collect data from a large number of respondents, thus allowing for the generalization from the sample to the population. Further, the survey method is more transparent since it allows for the methods and procedures to be made visible and accessible to other parties.

This study attempts to explain employee satisfaction via an examination into the relationship between independent and dependent variables. It involves the testing of hypotheses in order to secure answers to research questions. Thus, the survey method is the appropriate choice for the collection of date.

#### 3.2 POPULATION AND SAMPLING

The unit analysis is the individual employee. The population for this research is defined as all permanent and confirmed employees at BIMB branches in Kedah, Perlis and Penang. Contract employees are excluded because they are not evaluated using the appraisal system. Data in this study were collected from eligible employees defined as clerical, officers, assistant

managers and managers. All of them were asked to respond in their role as appraisers.

#### 3.3 MEASUREMENT ITEMS

This study utilized questionnaires as an instrument to identify the perception of justice and fairness of appraisal system which correlate with satisfaction of performance appraisal system in Bank Islam Malaysia Berhad. The questionnaire was adapted from previous studies outlined, in Marie Burns Walsh thesis titled "Perceived Fairness of and Satisfaction with Employee Performance Appraisal".

The measurement for the profile variables are as shown in Table 3.1 and Table 3.2. For job category, Nube (National Unions of Bank Employee) represents clerical employees, ABOM (Association of Bank Officer in Malaysia) represents officers, EBIM (Executive Bankers Malaysia) represents middle management and None represents managers.

Table 3.1
Measurement of Profile Variables

Variable	Measurement
Gender	Dummy-coded 1 for 'male'; 2 for 'female'
Age	Dummy-coded 1 for '18 – 25; 2 for '26 – 35; 3 for '36 – 45'; 4 for '46 – 55'
Years of Service	Dummy coded 1 for 'Less than one year'; 2 for 1 – 3 years; 3 for 4 – 5 years; 4 for 6 – 10 years; 5 for 'more than 10 years
Job Category	Dummy coded 1 for 'Nube'; 2 for 'ABOM'; 3 for 'EBIM' and 4 for 'None'

Table 3.2

Measurement Items for Procedural Justice, Distributive Justice and Employees Satisfaction.

ltems	Scales
9	Seven-point Likert scale
8	Seven-point Likert scale
5	Seven-point Likert scale
	8

The questionnaire as shown in Appendix I consists of 4 sections. Section A consists of questions to gather information about the profile of the respondent. Section B consists of questions about procedural justice, Section C consists of questions about distributive justice and Section D sought to measure items that are related to employee satisfaction. Table 3.3 shows the layout out of the questionnaire.

Table 3.3
Layout of the questionnaires

Section	Variables	Number of items
	Participant Information	4
	• Gender	
Α	• Age	
	Years of service in Bank Islam	
	<ul> <li>Union (Job Category)</li> </ul>	
	(B) Procedural Justice	9
B, C and D	(C) Distributive Justice	8
	(D) Overall Satisfaction	5

Two scales were used in this research. First is nominal scale used in section A, Likert scale used for sections B, C and D. Likert scale is used when responses to various items that measure a variable can be tapped on 7 points scale which can thereafter be summated across the items.

The scale below show the measure used in the Likert scale designated instrument using Likert scale with score from 1 to 7. Every score shown as follows:

1	2	3	4	5	6	7
Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree

# 3.4 INSTRUMENTATION

The primary instrument used to collect data is a closed-format questionnaire.

The purpose of the questionnaire is to elicit basically two types of information.

First, data relating to the profiles of the respondents and second; data relating to the three constructs in the framework.

Table 3.4, 3.5 and 3.6 illustrate the items used to measure procedural justice, distributive justice and employees satisfaction with performance appraisal system.

Table 3.4

Items Measuring Procedural Justice

Variables	Measuring Items	Adaptations Form
Procedural Justice	The PMD Process requires the performance expectation measure what I really do for my organization.(PJ1)	Greenberg (1986)
	My organization makes sure that my officer understands the requirements and difficulties of my work.(PJ2)	Murphy and Cleveland (1991)
	I believe that I was treated in the same way as everyone else for the appraisal system.(PJ3)	
	I have ways to appeal a performance rating that I think is biased or inaccurate.(PJ4)	
	My officer clearly explains to me the standards that will be used to evaluate my work.(PJ5)	
	My officer lets me know how I	

can improve my performance.(PJ6)	Greenberg (1986)
The PMD process helps me to identify areas to improve my work performance.(PJ7)	
My officer helps me understand what I need to do to improve my performance.(PJ8)	Greenberg (1986)
I believe that the procedures used to evaluate employees' performance at my organization are fair.(PJ9)	New

Table 3.5

Items Measuring Distributive Justice

Variables	Measuring Items	Adaptations Form
Distributive Justice	My performance rating is based on how well I do my work.(DJ1)	Thurston(2001)
	My performance rating is based on the many things I am responsible for at work.(DJ2)	
	Employee performance ratings depend on how well a person performs his or her job. (DJ3)	Tziner, Prince and
	My PMD is based on quality and quantity of my work and not my personality or position.(DJ4)	l '
_	*My officer gives the same ratings to all my colleagues in order to avoid resentment and rivalries among	

them.(DJ5) Under PMD system, employee performance ratings are directly related to employee performance.(DJ6)	
*There is a tendency for supervisors here to give the same performance ratings regardless of how well people perform their jobs.(DJ7)	
My performance rating presents a fair and accurate picture of my actual job performance.(DJ8)	New

<sup>\*</sup>reverse coded items

Table 3.6

Items Measuring Employees Satisfaction with Performance Appraisal System

Variables	Measuring Items	Adaptations Form
Employees Satisfaction	I am satisfied with the performance rating I received for the most recent rating period.(S1)	Tang and Sarsfield- Baldwin (1996)
	I am satisfied with the amount of support and guidance I receive from my officer (S2)	
	I am satisfied with the way PMD system is used to evaluate and rate my performance.(S3)	
	I would participate in the PMD even if it were not compulsory. (S4)	
	Overall, I am pleased with the PMD system implemented in my organization. (S5)	New

## 3.5 DATA COLLECTION METHOD

The prepared questionnaires were distributed to 10 branches of Bank Islam Malaysia Berhad in Kedah, Perlis and Penang. Permissions were sought from the respective branch managers. Additionally, the researcher identified one personnel from each branch to assist in distributing and collecting the questionnaires. Respondents were given a maximum of three days to answer and return the questionnaire.

Out of a total of 158 questionnaires distributed, 109 were returned. Of these, 7 were unusable due to patterned responses and substantial lack of completion.

## 3.6 DATA ANALYSIS TECHNIQUES

The Statistical Package for the Social Sciences, Windows Version 12.1 (SPSS 12) was used to analyze the quantitative date obtained from the research instrument. The analysis begins with establishing the reliability and validity of items used to measure the relevant construct. This is followed by the process of determining the scores for each construct. The analysis proceeds with the production of descriptive statistics and bivariate correlational analysis.

### 3.6.1 Respondent's Profile

Firstly, frequency distribution is being carried out to obtain the number of responses associated with different values of one variable and to express these counts into percentage terms.

### 3.6.2 Establishing Reliability and Validity of Measures

For data to be meaningful, it must be properly measured. It must be free from error, consistent and measures that which it is intended to measure. In other words, it must be both reliable and valid. The issue of reliability and validity of data is important especially for an instrument that has never been tested before, or that which is adapted from other sources. Many of the items used to measure the constructs in the model are adaptations of measurements used in previous studies. Therefore, they are subjected to tests of reliability and validity. The steps to establish reliability and validity of the measurements in this research are carried out as follows.

The analysis of data begins with reliability test for the scales through Cronbach's Alpha. The Cronbach Alpha testing was used as it is the most well accepted reliability test tools applied by social researcher (Sekaran, 2005) In Cronbach's Alpha reliability analysis, the closer the Cronbach Alpha to 1.0, the higher the internal consistency reliability. In general, a Cronbach Alpha coefficient of

- 1. less than 0.6 is considered poor
- 2. in the range 0.7 is considered to be acceptable
- 3. more than 0.8 is considered to be good

The second step is to establish the validity of the measures. At this point, the research is concerned with establishing construct validity. Construct validity refers to the degree to which the scales represents and acts like the concept being measured. There are two types of construct validity.

In order to establish construct validity, a principle technique that can be used is the multitrait-multimethod matrix. However, a more sophisticated procedure is the use of a statistical technique known as Factor Analysis (Davis and Consenza, 1988). According to Chou (2001), under Factor Analysis, convergent validity implies that observed variables measure a common underlying factor, and all having relatively high loading on that factor.

For the purpose of this study, Factor Analysis is used to test for convergent validity. Using this technique, items that are supposed to measure the same construct should load highly on one factor. If an item which is supposed to measure a particular construct loads highly on another factor from the rest of the items, then that particular item is said not to converge, and therefore cannot be considered as part of the construct measurement.

#### 3.6.3 Scoring of Constructs

Once items in the questionnaire have been tested for reliability and validity, the study proceeds to determine the final score for each construct attributed to each respondent. The final scores for procedural justice and distributive justice are derived by summing up the scores of all individual items measuring the construct. For the satisfaction construct on the other hand, the final score is determined by summing up the scores of all individual items measuring that

particular construct and dividing the sum by the number of items; i.e the mean of all items.

