



## Do Perceived Organizational Justice and Trust Determine Satisfaction of Performance Appraisal Practice? A Case of Malaysian Secondary School Teachers.

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### Abstract

The purpose of this study is to investigate the organizational justice and trust as the determinant of satisfaction in teachers' performance appraisal system. This study was carried out by using survey method. In this research, this questionnaire was administered to 714 teachers from 102 secondary public schools in the Northern Region of West Malaysia. The data were analyzed by "Hierarchical Moderated Multiple Regression Analytical Procedures" (HMMR), using the statistical package program (SPSS15.0). As a result, it is revealed that the organizational justice (distributive, procedural, interpersonal) poses a positive influence on the performance appraisal satisfaction. Elevating the degree of trust and satisfaction among teachers towards the performance appraisal, and creating a conducive environment for teachers to improve their performance are the best strategies to achieve teacher's performance appraisal satisfaction.

**Keywords:** perceived organizational justice, trust, performance appraisal.

### INTRODUCTION

Overcoming the matters of teachers in a school organization flushed with various assumptions exposes the Malaysian school principals with uncertainties towards the act and consequences that involves one's career and remuneration (Yusof, 2004). In leading schools for the global age, principals must ensure the existence of transparency, honesty, and sincerity. When a principal is perceived to be just and fair, the degree of confidence and assurance of teachers towards the principal will increase besides decreasing the bias subjectivity in the performance appraisal (Hoy & Tschannen-Moran, 2003). The fact is teachers' trust towards the leader and the organization is prominent as it has the ability to influence justice in the work place (Lewicki, Wiethoff, & Tomlinson, 2005). Besides, trust is approved to have the ability of encouraging cooperative acts, reducing conflicts and dissatisfactory among teachers in various

aspects (Geist & Hoy, 2003). According to Petersen (2008), perceived justice and trust among teachers towards the school can influence the effectiveness of the execution of performance appraisal in a school. Similarly, Harrison, Newman and Roth (2006) found that teachers' trust towards the leader and the organization pose a direct impact to the increase satisfaction of performance appraisal practice among teachers in a school. When teachers feel that their contribution, concerns and matters of welfare acknowledged while receiving rightful consideration from their employer (principal) and organization, in return, it increases the teacher's trust towards the leader and the organization (Petersen, 2008).

Therefore, the aim of this research is to identify empirically the potential of perceived organizational justice and trust (towards the leader and the organization) as important factors in determining the satisfaction of performance appraisal practice among Malaysian secondary school teachers.

### **PERFORMANCE APPRAISAL SYSTEM IN MALAYSIA**

The employees' performance appraisal was introduced in Malaysia during 1992. This evaluation system is also known as New Performance Appraisal System (SSB) where it is a continual evaluation process throughout the year. Usually, the discussion between the employer and employees regarding the achievement of various targets used to be held in the mid-year to give employees the opportunity to standardize targets that were being set earlier before the actual performance appraisal during the end of the year. Although, new appraisal techniques were introduced, as a result the Performance Appraisal System faced critiques and opposition from various sources including the employees and the Labor Association, e.g.: CUEPACS (News Straits Times, 2000). The main issue being raised is the concern of justice during the performance appraisal process. The concerning researches revealed that most employees are dissatisfied with the evaluator (Hamid, 1999), also the biased assessment in their performance evaluation (Abdul-Manap, 1996). Hence, after weighing the weaknesses in the New Performance Appraisal System (SSB), a more comprehensive appraisal method, also known as Malaysia Remuneration System (SSM) was introduced on the first of November 2002. The system was evaluated through Annual Performance Appraisal Form and also through the evaluation of Level of Efficiency Test (PTK).

