THE EFFECT OF PERFORMANCE APPRAISAL POLITICS ON EMPLOYEE PERFORMANCE IN EMERGENCY SERVICES OF PUNJAB, PAKISTAN

Muhammad Imran, Punjab Emergency Services (Rescue 1122) and Universiti Utara
Siti Norasyikin Binti Abdul Hamid, Universiti Utara
Azelin Binti Aziz, Universiti Utara
Chong Yen Wan, Universiti Utara

ABSTRACT

The main objective of the study is to investigate the relationship between performance appraisal politics and employee performance in Punjab emergency services (Rescue 1122), Pakistan. This study initiated from the literature review related to performance appraisal politics and employee performance. The questionnaires were used to collect the data and total of one hundred one (101) usable responses were received from the Rescue 1122 employee from all over the Punjab province of Pakistan. Partial Least Squares Structural Equation Modeling (PLS-SEM) was used for the data analysis. The results of the study revealed that performance appraisal politics has negatively influenced the employee performance in Punjab emergency services (Rescue 1122) Pakistan. Furthermore, according to the best knowledge of the author, the current study is the pioneer study that examined the relationship between performance appraisal politics and employee performance in the context of Pakistan. The study framework can empirically test in other government and private departments to validate the results.

Keywords: Performance Appraisal Politics, Employee Performance, Rescue 1122, PLS-SEM.

INTRODUCTION

The thousands of people from different parts of Punjab province of Pakistan are using Punjab emergency services (Rescue1122) from the last 13 years to till now. Rescue 1122 from 2004 to 2017, has been handled over 1,719,542 road traffic crashes, 2,268,310 medical emergencies, 103,149 fire emergencies, 7,185 building collapses, 169,178 crime incidents, 9,239 drowning cases, 1,412 different types of explosions and 427,313 miscellaneous incidents (Tribune, 2018). The Rescue 1122 has an important role in Pakistan community as a lifesaving institute and maintaining the seven-minute response time (Sabir et al., 2014). This high standard of job implementation that should be maintained by the Rescue 1122 required them to have highly skilled and performed employees. Many factors are being reported to influence employee's performance (Wang et al., 2013; Vandenabeele, 2009). One of the factor is organizational politics (Rahman et al., 2011) particularly in performance appraisal system. This performance appraisal politics that could influence the level of job performance should be managed and considered by the management of Rescue 1122 in order to sustain the overall organizational performance. Therefore, the present study investigates the performance appraisal politics towards employees' performance in the Pakistan Rescue 1122 department.

Over the last several years numerous scholars, such as Lawong et al. (2018); Rosen et al. (2017), with different theoretical models have tried to examine the impact of organizational politics on employee Turn Over Intention (TOI). However, still, the relation seems a puzzle whose parts don't seem to be fixed. The performance appraisal politics construct is quite new, and becomes an emerging area of research among researchers (Hassan et al., 2017). The performance appraisal system of any organization is a process designed to encourage and reward the true performer (Rosen et al., 2017). Though an unbiased and sound appraisal system helps the firm in bringing up true leaders, most of the time in many organizations it is manipulated politically. The politically maneuvered appraisal systems not only affect employs performance but also instigate their performance by lowering their commitment to the organization (Rosen et al., 2017). The investigation of employee attitude and behavior has become an important topic in the context of management and organizational behavior such as employee performance behavior (Moen et al., 2017).

Rescue 1122 which is formerly known as the Punjab Emergency Service is a paramount humanitarian emergency services provider institute in Pakistan, whose network is disseminated in 36 districts of more than 100 million of the population. The Rescue 1122 has an important role in Pakistan community (Sabir et al., 2014), and it becomes a crucial responsibility to The Rescue 1122 to maintain their employees' performance. In regards of performance appraisal in The Rescue 1122, employees who are treated well and fairly by the employer are most likely to become supportive, tends to perform better and are effectively committed to the organizations (Javed & Tariq, 2015), which subsequently enhance their employees' performance.