# 3.6.4 Normality of data.

One of the most important assumptions in the use of parametric tests is the assumption of normality (of data). This study attempts to answer questions with regards to the employees' satisfaction via Pearson correlational analysis; thus the data used must be normal in distribution. A normal distribution is symmetric about the mean. In a normal distribution, 69% of the values lie between +- 1 standard deviation, 95% lie between +- standard deviations and 99.7% lie between +- standard deviations.

The extent to which the distribution of data deviates from normal is determined by the use of skewness and kurtosisi measurements. Skewness measures the extent to which a distribution of values deviates from symmetry around the mean. Kurtosis on the other hand, refers to a measure of flatness of peakness of a distribution. A flat distribution denotes that most of the responses lie away from the mean; a peak distribution is where most of the responses lie very close to the mean. According to George and Mallery (1995), for both skewness and kurtosis, a value +-1.0 is considered excellent for most psychometric measures, but a value between +-2.0 is in many cases acceptable. This study uses both skewness and kurtosis as determinants of the extent of the normality of data.

## 3.6.5 Production of Descriptive Statistics

In order to develop profiles of the total sample, some descriptive statistics were produced. These include frequencies, mean scores and standard deviations. Frequencies are tabulated mainly in order to identify the distributions of respondents' demographic variables. Means and standard deviations are computed to describe the respondents' feedback regarding procedural justice and distributive justice as well as employees' satisfaction with performance appraisal system.

#### 3.6.6 Bivariate Association

A bivariate association (also called correlation) is the degree to which two variables systematically change together. It does not however, infer causality. The computation of a series of correlations is performed to test for the associations between variables and as a means of confirming the validity of the construct measurements.

In order to determine whether there are significant relationships among the independent variables and dependent variable, Pearson Correlation Coefficient analysis were carried out. The scale model suggested by Davies (1971) used to describe the relationship between the independent variables and the dependent variable, are as shown below:

- 0.7 and above very strong relationship,
- 2. 0.50 to 0.69 strong relationship,
- 3. 0.30 to 0.49 moderate relationship,
- 4. 0.10 to 0.29 low relationships and

5. 0.01 to 0.09 – very low relationship.

#### CHAPTER 4

#### RESEARCH FINDINGS

#### 4.0 INTRODUCTION

This chapter discusses the procedures and results of statistical tests conducted to determine the quality of data and to test association between and among variables. Based on data collected, statistical analysis was carried out in order to test the research hypotheses and to provide answers to research questions. Descriptive analysis was conducted to describe the profile of respondents. Overall this chapter is divided into 5 parts which include the overview of data collection, profile of respondents, data quality assessment, descriptive analysis, bivariate analysis and findings.

#### 4.1 OVERVIEW OF DATA COLLECTED

A total of 158 sets of questionnaires were distributed to respondents. Out of this, 109 sets were returned; 7 of which were unusable due to patterned responses and substantial lack of completion.

Table 4.1 in the following page depicts the response rate.

Table 4.1

Response Rate

	Total	Percentage (%)
Questionnaires distributed	158	100
Collected questionnaires	109	68.9
Usable questionnaires	102	64.5
Discarded questionnaires	7	4.4
Uncollected questionnaires	49	31

# 4.2 RESPONDENTS' PROFILE

Results of the survey demonstrate the profiles of the respondents as shown in Table 4.2 below.

Table 4.2 Respondents Profile

Demographic	Categories	Frequency	Percentage (%)
1. Gender	Male	55	53.9
	Female	46	45.1
	Missing	1	1
2. Age Group	18 – 35	12	11.8
	26 – 35	43	42.2
	36 – 45	32	31.4
	46 – 55	13	12.7
	Missing	2	1.9
3. Length of Services	Less than a year	9	8.8
3	1 – 3 years	11	10.8
	4 – 5 years	14	13.7
	6 – 10 years	19	18.6
	More than 10 years	47	46.1
	Missing	2	2

4. Job Category	Nuba (Clark: C1 C2 8	26	25.2
	Nube (Clerk; G1,G2 & G3)	36	35.3
	ABOM (Officer; G9)	13	12.7
	EBIM (Executive;	7	6.9
	G10,G11 & G12)		
	None (Management: G13	41	40.2
	and above		
	Missing	5	4.9

The study indicates that more than half of the respondents are males. It also shows that about 43% of the respondents are within the age of 26 – 35, while about one third of the respondents are within the age of 36 – 45. Almost half of the respondents have been working for more than 10 years and 41% is in management position. Missing items for all categories indicate that respondents did not respond to the specific items.

#### 4.3 ASSESING QUALITY OF DATA

# 4.3.1 Assessing Reliability

Reliability is broadly defined as the degree to which measure are free from error and therefore yield consistent results. According to Sekaran (2003), the closer the reliability coefficient gets to 1.0, the better it is, and those values over .80 are considered as good. Those values in the range of .70 are considered as acceptable and those with reliability values less than .60 are considered to be poor (Sekaran, 2003).

Because reliability is a prerequisite for validity (Hassan, 2001), a Cronbach alpha procedure is carried out for all measurements to determine the internal consistency of the measurements. Results from this procedure indicates high internal consistency for all measurements, although there are indications that certain items do not really fit in with the rest of items measuring a particular construct. However, deletion of the item does not substantially improve the standardized alpha, so the items are retained for validity test. The high alpha coefficients for all measurements are attributed to the high correlation among items, as well as the big number of items used to measure the constructs.

A summary of the analysis is illustrated in Table 4.3 below.

Table 4.3
Results of First Reliability Test

Construct	No. of Items	Standardized Alpha	Observations
Procedural Justice	9	0.946	The high reliability coefficient is most probably due to the big number of items measuring the construct. One particular item (PJ3) is cross load. Nonetheless the removal of this item will not significantly increase the coefficient. The item was retained for validity checks.
Distributive Justice	8	0.731	Results indicate low coefficient which shows that items DJ4 & DJ7 exhibit poor correlation with almost all other items. The item however was retained for validity checks.
Employees Satisfaction	5	0.935	High coefficient due to high inter item correlation.

# 4.3.2 Assessing Validity

Having established the reliability of the measurements, the study proceeds to determine the validity of the measurement scales. A series of Factor Analysis is performed to test for convergent validity. The analyses are performed based on the Principal Component of method of extraction with Varimax Rotation on the correlation of the observed items.

This study uses 2 measures to determine the factorability of the data matrix; the Kaiser-Meyer-Olkin Measure of Sampling Adequacy and the Bartlett Test of Sphericity. According to the guidelines, a Kaiser-Meyer-Olkin measure greater than 0.9 is generally considered as excellent, >0.8 as good, >0.7 as acceptable, >0.6 as marginal, >0.5 as poor and <0.5 as unacceptable. Additionally, Factor Analysis assumes data to be normally distributed. The normality of data distribution can be observed through the Bartlett Tests of Sphericity. Data is assumed to be normally distributed if the test indicates p<0.005.

For the purpose of this study, a series of Factor Analysis is conducted in order to determine whether items measuring each of the variables will converge along the respective components.

A summary of the analyses is illustrated in Table 4.4 in the following page.

Table 4.4
Summary of Factor Analyses

Constructs Involved	Kaiser-Meyer- Olkin	Bartlett Test of Sphericity	Observations
Procedural Justice and	0.907	Chi-Square 802.514, df 36, sig 0.000	All items were retained
Distributive Justice	0.881	Chi-Square 581.575, df 28, sig 0.000	All items were retained
Satisfaction	0.837	Chi-Square 464.258, df 10, sig 0.000	All items were retained

# 4.3.3 Determining the Normality of Data

The choice of a statistical test depends on the nature of scales used in the measurement of constructs and assumptions regarding the distribution of responses in the population from which the sample was drawn. The use of a parametric test requires a normal distribution of data taken from the population.

Table 4.5 shows the result of the Skewness, Kurtosis and Kolmogorov-Smirnov Tests.

Table 4.5

Indicator of Data Normality

Variables	Skewness	Kurtosis	K-S Test
Procedural Justice	-0.822	0.095	0.126
Distributive Justice	-0.806	-0.143	0.159
Employee Satisfaction	-1.050	0.727	0.143

The table shows that going by the indicators of skewness, kurtosis and Kolmogorov-Smirnov Tests, data can be said to be normally distributed for all constructs. A K-S value greater than 0.05 will indicate that the distribution of data does not significantly differ from normal. The test shows p<0.126 for procedural justice, <0.159 for distributive justice and <0.143 for employee satisfaction..

A better method of determining normality is through a visual examination of the normal probability plots. According to Norusis (2000), a graphical examination of assumptions is more informative than a statistical test.

#### 4.4 DESCRIPTIVE ANALYSIS

Descriptive analysis which includes the mean and standard deviation for the independent and dependent variables are attained and recorded in Table 4.6. The statistics reveal that respondents reported quite a high level of perception with regards to procedural justice as evident by a mean score of 5.0746. Respondents also reported a favorable perception of distributive justice. The

mean score is 5.1474. The mean score of 4.9505 for employee satisfaction implies that in general there is positive perception with regards to the appraisal system used.