Despite the fact that performance appraisal is considered as a tool for improving performance. Yet, the studies on teachers performance appraisal are limited. According to Erdogan (2002), teacher's perception towards justice exercised in the performance appraisal lacks inspection. Similarly, Kelly, Ang, Chong, and Hu (2008) and Kropidlowski (2007) stated that performance appraisal should be examined every year to determine whether changes are necessary to increase its efficiency. A number of studies that have been carried out in the last few decades in Malaysia spark off similar issues related to the justification process and the performance appraisal system (Abdul-Manap, 1996), dissatisfaction towards the evaluator (New Straits Times, 2000; Mohamed, 1998); dissatisfaction towards the performance grades given (Hashim, 1998), dissatisfaction towards the utilization of the continual evaluation method (Ahmad, Ismail, & Khairulzaman, 2007). Thus, the justness and integrity aspect plays a prominent role in the efficacy of performance evaluation where these aspects should be emphasized in an organization especially in a school's organization.

### **PERCEIVED ORGANIZATIONAL JUSTICE AND TRUST**

Justice in an organization are gaining their importance as justice effects of any organization's achievement in the aspects of work efficacy, whereby it motivates employees' loyalty to the organization, besides causing them to feel dignified and respected in the organization

(Sheppard, Lewicki, & Minton, 1992). According to Singer (1993), when justice is not emphasized, there is a great possibility that negative consequences may befall the organization. Because justice is a social phenomenon that does not only affect the social lives of the employees but also their professional activities (Beugre, 1998). Justice in the work place is found to have correlation with employees' attitude, for example, their degree of satisfaction (Colquitt, Conlon, Wesson, Porter, & Ng, 2001; Poulus, 2004).

Although, organizational justice is not a new phenomenon, but it has been ignored in the educational field (Hoy & Tarter, 2004). Teachers who attain justice in decisions made were discovered to have positive attitudes towards the school (Colquitt et al., 2001). Justice is not only important for an organization but is also crucial to the employees' welfare (Poole, 2008), and help to increase the degree of satisfaction among employees (Johns & Alan, 2001). Recently, organizational justice is viewed in four dimensions includes distributive justice, procedural justice, interpersonal justice and informational justice (Colquitt et al., 2001). Distributive justice is defined as employees' perception towards allotments endowed, for example, promotion or salary increment (Adams, 1965). Procedural justice is defined as employees' perception towards the procedures used in endowing allotments (Thibaut & Walker, 1975). Interpersonal justice describes the employees' perception towards the interpersonal treatment given while in the process of allotting endowment (Bies & Moag, 1986). Further, informational justice is the perception of employees towards their employer in providing clear explanations regarding a decision made (Bies, Shapiro & Cummings, 1988).

Meanwhile, trust in this research is based on Blau's Social Exchange Theory (1964), whereby this theory explains the relationship between individuals which is based on the outcome/benefit one gets from that relationship. When one puts his trust in another person, favors are expected in return (Blau, 1964). From the organizational perspective, trust can be seen in two aspects includes trust towards the organization and trust towards the leader. According to Mayer and Davis (1999), employees who have a high degree of trust towards the organization will strive to assist the organization in achieving its targets. Further, Setton, Bennet and Liden (1999) found that employees are willing to exceed targets set to prove their trust and assurance towards the organization.

In the school's context, teachers' trust towards the school is very significant as teachers who put trust in the school display commitment in their work (Hoy & Tschannen-Moran, 2003). Trust includes one's credibility and if this aspect is not being acknowledged or recognized, the trust that exists in the organization can be easily effaced. Hence, trust should always be preserved and sustained to ensure the continuance of an organization. The trust among teachers towards their leader is important in an organization as this trust is fundamental in building a productive school (Tschannen & Moran, 2004). In the school's context, teacher's trust towards the principal is important in creating an awareness of justice among the teachers in school. A leader in the school will not be capable of leading if he/she does not gain trust from the teachers (Brewster & Railsback, 2003). The teacher's trust towards the principal will encourage an open interaction among the teachers and the principal whereby this indicates that the principal is dependable, trustworthy, diligent and is concerned towards the teachers (Geist & Hoy, 2003). When a principal earns trust from teachers, the teachers will feel dignified in their workplace (Hodson, 2001). Teachers' trust towards the principal is also important in schools as this trust is the cornerstone in propelling towards school's excellence (Tschannen & Moran, 2004). A principal cannot lead efficiently if there is no trust among the teachers (Brewster & Railsback, 2003). Teachers' trust towards the principal will encourage an open

interaction between the teachers and the principal, in which this demonstrates the principal's reliability, efficacy, honesty, and attention to the teachers (Geist & Hoy, 2003).