HYPOTHESIS DEVELOPMENT

The politics in performance appraisal defined as thoughtful attempts taken by individuals in order to achieve personal objectives of their political interests by exercising the highest possible courses of actions (Tziner et al., 1996). The appraisal system which can be manipulated through political maneuvering to satisfy vested self-interest and discourage justice is termed as politicised appraisal system (Tziner et al., 1996). Actually, the politics in appeals system is carried out by top management with the intention to promote their favorite people and they do so by fudge the appraisals scores or ratings (Chaudhry et al., 2016). For example, a manager may inflate ratings to gain employee goodwill or avoid conflicts over lower performance ratings and secondly high-performance rating used to give the maximum pay raised and promotions as well (Ahmad et al., 2010). Given the prevalent nature of politics in performance appraisal processes, it is important to examine its impact on employees' attitudes and behaviors. Furthermore, when employees feel unfairly treated, they are likely to react by initially changing their job attitudes, followed in the longer term by responses that are more reactive such as intention to quit or vacating (Vigoda, 2000). Additionally, past studies found that performance appraisal politics is significantly related to employee performance (Poon, 2004).

The process of evaluating the performance, such as performance appraisals is one of the most important issues due to its positive influence on the development of the human capital resulting in higher performance. It also increases the motivation and job satisfaction, and neglecting those aspects would lead to negative effects which may increase voluntary turnover rate (Rubel & Kee, 2015). Furthermore, according to Al-Shuaibi et al. (2013), performance appraisal is a vital tool for organization, as through performance appraisal, employer would recognised the lacking skills among employees and further will plan a specific training and development activities for them. It also helps the organization in identifying the high achievers

and distinguishing them from one other for the basis of a proper reward system which ultimately enhancing their commitment and reducing the turnover rate.

Patel et al. (2013) defined employee performance as the given duties that should be performed effectively and efficiently. Employees who performed in their given duties could help organization to foster in their goal attainment. In regards of performance appraisal politics, past studies suggested that some forms of politics can affect the employee performance (Salimäki & Jämsén, 2010). In the other study, employee perceived that their performance was not appraising fairly, which is affecting their expectation to career development (Nurse, 2005). Additionally, performance appraisal politics and employee job satisfaction were also examined and the study found that when employee performance rating to be manipulated because of appraiser personal conflict and intention to punish others to reduce employee job satisfaction (Poon, 2004), which is directly related to employee performance (Biswas & Varma, 2011).

Based on literature review, the study proposed the under-mention hypothesis:

H_1: The higher the performance appraisal politics the lower the employee performance.

RESEARCH METHODOLOGY

Population, Sample Size, and Respondent

This study conducted in the context of Punjab Emergency Services (Rescue 1122) of Pakistan. The total population of the study is 10,000 employees all over Punjab, Pakistan (Ahmed, 2018). According to Krejcie & Morgan (1970), the total of 370 rescue employees was taken as the sample size of the study. Moreover, the simple random sampling technique adopted and made the respondent selection to use the Microsoft Excel 2016 (RAND) function (Saunders et al., 2009).

The individual level was taken for the current study and drop & pick method was used to distribute the questionnaire. A total of 101 valid questionnaires were collected. The 27% response rate was recorded for present study.

Measures of Variables

The scale of the variables adapted from past literature and questionnaire of the study containing a seven-point Likert scale (Choi & Eboch, 1998). The performance appraisal (Figure 1) politics adapted from the Poon (2004) study, which consists of 15 items. Meanwhile, employee performance scale was adopted from the study of Rodwell et al. (1998) that scale consists of nine items.

FIGURE 1
THEORETICAL FRAMEWORK

RESULTS AND DISCUSSION

Smart-PLS statistical software is used for Structural Equation Modeling (SEM) assessment (Ringle et al., 2015). The smart PLS-3 gaining popularity day by day due to its model parsimony and many studies used this software for accurate results in the context of Pakistan as well (Imran et al., 2017:2018). The performance appraisal politics is taken independent reflective first order construct. The endogenous variable employee performance treated as first order reflective construct.