Table 4.6
Descriptive Statistics of the Dependent and Independent Variables

Variable	Mean	Standard Deviation
Procedural Justice	5.0746	1.11309
Distributive Justice	5.1474	1.12291
Employees Satisfaction	4.9505	1.24770

#### 4.5 BIVARIATE ANALYSIS

To test the relationship between the independent and dependent variables, a Pearson Correlation Analysis was carried out.

#### 4.5.1 Pearson Correlation Coefficient

According to Sekaran (2003), in research projects that includes several variables, beyond knowing the means and standard deviations of the dependent and independent variables, the researcher would often like to know how one variable is related to another. That is, the researcher would like to see the nature, direction and significance of the bivariate relationship of the variables used in the study. A Pearson correlation matrix will provide this information.

Theoretically, there could be a perfect positive correlation between two variables, which is represented by 1.0 (plus 1), or a perfect negative

correlation which would -1.0 (minus 1). While correlation could range between -1.0 and +1.0, the researcher needs to know if any correlation found between two variables is significant or not (i.e.; if it has occurred solely by chance or if there is a high probability of its actual existence). A significance of p=0.05 is the generally accepted conventional level in social sciences research. This indicates that 95 times out of 100, the researcher can be sure that there is a true or significant correlation between the two variables, and there is only a 5% chance that the relationship does not truly exist.

The correlation matrix between dependent variable and independent variables are exhibited in Table 4.5 below. The finding from this analysis is then compared against the hypotheses developed in this study.

Table 4.7
Inter correlations of the Major Variables

	Procedural Justice	Distributive Justice	Employees Satisfaction
Procedural Justice	1	0.879**	0.842**
Distributive Justice	0.879**	1	.804**
Employees Satisfaction	0.842**	0.804**	1

<sup>\*\*</sup> Correlation is significant at the 0.01 level (2-tailed).

Hypotheses 1: There is significant relationship between procedural justice and employee satisfaction with performance appraisal system at Bank Islam Malaysia Berhad.

The relationship between procedural justice and employee satisfaction was tested using Pearson Correlation. The results indicate that there is a significant relationship between the two variables (r=0.842, n=102, p<.01). The relationship between the variables is significant with strong correlation. **Hypotheses 1 is accepted.** 

Hypotheses 2: There is significant relationship between distributive justice and employees satisfaction with performance appraisal system at Bank Islam Malaysia Berhad.

The relationship between distributive justice and employee satisfaction was tested using Pearson Correlation. The results indicate that there is a significant relationship between the two variables (r=.804, n=102, p<.01). The relationship between the variables is significant with strong correlation. **Hypotheses 2 is accepted**.

# 4.6 SUMMARY OF FINDINGS

The summary of the analysis is exhibited in Table 4.8 below

# Table 4.8 Summary of Findings

	Hypothesis	Results
H1	There is a significant relationship between procedural justice and employee satisfaction with performance appraisal system at Bank Islam Malaysia Berhad.	Accepted
H2	There is a significant relationship between distributive justice and employee satisfaction with performance appraisal system at Bank Islam Malaysia Berhad.	Accepted

# CHAPTER 5

# DISCUSSION, RECOMMENDATION, AND CONCLUSION

# 5.0 INTRODUCTION

This chapter begins with a summary of research findings and proceeds to discuss their implications. Suggestions for future research efforts are provided in the final part of the chapter.

#### 5.1 DISCUSSION

The purpose of this study is determine whether there are any relationships between the two independent variables namely procedural justice and distributive justice with the dependent variable – employee satisfaction with performance appraisal at Bank Islam Malaysia Berhad.

In order to determine whether the objective of this study; "to investigate to what extent Procedural Justice and Distributive Justice affect the satisfaction of PAS by Bank Islam Malaysia Berhad's employees" has been achieved, the research questions i – iv (refer to pages six and seven, Chapter One) are reviewed and compared with previous literature.

#### Question 1:

Does procedural justice affect the employee satisfaction of PAS at BIMB?

Procedural justice is found to be a strong prediction of employee satisfaction with PAS at BIMB. This finding means that the management of BIMB should place emphasis on the need to properly put into place a proper procedural for performance assessment. However, the high score for

employee satisfaction and procedural justice mean that the management of BIMB has been guite successful into the administration of PAS.

This research found that respondents indicate high perception of Procedural Justice with scores ranging from 4.84 to 5.32 and mean score 5.08. This explained that if the employer informs what are expected from the employees, providing a room for appeals, explaining to employees regarding the appraisal's result and providing feedback, they will satisfy with the process of appraisal system. It has been suggested that multi-source performance feedback makes employees aware of discrepancies between standards of performance and assessments of other members of the organization (London & Smither, 1995).

**Question 2:** Does distributive justice affect employee satisfaction of PAS at BIMB?

Distributive justice is also found to be a strong prediction of employee satisfaction of PAS at BIMB. Reseach results indicate respondents' perception of distibutive justice are high with scores ranging from 4.93 to 5.37 and mean score 5.15. This explained that if the employees trust and believe that their ratings are given with fair and just and the manager or appraiser portraits a fair treatment to everybody, they will satisfy that the rewards they get reflects their works.

## 5.2 LIMITATION OF THE STUDY

This research is restricted by several limitations. The various limitations stated as follows:

#### 5.2.1 Lack of Experience

This is the first time that the researcher is performing the research. The researcher does not have sufficient knowledge and experience in conducting the research. The researcher found that study on this subject is not an easy task since it requires many skills and high level of experience. As a result, indirectly this can affects the outcomes of this research.

# 5.2.2 Small Sample Size

All efforts were made to enlist the participation of as many branches as possible. However, due to constraints outside the researcher's control, only 10 branches participated in the study.

#### 5.2.3 Limitation of time

Researcher has only 4 months to complete this paper. As a part time student and working as a banker, time is very limited. Hence, this project paper could be further improved in the future.

## 5.3 RECOMMENDATION FOR FUTURE RESEARCH

This study had provided only a small portion of idea regarding employees satisfaction in the context of Bank Islam Malaysia Berhad. Hence, it would be beneficial for future research to consider the following suggestions:

- Expand the study into other financial institutions. The finding will be
  useful as there are many players in the banking industry. Parties such
  as Bank Negara and the National Union of Banking Employees may
  find the result of this research useful.
- Include other variables to measure employee satisfaction so that this will increase the accuracy of understanding the drivers that could impact on employee satisfaction.

#### 5.4 RECOMMENDATION FOR IMPROVEMENT

Even tough, the findings of this research show that many employees satisfy with the performance appraisal system implemented at Bank Islam Malaysia Berhad, it is always room for improvement. The recommendations are as follows:

#### 5.4.1 Listening to the voice from the bottom

The management should respect, listen and accept opinions raised by employees at all levels in the bank. This group of employees are the ones who are directly affected by the system. They will feel some degree of ownership towards the system when they participate in the formulation of their

own key performance index and targets. This suggestion is consistent with the results of research by Jackson (1983) who found that a participative style of supervision would increase interaction and exchanges of information between managers and employees.

#### 5.4.2 Implementation of 360-Degree Performance Appraisals.

This type or appraisal involves more than one appraisor. He or she should be immediate supervisor, colleagues, subordinates and customers. Customer satisfaction is the focus of business today especially for financial institution which must ensure an excellence services to their customers. For a bank, frontline such as tellers should have bigger percentage of customer's evaluation in PMD's form since they have regular contact with customers. In service organizations, customer retention and defection are highly dependent on how frontline employees deal with customers.

For the implementation of this process, the evaluation can be done using web based system like what Franklin Covey's online assessment system use to evaluate managers before they go for leadership courses. Getting feedback from multiple sources will give a better overview of the employee's performance as each assessor will have his/her own opinion about the employee (Pollack & Pollack, 1996).

### 5.4.3 Rater Training

Performance appraisals require the rater to objectively reach a conclusion about employees performance. However in reality, managers evaluate according to their likes, dislikes and expectations about people, which may or

may not be valid. At Bank Islam, only one training was conducted at the time of introduction of the PAS. There is no more training session to the managers on PAS. This is accordance with Kumar Dev (2005) who claimed that many organizations do little to motivate or prepare raters to conduct effective appraisals.

Manager needs to focus on the process of managing, motivating and evaluating employee performance. PAS should be treated as an ongoing activity, not twice a year activity. Thus training on PAS must be held at least once a year to ensure that managers are adequately well trained for the appraisal task. Bank Simpanan Nasional for example, has been conducting yearly refresher courses for its employees to ensure the smooth flow of the system and the investment made by the Bank in appraisal training programmes is said to have improved the rating accuracy and minimized rating errors tremendously. This suggestion is consistent with Duncan (1983) who stresses that raters should be trained to understand and use the appraisal system so as to maximize its positive aspects.

### 5.4.4 Ongoing Feedback

At Bank Islam, employees do not receive any feedback about their performance. This is against the fundamental principle of PAS, where employees should receive ongoing feedback to help them successfully achieve their targets and meet bank's expectation.

If employees receive the ongoing feedback from the manager, they will be able to know their achievement and performance and manager will be able to coach and counsel the respective employee. This has been stressed out by (Bohlander, G., Snell, S. & Sherman, A., 2001), A weakness of many performance appraisal programs is that managers and supervisors are not adequately trained for the appraisal task and provide little meaningful feedback to subordinates.