Justice and trust towards an organization are the key elements in every process that involves human resource especially in executing the performance appraisal. The performance appraisal is the process where the authorities evaluate the employees in terms of quality and work performances (Kirkpatrick, 2006). The employees' performance appraisal is a prominent factor in the human resource aspect in an organization as it influences and propels an employee's productivity (Murphy & Cleveland, 1995). Likewise, dissatisfaction among employees towards the performance appraisal leads to the system's failure (Cardy & Dobbins, 1994). Unfortunately, in previous research, the aspect of employees' perception regarding the performance appraisal was not emphasized much as researchers concentrated more on the psychometric and accuracy aspects in the performance appraisal rather than focusing on the aspect concerning employees' satisfaction (Balzer & Sulsky, 1990). Therefore, this research attempts to find out the employees' perception towards the performance appraisal which should be viewed as equal importance as the employees' satisfaction plays a significant role in boosting one's motivation while inducing positive attitude at work (Jawahar, 2005). According to Jawahar (2005), satisfaction in the performance appraisal has a positive correlation with one's job satisfaction and commitment towards the organization while being able to downturn one's wish in withdrawing from his job.

### **RESEARCH PURPOSES**

The purpose of this study is to investigate the perceived organizational justice and trust (towards the leader and the organization) as the determinant of the satisfaction in teachers' performance appraisal system. Thus, the study aims to identify:

- a) The main effects of perceived organizational justice and trust (towards the leader and the organization) on the satisfaction of performance appraisal practice.
- b) The moderation effects of trust (towards the leader and the organization) on the relationship between perceived organizational justice and satisfaction of performance appraisal practice.

### **RESEARCH METHODOLOGY**

The respondents for this research were trained teachers who chosen randomly from 102 national secondary public schools in the Northern Region of West Malaysia. In total, 714 teachers (7 respondents from each school) were chosen randomly to take part in this research.

Meanwhile the data for this study was gathered by using a set of questionnaire consist of three sections. The first section measures the perceived organizational justice developed by Price and Mueller (1986), and Colquitt et al. (2001). The second part of the questionnaires measures the trust among teachers towards the organization using four items constructed by Scott (1981). The third section was used to measure the satisfaction towards the performance appraisal system developed by Colquitt, et al. (2001).

### **RESEARCH FINDINGS**

#### **Descriptive Statistics**

The descriptive analysis includes mean, standard deviation, the Cronbach Alpha reliabilities value and the intercorrelation of all research variables as tabulated in Table 1.

**Table 1: Mean score, Standard Deviation, Cronbach Alpha's coefficient and Correlation between Variables**

Variable	Mean	SD	1	2	3	4	5	6	7	8	9	10
1. Distributive Justice	3.64	1.23	(.93)									
2. Procedural Justice	3.88	1.28	.60**	(.77)								
3. Interpersonal Justice	3.62	1.07	.54**	.67**	(.82)							
4. Informational Justice	3.69	1.16	.49**	.70**	.77**	(.88)						
5. Trust towards Leaders	3.04	1.18	.54**	.67**	.60**	.76**	(.95)					
6. Organizational Trust	3.85	1.28	.36*	.45**	.58**	.49**	.29*	(.89)				
7. Performance Satisfaction	3.34	1.05	.49**	.57**	.42**	.47**	.45**	.62**	(.91)			
8. System Satisfaction	3.80	1.12	.53**	.63**	.70**	.63**	.54**	.61**	.61**	(.88)		
9. Evaluator Satisfaction	3.02	1.14	.43*	.52**	.54**	.50**	.34*	.42**	.34*	.56**	(.86)	
10. Feedback Satisfaction	3.85	0.97	.50**	.58**	.49**	.52**	.35*	.67**	.54**	.34*	.57**	(.87)
* sig. at the level of $p < .05$ ; ** sig at the level of $p < .01$ Cronbach Alpha's value as stated in brackets												

The results show that the reliabilities for the instruments are high with the values of Cronbach Alpha obtained in a range of 0.77 to 0.93. The intercorrelation value ( $.29 \leq r \leq .77$ ) shows that all organizational justice's variables have a significant relationship with the satisfaction of performance appraisal practices variables. This finding is important in the effort of identifying the distinct and unique contributions of variance obtained from the perceived organizational justice's variable and the satisfaction of performance appraisal practice variable for future research analysis.