Measurement Model Validation

Based on PLS (SEM), the assessment of measurement model has been analyzed properly by using Smart-PLS 3.2.7 (Ringle et al., 2015). To conclude the measurement model discriminant validity, reliability and convergent validity of the measurement of constructs was observed and keenly examined. The individual items reliability was examined through their loading and all items were reported as greater than 0.70 loading. Further, constructs reliability was examined through Cronbach alpha, Composite Reliability (CR), and Average Variance Extracted (AVE). Table 1 shows all results of CR, AVE and Cronbach alpha, their values are higher than thresh hold values such as Cronbach alpha (.070), CR (0.70) and AVE (0.50) (Hair et al., 2014).

	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)
Table 1 **FINDING OF THE MEASUREMENT MODEL (FIRST ORDER, REFLECTIVE)**			
Performance Appraisal Politics	0.725	0.790	0.563
Employee Performance	0.897	0.921	0.663

Moreover, discriminant validity was analyzed to determine the model external consistency, based on the Fornell-Larcker Criterion, according to Fornell & Larcker (1981) that AVE of the latent variable should be higher than the squared correlations between the latent variables. Thereby confirming the discriminant validity and the result can be seen in the Table 2.

	Employee performance	Performance appraisal politics
Table 2 **FORNELL-LARCKER CRITERION**		
Employee performance	0.814	
Performance appraisal politics	0.319	0.750

Structural Model Assessment

After the assessment of the measurement model, the structural model was assessed to draw the conclusion. The structural model evaluated by the path coefficient.

Relationship Assessment between Performance Appraisal Politics and Employee Performance

The bootstrapping method was performed (with 5000 sub-sampling for 101 responses) to determine the beta and t-values and outcome of data analysis can be seen in the Table 3. The decision was made on the base of t-value, which should be greater than the threshold value of 1.96 at significance level 0.05.

Table 3 FINDINGS OF STRUCTURAL MODEL				
	Beta	Standard Deviation	T Statistics	P Values
Performance appraisal politics -> Employee performance	-0.319	0.120	2.669	0.008***

Note: ***p<0.1.

The results of the study show the negativity significant relationship between performance appraisal politics and employee performance. Hence the hypothesis is accepted.

The relationship between performance appraisal politics (β=-0.319, t-value=2.669) and employee performance is supported. The beta value shown that performance appraisal politics negatively influence to employee performance, in other means high performance politics can the reason of low employee performance of Rescue 1122. Additionally, the employee perception regarding performance appraisal politics is justified in this current study and the current study results consistent with past studies (Bodla & Danish, 2009). Therefore, the consideration of fare implementation of employee performance appraisal activity is very important for employee performance, especially in the context of Punjab emergency services (Rescue 1122), Punjab, Pakistan.

CONCLUSION

The results of the study showed that negative significant relationship between performance appraisal politics and employee performance in Rescue 1122 employees. In other words, the increase of performance appraisal politics will decrease the employee performance in Rescue 1122. The employee perception regarding performance appraisal politics is justified in this current study and the current study results consistent with past studies (Bodla & Danish, 2009; Vigoda-Gadot, 2007). The study findings are very important for management for the better understanding of the work environment and they can control the politics within the organization and could increase the employee performance up to acceptation. The higher Management of Rescue 1122 should make sure transparent and merit based performance appraisal of the employees. Furthermore, lower management team, such as supervisor should involve the employee in decision making to increase the employee understanding and reduced the politics. Furthermore, the management team should also communicate and define the organizational goals clearly among the employees. Lastly, management should educate employees about the political knowledge and activities that could help them to handle political actions against them.

Future studies should be considered the third variable to clarify the relationship between performance appraisal politics and employee performance. The present study's framework can be validated in other government and private organizations to get in depth generalize the results. This is a cross-sectional study; future study can adopt the longitudinal method.

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