### 5.5 CONCLUSION

The objective in this study have been achieved whereby the results had shown that procedural justice and distributive justice are related to employees satisfaction with performance appraisal system. Among the two variables, procedural justice is found to be the strongest drivers of employee engagement in the employees satisfaction.

It will be great benefit if more research can be conducted in the future in order to gain a whole understanding of employees satisfaction as other drivers may also contribute to employees satisfaction at Bank Islam Malaysia Berhad and banking industry as a whole.

Improving any PAS is a complex proposition that requires cooperation and commitment from each of employees, either apprasor or appraisee. However, a poor appraisal is worse than no appraisal at all. Bacal (1999) says that:

"Performance appraisal isn't about the forms. The ultimate purpose of performance appraisal is to allow employees and managers to improve continuously and to remove barriers to job success. In other words, to make everyone better. Forms don't make people better and are simply a way of recording basic information for later reference. If the focus is getting the forms

"done", without thought and effort, the whole process becomes at best a waste of time, and at worst, insulting".

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BANK(ISLAM	
PERFORMANCE MANAGEMENT & DEVELOPMENT FORM FOR GRADE G10 – G12	GRADE G10 – G12
EMPLOYEE DETAILS	
Employee Name :	
Employee ID :	
Position Title :	
Job Grade :	
Div/Dept/Regional/Branch:	
Review Period : (from) (to)	
PMD Form Status : Planning Mid-Year Review	Year-End Review
FOR HUMAN RESOURCES	
Date Received :	
HR's Comments :	

# PART A: Goals Setting- Key Performance Indicators [KPIs]

- 1. Column Goals KPI
- To be completed during the planning phase
- Your KPIs should more than 3 and should be as close as possible to SMART principles Specific, Measurable, Accountability, Realistic and Time-bound.
- Column Weightage %
- To be competed during the planning phases.
- Weight is measured in % that determines the weightage of each of your KPI
- Total weightage must equal to 100%
- 3. Column Status and Rating
- To be completed twice in a Financial Year
- a. 1st in December during the mid-year performance review
- b. 2nd in June during the year end performance review

### ating Description

- Actual < Minimum threshold
- Minimum Threshold < Actual < Target
- Actual = Meet Target
- Target < Actual < Stretched
- 5 Actual > Stretched

Part A: GOALS SETTING (KPIs)

by	Score (a% x b)			
<b>a</b>	Rating (b)	٠		
œ	Weight% (a)			100%
	STATUS			
				TOTAL
	RESPONSIBLE/ TIMEFRAME (Accountability, Time-bound)			
Part A: GOALS SETTING (KPIs)	GOALS – KPI (Specific, Measurable, Realistic) (A			
Part A: (	ON		,	

## Part B: COMPETENCY FOR GRADE G10 - G12

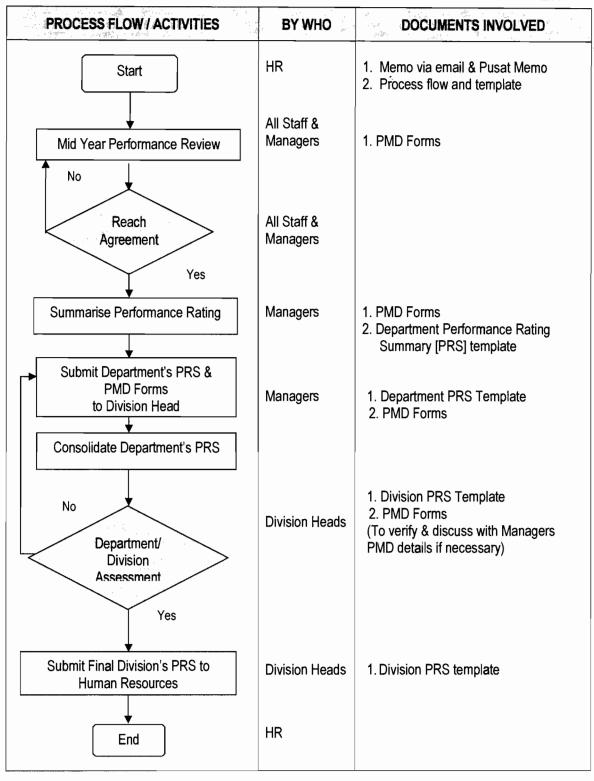
### Rating Description

- **Description**Never demonstrates the desired behaviors
  - Occasionally demonstrates some of the desired behaviors
     Usually demonstrates the desired behaviors
- Always demonstrates some the desired behaviors
- Always demonstrates all of the desired behaviors

Competency	Descriptor	Appraiser's Rating	iser's	s Rati	B
-		1 2		4	သ
1. Communication Skills	Simplifies complex idea and concepts of communication by adjusting the communication style, content and terminology without losing the essential elements				
2. Customer Orientation	Uses all opportunities to leam about customers' requirements and expectations in order to add value / improve BIMB products and services to fulfil customer s' needs				
3.Drive For Results	Takes responsibility for resolving problems and does not pass over but proactively seeks to resolve anticipated problems by analyzing and solving problems within area of responsibility				
4.Integrity	Effectively support the team in the implementation of local strategic plans to meet business needs				
5. Strategic Thinking	Reviews the current practices of works and suggests workable alternatives within his/her area of expertise				
6. Teamwork	Works cooperatively with team members by willingly taking additional responsibilities to ensure that the team goals are met or exceeded				
7. Leading & Managing Change	Facilitates and support the implementation plans according to the systematic course of action, timelines and deliverables				
8. Interpersonal Skills	Actively encourages and supports others to improve their skills and performance by shaning personal experiences and knowledge with others				
	Competencies Scores = Total Score / 8				

## PART C: OVERALL PERFORMANCE RATING

### PROCESS FLOW FOR FY2009/2010 MID YEAR PERFORMANCE REVIEW



Note: PMD - Performance Management & Development PRS - Performance Rating Summary

### BANK ISLAM MALAYSIA BERHAD

### PERFORMANCE RATING SUMMARY TEMPLATE

PMD TOTAL SCORE

					٠	PAR T A SCO RE	SCORE			PART B SCORE	PAR TAx 60%	PART B x 40%	PMD SCORE (Part A + Part B)					
Staff ID	Name	Date Joined	Base	Divisio n	Dept/ Br	KPI	1	2	C 3	C 4	C 5	6 6	7	8 8	Compet ency Score			,
						_									0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
										-					0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00
															0.00	0.00	0.00	0.00

Assalammualaikum / Salam Sejahtera.

Dear Bro/Sis,

I'm currently undertaking the Final Year Project Paper as a partial fulfilment for the completion of my Master of Business Administration (Accounting) at Universiti Utara Malaysia. This survey is to be conducted as a prerequisite to complete my course.

I'll be obliged if you could assist me in completing my research. The topic of this research is "Satisfaction with Performance Appraisal System - A study of Bank Islam's Employees"

Your participation in this study is completely voluntary. All information and data in this survey will be kept confidential.

Thank you for your cooperation and support.

Yours sincerely,
Aiman Fadzil

	Section A. Participant Information.  This information will be kept strictly confidential and is collected for statistical purposes only.							
2 1110	the contract with the sept state of the contract of states and is contracted for states and the contract of states and the contra							
1.	What is your gender?							
2.	What is your current age? $\square$ 18 – 25 $\square$ 26- 35 $\square$ 36 -45 $\square$ 46 - 55							
	How many years have you worked in Bank Islam?							
3.	How many years have you worked in Bank Islam?  Less than one year							
4.	Are you a member of any one of these unions?  NUBE ABOM EBIM NONE							

Think about your Performance Management Development (PMD) review process as it is conducted at your branch. Carefully consider each statement and mark "X" the answer that indicate the extent to which you agree with the statements on a scale running form Strongly Agree, Agree, Somewhat Agree, Neither agree nor disagree, Somewhat Disagree, Disagree and Strongly Disagree. Each statement should have only one opinion.

1	Section B. Procedural Justice.  An individual's perception about the fairness of the procedures used to make decisions about rewards									
No	Statement	Strongly Agree	Agree	Somewhat Agree	ree	Somewhat Disagree	Disagree	Strongly Disagree		
1.	The PMD process requires that performance expectations measure what I really do for my organization.						_			
2.	My organization makes sure that my officer understands the requirements and difficulties of my work.									
3.	I have ways to appeal a performance rating that I think is biased or inaccurate.									
4.	My officer clearly explains to me the standards that will be used to evaluate my work.									
5.	My officer lets me know how I can improve my performance.									
6.	6. The PMD process helps me to identify areas to improve my work performance.									
7.	My officer helps me understand what I need to do to improve my performance.									
8.	I believe that I was treated in the same way as everyone else for the PMD.						·			
9.	I believe that the procedures used to evaluate employees' performance at my organization are fair				·		-			

	Distributive Justice.  al's perception about their reward in relation to their contribu	ted effo	ort and	compa	ırison v	with c	thers' e	ffort.
No	Statement	Strongly Agree	Agree	Somewhat Agee	Neither agree nor disagree	Somewhat	Disagree	Strongly Disagree
1.	My performance rating is based on how well I do my work.							
2.	My performance rating is based on the many things I am responsible for at work.							
3.	My PMD is based on the quality and quantity of my work and not my personality or position.							
4.	My officer gives the same ratings to all my colleagues in order to avoid resentment and rivalries among them.							
5.	Employee performance ratings depend on how well a person performs his or her job.							
6.	Under the PMD system, employee performance ratings are directly related to employee performance.							
7.	There is a tendency for supervisors here to give the same performance ratings regardless of how well people perform their jobs.							
8.	My performance rating presents a fair and accurate picture of my actual job performance.							