### Aggregate Effects of Organizational justice and Trust (towards the leader and the organization) on the Satisfaction of Performance Appraisal Practice

When conducting the analysis regarding the effects of aggregate, a few steps have been employed. Firstly, the sum of variance obtained from the perceived organizational justice and trust towards leaders and organizations' variables versus the satisfaction of performance appraisal practice variables was calculated. This analysis was carried out by using the regression analysis of each satisfaction of performance appraisal practice variable towards four variables of perceived organizational justice and two variables of trust. The full equation of the regression model for this research is as follows:-

$$Y_i = \alpha + \sum_j \beta_{ij} KO_j + \sum_k \beta_{ik} T_k + \varepsilon$$

Where,

- $Y_i$  = Satisfaction of Performance Appraisal Practice variable (i = 1 till 4)
- $\beta$  = Regression's coefficient
- $KO_j$  = Perceived organizational justice variable (j = 1 till 4)
- $T_k$  = Trust variable (k = 1 till 2)

Above is an estimation of the model where each dimension of perceived organizational justice is extracted distinctively from the full regression model in order to identify: a) the unique contribution of the variance summation from every dimension of organizational justice in the satisfaction of performance appraisal practice variables and, b) the summation of the satisfaction of performance appraisal practice variables as contributed by all shared perceived

organizational justice variables, and by subtracting the contribution of each set from the sum of perceived organizational justice variance. The results are reported in Table 2 below:

**Table 2: Variance Fractions in the Satisfaction of Performance Appraisal Practice by the Perceived Organizational Justice and Trust (towards the leader and the organization).**

	Dimensions of satisfaction of Performance Appraisal			
	Grades	System	Evaluator	Feedback
<b><i>Perceived Organizational Justice</i></b>				
(A) Variance contributed by distributive justice	10%	8%	11%	12%
(B) Variance contributed by procedural justice	6%	7%	7%	6%
(C) Variance contributed by interpersonal justice.	1%	1%	1%	1%
(D) Variance contributed by informational justice	2%	1%	1%	1%
Total variance shared from (A) to (D)	13%	12%	13%	13%
Total variance contributed by Perceived Organization Justice	32%	29%	33%	33%
<b><i>Trust</i></b>				
(E) Variance contributed by Trust towards Leader	5%	6%	8%	6%
(F) Variance contributed by Trust towards Organization	1%	2%	1%	1%
Total variance shared by (E) and (F)	7%	7%	9%	8%
Total variance contributed by Trust	13%	15%	16%	15%
Total variance shared from (A) to (F) regarding satisfaction of performance appraisal practice	29%	28%	26%	20%
Total variance contributed by both Perceived Organizational Justice and Trust	74%	72%	75%	68%

The findings obtained from the aggregate analysis presented in Table 2 display an interesting pattern. Firstly, the figures of the total variance explained in the dimension of satisfaction towards performance appraisal grade (74%), satisfaction towards the performance appraisal system (72%), satisfaction towards the performances' evaluator (75%), and satisfaction towards performances' feedback (68%), in which these variables obtained from the aspects of perceived organizational justice, trust towards leaders and the organization is very encouraging. Also, the finding reveals that perceived organizational justice factor has a higher impact towards the variables satisfaction of performance appraisal compared to the factor of trust towards the leader and organization. This situation is obvious in variables, for example satisfaction towards performance appraisal's grades (32% contributed by organizational justice versus 13% by the factor of trust), satisfaction towards the performance appraisal's system (29% contributed by organizational justice versus 15% contributed by the factor of trust), satisfaction towards the performances' evaluator (33% contributed by perceived organizational justice versus 16% by the factor of trust) and satisfaction towards performance appraisals' feedback, and finally (33% contributed by perceived organizational justice versus 15% by the factor of trust).