	Overall Satisfaction.  lual's satisfaction with PMD system.		_					
No	Statement	Strongly Agree	Agree	Somewhat Agree	Neither agree nor disagree	Somewhat Disagree	Disagree	Strongly Disagree
1.	I am satisfied with the performance rating I received for the most recent rating period.							
2.	I am satisfied with the amount of support and guidance I receive from my officer.							
3.	I am satisfied with the way PMD system is used to evaluate and rate my performance.							
4.	I would participate in the PMD even if it were not compulsory.							
5.	Overall, I am pleased with the PMD system implemented in my organization.							

### Frequencies Frequency Table

### Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	55	53.9	54.5	54.5
	Female	46	45.1	45.5	100.0
	Total	101	99.0	100.0	
Missing	System	1	1.0		
Total		102	100.0		

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	1	1.0	1.0	1.0
l	18-25	12	11.8	11.9	12.9
	26-35	43	42.2	42.6	55.4
	36-45	32	31.4	31.7	87.1
	46-55	13	12.7	12.9	100.0
	Total	101	99.0	100.0	
Missing	System	1	1.0		
Total		102	100.0		

Experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than a year	9	8.8	9.0	9.0
	1-3 years	11	10.8	11.0	20.0
	4-5 years	14	13.7	14.0	34.0
1	6-10 years	19	18.6	19.0	53.0
	more than 10 years	47	46.1	47.0	100.0
	Total	100	98.0	100.0	
Missing	System	2	2.0		
Total		102	100.0		

Category

	- Category							
		Frequency	Percent	Valid Percent	Cumulative Percent			
Valid	Clerical	36	35.3	37.1	37.1			
	Officer	13	12.7	13.4	50.5			
	Executive	7	6.9	7.2	57.7			
	Management	41	40.2	42.3	100.0			
	Total	97	95.1	100.0				
Missing	System	5	4.9					
Total		102	100.0					

 $\begin{tabular}{ll} \textbf{Reliability} \\ [DataSet1] & C:\Documents and Settings\Administrator\Desktop\MBA\_Acct\Data.sav \\ \end{tabular}$ 

### **Scale: Procedural Justice**

**Case Processing Summary** 

		N	%
Cases	Valid	101	99.0
	Excluded <sup>a</sup>	1	1.0
	Total	102	100.0

a. Listwise deletion based on all variables in the procedure.

### **Reliability Statistics**

	Cronbach's				
	Alpha Based on				
Cronbach's	Standardized				
Alpha	Items	N of Items			
.946	.945	9			

### Inter-Item Correlation Matrix

	PJ1	PJ2	PJ3	PJ4	PJ5	PJ6	PJ7	PJ8	PJ9
PJ1	1.000	.701	.443	.486	.570	.580	.566	.634	.694
PJ2	.701	1.000	.588	.716	.722	.684	.653	.681	.756
PJ3	.443	.588	1.000	.590	.599	.561	.404	.560	.514
PJ4	.486	.716	.590	1.000	.807	.658	.749	.646	.608
PJ5	.570	.722	.599	.807	1.000	.774	.844	.748	.755
PJ6	.580	.684	.561	.658	.774	1.000	.698	.690	.747
PJ7	.566	.653	.404	.749	.844	.698	1.000	.675	.687
PJ8	.634	.681	.560	.646	.748	.690	.675	1.000	.835
PJ9	.694	.756	.514	.608	.755	.747	.687	.835	1.000

### **Scale: Procedural Justice**

Item Statistics

	Mean	Std. Deviation	N
PJ1	5.32	1.140	101
PJ2	5.01	1.261	101
PJ3	4.97	1.228	101
PJ4	5.16	1.317	101
PJ5	5.08	1.361	101
PJ6	5.17	1.400	101
PJ7	5.09	1.274	101
PJ8	4.87	1.317	101
PJ9	4.84	1.354	101

### **Item-Total Statistics**

	Scale Mean if	Scale Variance if	Corrected Item-	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
PJ1	40.19	79.574	.690	.577	.944
PJ2	40.50	75.252	.825	.731	.937
PJ3	40.53	79.691	.624	.512	.947
PJ4	40.35	75.169	.788	.734	.939
PJ5	40.43	72.547	.884	.845	.934
PJ6	40.34	73.486	.810	.677	.938
PJ7	40.42	75.705	.793	.769	.939
PJ8	40.63	74.474	.822	.746	.937
PJ9	40.66	73.486	.843	.806	.936

### **Scale Statistics**

Mean	Variance	Std. Deviation	N of Items
45.50	94.892	9.741	9

### Reliability

[DataSet1] C:\Documents and Settings\Administrator\Desktop\MBA\_Acct\Data.sav

### **Scale: Distributive Justice**

**Case Processing Summary** 

		N	%
Cases	Valid	98	96.1
	Excluded <sup>a</sup>	4	3.9
	Total	102	100.0

a. Listwise deletion based on all variables in the procedure.

### **Reliability Statistics**

	Cronbach's Alpha	
	Based on	
	Standardized	
Cronbach's Alpha	Items	N of Items
.731	.725	8

### Inter-Item Correlation Matrix

	DJ1	DJ2	DJ3	DJ4	DJ5	DJ6	DJ7	DJ8
DJ1	1.000	.856	.779	394	.769	.606	209	.686
DJ2	.856	1.000	.802	393	.783	.592	273	.661
DJ3	.779	.802	1.000	470	.833	.611	325	.812
DJ4	394	393	470	1.000	382	198	.435	508
DJ5	.769	.783	.833	382	1.000	.661	350	.723
DJ6	.606	.592	.611	198	.661	1.000	331	.508
DJ7	209	273	325	.435	350	331	1.000	348
DJ8	.686	.661	.812	508	.723	.508	348	1.000

### **Scale: Distributive Justice**

**Item Statistics** 

	Mean	Std. Deviation	N
PJ1	5.32	1.140	101
PJ2	5.01	1.261	101
PJ3	4.97	1.228	101
PJ4	5.16	1.317	101
PJ5	5.08	1.361	101
PJ6	5.17	1.400	101
PJ7	5.09	1.274	101
PJ8	4.87	1.317	101
PJ9	4.84	1.354	101

### **Item-Total Statistics**

	Scale Mean if	Scale Variance if	Corrected Item-	Squared Multiple	Cronbach's Alpha if Item
	Item Deleted	Item Deleted	Total Correlation	Correlation	Deleted
PJ1	40.19		.690	.577	.944
PJ2	40.50		.825	.731	.937
PJ3	40.53		.624		.947
PJ4	40.35	75.169	.788		.939
PJ5	40.43	72.547	.884	.845	.934
PJ6	40.34	73.486	.810	.677	.938
PJ7	40.42	75.705	.793	.769	.939
PJ8	40.63	74.474	.822	.746	.937
PJ9	40.66	73.486	.843	.806	.936

### Scale Statistics

Mean	Variance	Std. Deviation	N of Items
45.50	94.892	9.741	9

### Reliability

[DataSet1] C:\Documents and Settings\Administrator\Desktop\MBA\_Acct\Data.sav

### **Scale: Satisfaction**

**Case Processing Summary** 

		N	%
Cases	Valid	100	98.0
	Excluded <sup>a</sup>	2	2.0
	Total	102	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics** 

	-	
	Cronbach's Alpha	
	Based on	
	Standardized	
Cronbach's Alpha	Items	N of Items
.935	.937	5

### **Inter-Item Correlation Matrix**

	SATISFY1	SATISFY2	SATISFY3	SATISFY4	SATISFY5
SATISFY1	1.000	.892	.767	.667	.682
SATISFY2	.892	1.000	.792	.735	.753
SATISFY3	.767	.792	1.000	.699	.841
SATISFY4	.667	.735	.699	1.000	.659
SATISFY5	.682	.753	.841	.659	1.000

### **Scale: Satisfaction**

Item Statistics

	Mean	Std. Deviation	N
PJ1	5.32	1.140	101
PJ2	5.01	1.261	101
PJ3	4.97	1.228	101
PJ4	5.16	1.317	101
PJ5	5.08	1.361	101
PJ6	5.17	1.400	101
PJ7	5.09	1.274	101
PJ8	4.87	1.317	101
PJ9	4.84	1.354	101

**Item-Total Statistics** 

	Scale Mean if	Scale Variance if	Corrected Item-	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
PJ1	40.19				.944
PJ2	40.50				.937
PJ3	40.53				.947
PJ4	40.35				.939
PJ5	40.43		.884	.845	.934
PJ6	40.34	73.486	.810	.677	.938
PJ7	40.42	75.705	.793	.769	.939
PJ8	40.63	74.474	.822	.746	.937
PJ9	40.66	73.486	.843	.806	.936

**Scale Statistics** 

Mean	Variance	Std. Deviation	N of Items
45.50	94.892	9.741	9

### **Scale: Procedural Justice**

Factor Analysis
[DataSet1] C:\Documents and Settings\Administrator\Desktop\MBA\_Acct\Data.sav

### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.907
Bartlett's Test of Sphericity	Approx. Chi-Square	802.5
		14
	df	36.00
		0
	Sig.	.000

### Communalities

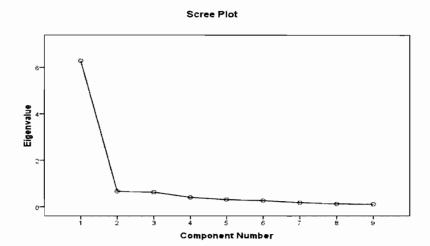
	Initial	Extraction
PJ1	1.000	.564
PJ2	1.000	.751
PJ3	1.000	.474
PJ4	1.000	.698
PJ5	1.000	.833
PJ6	1.000	.730
PJ7	1.000	.709
PJ8	1.000	.747
PJ9	1.000	.779

Extraction Method: Principal Component Analysis.

### **Total Variance Explained**

	Initial Eigenvalues				Extraction Sums of Squared Loadings		
					% of		
Component	Total	% of Variance	Cumulative %	Total	Variance	Cumulative %	
1	6.286	69.842	69.842	6.286	69.842	69.842	
2	.671	7.452	77.294				
3	.633	7.037	84.332				
4	.409	4.544	88.876				
5	.312	3.471	92.347				
6	.267	2.966	95.313				
7	.181	2.015	97.328				
8	.129	1.431	98.759				
9	.112	1.241	100.000				

### Scale: Procedural Justice



### **Component Matrix**<sup>a</sup>

	Component
	1
PJ1	.751
PJ2	.866
PJ3	.689
PJ4	.835
PJ5	.913
PJ6	.854
PJ7	.842
PJ8	.865
PJ9	.883

Extraction Method: Principal

Component Analysis.

a. 1 components extracted.

### Rotated Component Matrix<sup>a</sup>

a. Only one component was extracted. The solution cannot be rotated.

### **Scale: Distributive Justice**

Factor Analysis
[DataSet1] C:\Documents and Settings\Administrator\Desktop\MBA\_Acct\Data.sav

### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			
Bartlett's Test of Sphericity Approx. Chi-Square			
		75	
	df	28.00	
		0	
	Sig.	.000	

### Communalities

	Initial Extraction	
DJ1	1.000	.832
DJ2	1.000	.823
DJ3	1.000	.860
DJ4	1.000	.699
DJ5	1.000	.831
DJ6	1.000	.567
DJ7	1.000	.725
DJ8	1.000	.728

Extraction Method: Principal Component Analysis.

### **Total Variance Explained**

	Initial Eigenvalues				ction Sur		Rotation	n Sums of Loadings	
					% of	Cumul			
Compon		% of	Cumulative		Varianc	ative		% of	Cumulati
ent	Total	Variance	%	Total	е	%	Total	Variance	ve %
1	4.999	62.490	62.490	4.999	62.490	62.490	4.349	54.357	54.357
2	1.066	13.327	75.817	1.066	13.327	75.817	1.717	21.460	75.817
3	.718	8.969	84.786						
4	.376	4.696	89.482						
5	.356	4.453	93.935						
6	.213	2.659	96.593						
7	.153	1.918	98.511						
8	.119	1.489	100.000						

### **Distributive Justice**

Scree Plot

Scree Plot

Component Number

Rotated Component Matrix<sup>a</sup>

	Component			
	1	_2		
DJ1	.903	132		
DJ2	.890	177		
DJ3	.877	301		
DJ4	262	.794		
DJ5	.878	247		
DJ6	.743	121		
DJ7	124	.843		
DJ8	.753	402		

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

**Component Transformation Matrix** 

Component	1	2
1	.914	407
2	.407	.914

Extraction Method: Principal

Component Analysis.

Rotation Method: Varimax with

Kaiser Normalization.

### **Scale: Satisfaction**

Factor Analysis
[DataSet1] C:\Documents and Settings\Administrator\Desktop\MBA\_Acct\Data.sav

### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure	.837	
Bartlett's Test of Sphericity	Approx. Chi-Square	464.258
	df	10.000
	Sig.	.000

### Communalities

	Initial	Extraction
SATISFY1	1.000	.808
SATISFY2	1.000	.875
SATISFY3	1.000	.843
SATISFY4	1.000	.699
SATISFY5	1.000	.775

Extraction Method: Principal Component

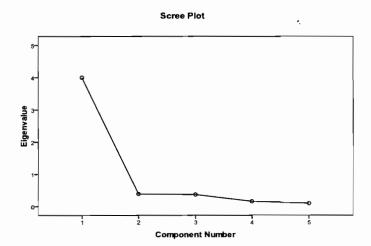
Analysis.

### **Total Variance Explained**

	Initial Eigenvalues			Extraction	on Sums of Square	ed Loadings
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.001	80.011	80.011	4.001	80.011	80.011
2	.386	7.712	87.723			ı
3	.366	7.322	95.044			
4	.154	3.089	98.134			
5	.093	1.866	100.000			

Extraction Method: Principal Component Analysis.

### Satisfaction



Component Matrix<sup>a</sup>

	Component
	1
SATISFY1	.899
SATISFY2	.935
SATISFY3	.918
SATISFY4	.836
SATISFY5	.880

Extraction Method: Principal

Component Analysis.

a. 1 components extracted.

### Rotated Component Matrix<sup>a</sup>

a. Only one component was extracted.

The solution cannot be rotated.

### **Scale: Procedural Justice**

Explore
[DataSet1] C:\Documents and Settings\Administrator\Desktop\MBA\_Acct\Data.sav

### **Case Processing Summary**

		Cases				
	Valid Missing			То	tal	
	N	Percent	N	Percent	N	Percent
PJ_Score	102	100.0%	0	.0%	102	100.0%

### Descriptives

	Descriptives		
		Statistic	Std. Error
PJ_Score	Mean	5.0641	.10694
. 0_000.0	95% Confidence Interval for Mean Lower Bound	4.8520	
	Upper Bound	5.2763	
	5% Trimmed Mean	5.1301	
	Median	5.3333	
	Variance	1.166	
	Std. Deviation	1.08004	
	Minimum	2.00	
	Maximum	6.78	
	Range	4.78	
	Interquartile Range	1.78	
	Skewness	822	.239
	Kurtosis	.095	.474

### **Extreme Values**

			Case Number	Value
PJ_Score	Highest	1	78	6.78
		2	77	6.56
		3	68	6.44
		4	69	6.44
		5	3	6.33ª
	Lowest	1	40	2.00
		2	9	2.00
		3	24	2.56
		4	23	2.56
		5	89	3.00 <sup>b</sup>

- a. Only a partial list of cases with the value 6.33 are shown in the table of upper extremes.
- b. Only a partial list of cases with the value 3.00 are shown in the table of lower extremes.

### **Tests of Normality**

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	df	Sig.
PJ_Score	.126	102	.000	.932	102	.000

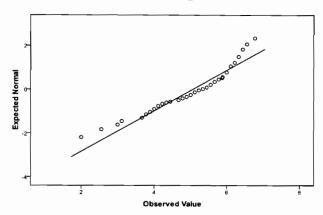
a. Lilliefors Significance Correction

### PJ\_Score Stem-and-Leaf Plot

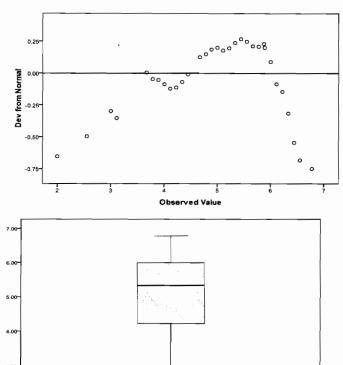
Frequency	Stem &	Leaf
2.00	2 .	00
2.00	2 .	55
4.00	3.	0011
8.00	3.	66677788
14.00	4 .	00000111222344
8.00	4 .	66677788
18.00	5.	000001111122333444
18.00	5.	55555566667777888
26.00	6.	000000000000111222233333344
2.00	6.	57

Stem width: 1.00 Each leaf: 1 case(s)

### Normal Q-Q Plot of PJ\_Score



### Detrended Normal Q-Q Plot of PJ\_Score



### **Scale: Distributive Justice**

### **Explore**

[DataSet1] C:\Documents and Settings\Administrator\Desktop\MBA\_Acct\Data.sav

### **Case Processing Summary**

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
DJ_Score	102	100.0%	0	.0%	102	100.0%

### Descriptives

	Descriptives		
		Statistic	Std. Error
D.I. Coore	Mean	5.1474	.11118
DJ_Score	95% Confidence Interval for Mean Lower Bound	4.9268	
	Upper Bound	5.3679	
	5% Trimmed Mean	5.2084	
	Median	5.5000	
	Variance	1.261	
	Std. Deviation	1.12291	
	Minimum	2.00	
	Maximum	6.83	
	Range	4.83	
	Interquartile Range	1.54	
	Skewness	806	.239
	Kurtosis	143	.474

### Extreme Values

			Case Number	Value
D.I. Coore	Highest	1	3	6.83
DJ_Score	73_Score	2	2	6.67
		3	42	6.67
		4	56	6.67
		5	20	6.50ª
	Lowest	1	40	2.00
		2	24	2.50
		3	28	2.67
		4	23	2.67
		5	89	2.80

a. Only a partial list of cases with the value 6.50 are shown in the table of upper extremes.