Secondly, in viewing the total of variance explained by both groups of perceived organizational justice variables as well as trust towards leader and organization variables versus satisfaction of performance appraisal practice variables, it is very encouraging as the figure falls between 20-29%. Furthermore, the total variance shared by variables of the perceived organizational justice is far more (twice as much or more) if compared to the total variance contributed by the factor of trust towards leaders and organization out of every dimension of satisfaction of performance appraisal practice.

For not losing the explanatory value there is a great need to measure the effects of perceived organizational justice variation in explaining satisfaction of performance appraisal practice in a school organization. For example, the findings indicated that the variance combination contributed by perceived organizational justice and the trust towards the leader and organization influences the percentage of satisfaction towards the performance evaluator by 75%. Yet, under scrutiny, the findings showed a unique proportion of 16%, obtained only from the variance differences, contributed by the trust towards the leader and organization whereas the remaining 59% is obtained from the perceived organizational justice factor (33%), and sharing a percentage of 22% between the perceived organizational justice factor and the trust towards the leader and organization factor.

Practically, this finding presents two significant contributions. Firstly, in terms of methodology, this finding explains that when the variables of trust towards the leader and organization is omitted from the analysis, the researcher will only lose 16% of the variance from the total of variance contributed by the trust variable concerning the satisfaction of performance appraisal practice in a school organization. In fact, similar changing patterns of variance can be seen in other variables for example the satisfaction towards the performance appraisals' grades, satisfaction towards the performance appraisal system, and satisfaction towards performance appraisals' feedback. Secondly, this research discovers that satisfaction of performance appraisal practice in a school organization is very much affected by the factors of perceived organizational justice, especially distributive and procedural justice compared to the factors of trust towards the leader and organization. Hence, in this research, it is proven that perceived organizational justice is the more critical determinant compared to the factors of trust towards leader and organization concerning the matters of satisfaction of performance appraisals practice.

### **Individual Effects on the Satisfaction of Performance Appraisal Practice**

In the second phase of analysis, the effects of each variable of organizational justice and trust towards satisfaction of performance appraisal practice variables (satisfaction in the performance grades, satisfaction in the performance appraisal system, satisfaction towards the performances' evaluator and satisfaction towards the performances' feedback) were evaluated individually. Through this, the researchers will be able to determine individually the effects contributed by each dimension of organizational justice and trust towards the satisfaction of performance appraisal practice while manipulating all the other predictions. The total of individual contributions by every variable can be referred as the relative estimation of the magnitudes' coefficient regression which has been standardized and its value ( ) as displayed in Table 3 below.

#### ***Satisfaction towards Performance Appraisals' Grades***

The findings reported in Table 3 showed that only two dimensions of organizational justice has a positive influence towards the satisfaction concerning performance appraisal grades. Both dimensions are the distributive justice (  $\beta = .22$  ) and procedural justice. (  $\beta = .35$  ). In turn, this finding suggests that schools which exercise high distributive and procedural justice will be experiencing an increase in teacher's degree of satisfaction towards their performance grades in school.

#### ***Satisfaction towards Performance Appraisal System***

The findings showed that there are two dimensions of organizational justice that influences the satisfaction towards the appraisal system. They are, procedural justice (  $\beta = .17$  ) and

interpersonal justice ( $\beta = .24$ ) which pose direct positive influence towards the teachers' satisfaction regarding the performance appraisal system. Meanwhile, trust towards leader ( $\beta = 0.28$ ) is also found to have a direct effects towards teachers' satisfaction regarding the performance appraisal system. This finding indicates that schools that practice high procedural and interpersonal justice are found to have high satisfaction regarding the performance appraisal system. Furthermore, teachers' satisfaction towards the performance appraisal system will increase when the teachers' trust towards the principal is high.