### **Scale: Distributive Justice**

### **Tests of Normality**

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
DJ_Score	.159	102	.000	.925	102	.000

### a. Lilliefors Significance Correction

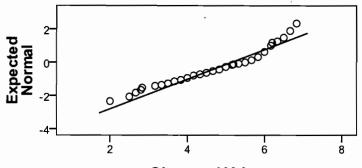
DJ\_Score Stem-and-Leaf Plot

Frequency Stem & Leaf

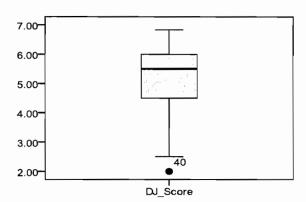
1.00 Extremes (=<2.0)
.00 2 .
6.00 2 . 566888
2.00 3 . 13
6.00 3 . 556668
10.00 4 . 0000011133
11.00 4 . 55556668888
13.00 5 . 000000011233
19.00 5 . 5555666666888888888
25.00 6 . 0000000000000001111111233
9.00 6 . 555556668

Stem width: 1.00
Each leaf: 1 case(s)

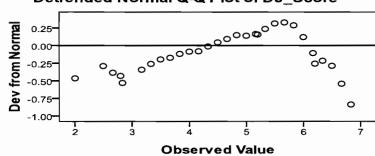
### Normal Q-Q Plot of DJ\_Score



### **Observed Value**



### Detrended Normal Q-Q Plot of DJ\_Score



### **Scale: Satisfaction**

Explore
[DataSet1] C:\Documents and Settings\Administrator\Desktop\MBA\_Acct\Data.sav

			Ca	ses		
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Satisfaction	102	100.0%	0	.0%	102	100.0%

Descriptives

		Statistic	Std. Error
Satisfaction	Mean	4.9505	.12354
	95% Confidence Interval for Mean Lower Bound	4.7054	
	Upper Bound	5.1956	
	5% Trimmed Mean	5.0404	
	Median	5.2000	
	Variance	1.557	
	Std. Deviation	1.24770	
	Minimum	1.00	
	Maximum	6.60	
	Range	5.60	
	Interquartile Range	2.00	
	Skewness	-1.050	.239
	Kurtosis	.727	.474

### Extreme Values

			Case Number	Value
Satisfaction	Highest	1	3	6.60
		2	55	6.60
		3	75	6.60
		4	80	6.60
		5	48	6.40ª
	Lowest	1	99	1.00
		2	97	1.80
		3	94	1.80
		4	40	2.00
		5	24	2.00 <sup>b</sup>

a. Only a partial list of cases with the value 6.40 are shown in the table of upper extremes.

### **Tests of Normality**

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Satisfaction	.143	102	.000	.907	102	.000

a. Lilliefors Significance Correction

b. Only a partial list of cases with the value 2.00 are shown in the table of lower extremes.

### Satisfaction

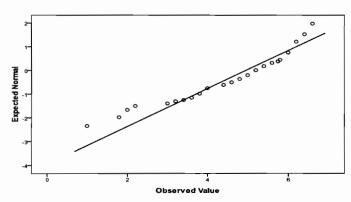
Satisfaction Stem-and-Leaf Plot

Frequency	Stem &	Leaf
1.00	1 .	0
2.00	1 .	88
4.00	2 .	0002
.00	2.	
4.00	3.	0024
8.00	3.	66688888
9.00	4 .	00000004
10.00	4 .	666666888
24.00	5.	00000000002222224444444
9.00	5.	666678888
27.00	6.	000000000000000002222224444
4.00	6.	6666

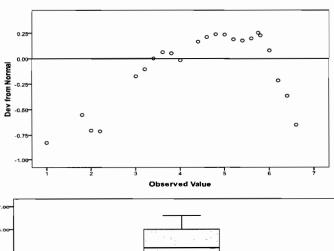
Stem width: 1.00

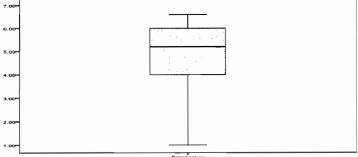
Each leaf: 1 case(s)

### Normal Q-Q Plot of Satisfaction



### Detrended Normal Q-Q Plot of Satisfaction





### ANOVA Oneway

 $\hbox{\tt [DataSet1] C:\Documents and Settings\Administrator\Desktop\MBA\_Acct\Data.sav}$ 

### Descriptives

						95% Confidence for Mean			
		N	Mean	Std. Deviation	Std. Error	Lower Bound	Upper Bound	Minimum	Maximum
PJ_Score	0	1	4.1111					4.11	4.11
	18-25	12	5.4537	.82260	.23746	4.9310	5.9764	4.00	6.33
	26-35	43	4.9893	.95237	.14523	4.6962	5.2824	3.00	6.78
	36-45	32	4.9306	1.29200	.22839	4.4647	5.3964	2.00	6.44
	46-55	13	5.2564	1.11424	.30903	4.5831	5.9297	2.00	6.22
	Total	101	5.0516	1.07791	.10726	4.8388	5.2644	2.00	6.78
DJ_Score	0	1	4.5000	-				4.50	4.50
	18-25	12	5.5694	.88608	.25579	5.0065	6.1324	4.00	6.67
	26-35	43	5.0783	1.01215	.15435	4.7668	5.3898	2.67	6.50
	36-45	32	4.9990	1.34778	.23826	4.5130	5.4849	2.50	6.83
	46-55	13	5.3231	1.09818	.30458	4.6595	5.9867	2.00	6.20
	Total	101	5.1373	1.12386	.11183	4.9154	5.3592	2.00	6.83
Satisfaction	0	1	4.6000					4.60	4.60
	18-25	12	5.2167	.86742	.25040	4.6655	5.7678	3.80	6.40
	26-35	43	4.7860	1.32622	.20225	4.3779	5.1942	1.00	6.60
	36-45	32	4.9563	1.33028	.23516	4.4766	5.4359	2.00	6.60
	46-55	13	5.1500	1.13541	.31491	4.4639	5.8361	2.00	6.20
	Total	101	4.9361	1.24543	.12393	4.6903	5.1820	1.00	6.60

### **ANOVA**

		Sum of Squares	df	Mean Square	F	Sig.
PJ_Score	Between Groups	4.006	4	1.001	.857	.493
	Within Groups	112.183	96	1.169		
	Total	116.188	100			
DJ_Score	Between Groups	3.858	4	.964	.756	.556
	Within Groups	122.447	96	1.275		
	Total	126.305	100			
Satisfaction	Between Groups	2.634	4	.658	.415	.798
	Within Groups	152.477	96	1.588		
	Total	155.111	100			

### Oneway

### **Descriptives**

	٠.					95% Conf Interval fo			
		N	Mean	Std. Deviation	Std. Error	Lower Bound	Upper Bound	Minim um	Maxim um
PJ_Score	Less than a year	9	5.8025	.75314	.25105	5.2236	6.3814	4.00	6.56
	1-3 years	11	5.1503	.92756	.27967	4.5271	5.7734	3.11	6.11
	4-5 years	14	5.0317	.82163	.21959	4.5574	5.5061	3.67	6.11
	6-10 years	19	4.9064	1.06333	.24395	4.3939	5.4189	3.00	6.78
	more than 10 years	47	4.9291	1.20440	.17568	4.5755	5.2827	2.00	6.44
	Total	100	5.0421	1.07909	.10791	4.8280	5.2562	2.00	6.78
DJ_Score	Less than a year	9	5.8333	.73598	.24533	5.2676	6.3991	4.00	6.67
	1-3 years	11	5.3333	1.01379	.30567	4.6523	6.0144	3.33	6.50
	4-5 years	14	5.2976	.81172	.21694	4.8289	5.7663	3.83	6.50
	6-10 years	19	4.8789	1.13612	.26064	4.3314	5.4265	2.67	6.83
	more than 10 years	47	4.9858	1.23841	.18064	4.6222	5.3494	2.00	6.67
	Total	100	5.1237	1.12110	.11211	4.9012	5.3461	2.00	6.83
Satisfaction	Less than a year	9	5.4444	.69841	.23280	4.9076	5.9813	4.00	6.40
	1-3 years	11	5.3455	1.03958	.31345	4.6471	6.0439	3.80	6.60
	4-5 years	14	4.5964	1.55223	.41485	3.7002	5.4927	1.00	6.20
	6-10 years	19	4.8737	1.30845	.30018	4.2430	5.5043	1.80	6.60
	more than 10 years	47	4.8426	1.23706	.18044	4.4793	5.2058	2.00	6.40
	Total	100	4.9235	1.24518	.12452	4.6764	5.1706	1.00	6.60

### ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
D.I. Soore	Between Groups	6.284	4	1.571	1.369	.250
PJ_Score	Within Groups	108.996	95	1.147		
	Total	115.280	99			
D.I. Carata	Between Groups	7.471	4	1.868	1.517	.203
DJ_Score	Within Groups	116.959	95	1.231		
	Total	124.430	99			
Catinfaction	Between Groups	6.254	4	1.563	1.009	.407
Satisfaction	Within Groups	147.244	95	1.550		
	Total	153.497	99			

### Oneway

### **Descriptives**

•.						95% Confidence Interval for Mean			
		N	Mean	Std. Deviation	Std. Error	Lower Bound	Upper Bound	Minimum	Maxi mum
PJ_Score	Clerical	36	4.9630	1.07955	.17993	4.5977	5.3282	2.00	6.78
	Officer	13	5.0855	1.07645	.29855	4.4350	5.7360	3.11	6.33
	Executive	7	4.9683	1.14704	.43354	3.9074	6.0291	2.56	6.00
	Management	41	5.0728	1.13194	.17678	4.7155	5.4301	2.00	6.44
	Total	97	5.0262	1.09041	.11071	4.8064	5.2460	2.00	6.78
DJ_Score	Clerical	36	5.0481	1.14721	.19120	4.6600	5.4363	2.67	6.67
	Officer	13	5.2179	1.19680	.33193	4.4947	5.9412	2.83	6.83
	Executive	7	4.8571	1.27450	.48171	3.6784	6.0359	2.50	6.50
	Management	41	5.1821	1.10657	.17282	4.8328	5.5314	2.00	6.50
	Total	97	5.1137	1.13158	.11489	4.8857	5.3418	2.00	6.83
Satisfaction	Clerical	36	4.8389	1.19506	.19918	4.4345	5.2432	2.20	6.60
	Officer	13	4.5846	1.89466	.52548	3.4397	5.7295	1.00	6.60
	Executive	7	5.0286	1.40679	.53172	3.7275	6.3296	2.00	6.20
	Management	41	5.0622	1.05028	.16403	4.7307	5.3937	2.00	6.60
	Total	97	4.9129	1.25692	.12762	4.6596	5.1662	1.00	6.60

### ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
PJ_Score	Between Groups	.302	3	.101	.082	.970
	Within Groups	113.841	93	1.224		
	Total	114.143	96			
DJ_Score	Between Groups	.949	3	.316	.241	.867
	Within Groups	121.977	93	1.312		
	Total	122.926	96			
Satisfaction	Between Groups	2.606	3	.869	.542	.655
	Within Groups	149.061	93	1.603		
	Total	151.666	96			

### **Descriptives**

### **Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
PJ_Score	102	2.00	6.78	5.0641	1.08004
DJ_Score	102	2.00	6.83	5.1474	1.12291
Satisfaction	102	1.00	6.60	4.9505	1.24770
Valid N (listwise)	102				

### Regression

[DataSet1] C:\Documents and Settings\Administrator\Desktop\MBA\_Acct\Data.sav

### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin- Watson
1	.851ª	.724	.718	.66237	1.949

a. Predictors: (Constant), DJ\_Score, PJ\_Score

b. Dependent Variable: Satisfaction

### **ANOVA**<sup>b</sup>

	Model	Sum of Squares	df	Mean Square	F	Sig.
	1 Regression	113.798	2	56.899	129.688	.000ª
l	Residual	43.435	99	.439		
l	Total	157.232	101			

a. Predictors: (Constant), DJ\_Score, PJ\_Score

b. Dependent Variable: Satisfaction

### Coefficients<sup>a</sup>

		Unstandardize	ed Coefficients	Standardized Coefficients				nearity istics
Madal		В	Std Franc	Pete		Çia.	Toler	VIF
Model		В	Std. Error	Beta	ι	Sig.	ance	VIL
1	(Constant)	121	.322		377	.707		
	PJ_Score	.718	.128	.621	5.599	.000	.227	4.415
	DJ_Score	.279	.123	.251	2.263	.026	.227	4.415

### Collinearity Diagnostics<sup>a</sup>

	Dimensi			Vari	iance Proportio	ons
Model	on	Eigenvalue	Condition Index	(Constant)	PJ_Score	DJ_Score
1	1	2.967	1.000	.00	.00	.00.
	2	.028	10.309	.99	.05	.07
	3	.005	23.650	.00	.95	.93

a. Dependent Variable: Satisfaction

### Casewise Diagnostics<sup>a</sup>

Case				
Number	Std. Residual	Satisfaction	Predicted Value	Residual
97	-3.120	1.80	3.8664	-2.06638
99	-4.227	1.00	3.7999	-2.79986

a. Dependent Variable: Satisfaction

### Residuals Statistics<sup>a</sup>

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.8725	6.4651	4.9505	1.06147	102
Residual	-2.79986	1.78637	.00000	.65578	102
Std. Predicted Value	-2.900	1.427	.000	1.000	102
Std. Residual	-4.227	2.697	.000	.990	102

### **Descriptives**

### **Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
PJ_Score	102	2.00	6.78	5.0641	1.08004
DJ_Score	102	2.00	6.83	5.1474	1.12291
Satisfaction	102	1.00	6.60	4.9505	1.24770
Valid N (listwise)	102				

### Regression

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### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.851ª	.724	.718	.66237	1.949

a. Predictors: (Constant), DJ\_Score, PJ\_Score

b. Dependent Variable: Satisfaction

### ANOVA<sup>b</sup>

Mode	el	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	113.798	2	56.899	129.688	.000ª
1	Residual	43.435	99	.439		
	Total	157.232	101			

a. Predictors: (Constant), DJ\_Score, PJ\_Score

b. Dependent Variable: Satisfaction

### Coefficients<sup>a</sup>

		Unstandardized Coefficients		Standardized Coefficients			Colline Statist	
Model		В	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	121	.322		377	.707		
}	PJ_Score	.718	.128	.621	5.599	.000	.227	4.415
	DJ_Score	.279	.123	.251	2.263	.026	.227	4.415

### Collinearity Diagnostics<sup>a</sup>

	Dimensi			Variance Proportions			
Model	on	Eigenvalue	Condition Index	(Constant)	PJ_Score	DJ_Score	
1	1	2.967	1.000	.00	.00	.00	
<b>!</b>	2	.028	10.309	.99	.05	.07	
	3	.005	23.650	.00	.95	.93	

a. Dependent Variable: Satisfaction

### Casewise Diagnostics<sup>a</sup>

Case Number	Std. Residual	Satisfaction	Predicted Value	Residual
97	-3.120			
99	-4.227	1.00	3.7999	-2.79986

a. Dependent Variable: Satisfaction

### Residuals Statistics<sup>a</sup>

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.8725	6.4651	4.9505	1.06147	102
Residual	-2.79986	1.78637	.00000	.65578	102
Std. Predicted Value	-2.900	1.427	.000	1.000	102
Std. Residual	-4.227	2.697	.000		102

Regression
[DataSet1] C:\Documents and Settings\Administrator\Desktop\MBA\_Acct\Data.sav

### Variables Entered/Removed<sup>b</sup>

Model	Variables Entered	Variables Removed	Method
1	DJ_Score <sup>a</sup>		Enter

- a. All requested variables entered.
- b. Dependent Variable: Satisfaction

### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.798ª	.636	.633	.75623	1.614

a. Predictors: (Constant), DJ\_Score

b. Dependent Variable: Satisfaction

### **ANOVA**<sup>b</sup>

Model		Sum of Squares	df _	Mean Square	F	Sig.
1	Regression	100.044	1	100.044	174.935	.000ª
1	Residual	57.189	100	.572		
	Total	157.232	101			

a. Predictors: (Constant), DJ\_Score

b. Dependent Variable: Satisfaction

### Coefficients<sup>a</sup>

Unstandardized Coefficients		ed Coefficients	Standardized Coefficients			Collinearity Statistics		
Model		В	Std. Error	Beta	t	Sig.	Toler ance	VIF
1	(Constant)	.388	.353		1.100	.274		
	DJ_Score	.886	.067	.798	13.226	.000	1.000	1.000

### Collinearity Diagnostics<sup>a</sup>

	Dimensi			Variance Proportions	
Model	on	Eigenvalue	Condition Index	(Constant)	DJ_Score
1	1 .	1.977	1.000	.01	.01
	2	.023	9.320	.99	.99

a. Dependent Variable: Satisfaction

### Casewise Diagnostics<sup>a</sup>

Case				
Number	Std. Residual	Satisfaction	Predicted Value	Residual
99	-4.270	1.00	4.2290	-3.22898

a. Dependent Variable: Satisfaction

### Residuals Statistics<sup>a</sup>

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.1609	6.4448	4.9505	.99525	102
Residual	-3.22898	2.24821	.00000	.75248	102
Std. Predicted Value	-2.803	1.501	.000	1.000	102
Std. Residual	-4.270	2.973	.000	.995	102

a. Dependent Variable: Satisfaction

### **Correlations**

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### Correlations

		PJ_Score	DJ_Score
PJ_Score	Pearson Correlation	1.000	.879 <sup>**</sup>
	Sig. (2-tailed)		.000
	N	102.000	102
DJ_Score	Pearson Correlation	.879 <sup>**</sup>	1.000
	Sig. (2-tailed)	.000	
	N	102	102.000

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