**Table 3: Standardized Regressions' Coefficient ( $\beta$ ) in the Organizational justice and Trust (towards the leader and the organization) towards the Satisfaction of Performance Appraisal Practice**

	Dimensions of Satisfaction on Performance Appraisal Practice			
	Grades	System	Evaluator	Feedback
<b>Organizational justice</b>				
• <i>Distributive Justice</i>	0.22*	-	-	0.20*
• <i>Procedural Justice</i>	0.35**	0.17*	-	0.29**
• <i>Interpersonal Justice</i>	-	0.24**	-	-
• <i>Informative Justice</i>	-	-	-	-
<b>Trust</b>				
• <i>Trust towards the Leader</i>	-	0.28**	-	-
• <i>Trust towards the Organization</i>	-	-	-	-

Sig at the level of \* $p < 0.5$ ; \*\*  $p < 0.01$

### **Satisfaction towards the Performance Appraisal Feedback**

The findings revealed that only two dimensions of organizational justice have positive and significant effect towards the teachers' satisfaction in the performance appraisal feedback. They are distributive justice ( $\beta = .20$ ) and procedural justice ( $\beta = .29$ ). In other words, this finding explains that when schools practice distributive and procedural justice, teachers' satisfaction towards the performance appraisal system feedback will also increase.

### **Moderation Effects of Trust (towards the leader and the organization) on the Relationship between Organizational Justice and Satisfaction on Performance Appraisal Practice**

The moderation effects of trust towards the leader and organization has been analyzed by determining the change of value  $R^2$  contributed by the interaction of organizational justice variables X trust when being added in the final procedure of the hierarchy regression. If the interaction aspect is being added to the regression analysis procedure, a significant change in the value of  $R^2$  will be produced (through the summation of the total variance explained in the performance appraisal satisfaction), whereby the trust variable can be labelled as the moderator in the relationship between organizational justice and the variables of performance appraisal satisfaction. The result of the analysis concerning the effects of moderation trust towards the relationship between organizational justice and performance appraisals' satisfaction is displayed in Table 4. The values reported in Table 2 shows only the significant figures of the weightage values of standardized regression (Beta) for the organizational justice interaction variables X Trust.

Next, a continual analysis was carried out to identify the existing moderator patterns in this research. Hence, in determining the moderator's pattern, the definition suggested by Howell, Dorfman and Kerr (1986) was used. According to Howell et. al., (1986), "neutralizer" is formed



when effects obtained from both variables of organizational justice and interaction (organizational justice X trust) are significant yet having two distinctive signs. In other words, the “neutralizer” moderator decreases the effect of organizational justice towards the satisfaction of performance appraisal practice. Meanwhile, the “enhancer” moderator takes shape when results obtained from both variables of organizational justice and interaction (organizational justice X trust) are significant and having the similar signs. When this occurs, then the “enhancer” moderator is said to be able to increase the effects of organizational justice towards the satisfaction of performance appraisal practice.

**Table 3: A Brief Analysis on the Moderated Regression of the Moderating Effects Trust towards the Relationship between Organizational Justice and the Performance Appraisals’ Satisfaction**

	Dimensions of Performance Appraisal Satisfaction			
	Grades	System	Evaluator	Feedback
<b>Distributive Justice</b>				
• Trust towards the Leader	-	.32* (E)	.25* (E)	.27* (E)
• Trust towards the Organization	-	-	-	-
<b>Procedural Justice</b>				
• Trust towards the Leader	-	.19* (E)	.18* (E)	.29* (E)
• Trust towards the Organization	.27* (E)	-	.29* (N)	-
<b>Interpersonal Justice</b>				
• Trust towards the Leader	.50* (E)	-	-	.21* (E)
• Trust towards the Organization	-	-	-	-
<b>Informative Justice</b>				
• Trust towards the Leader	-	-	-	-
• Trust towards the Organization	.22* (N)	-	-	.18* (N)

Note: Sig at the level of \* $p < 0.5$ ;  
E- Moderator Enhancer  
N- Moderator Neutralizer

As shown in Table 4 the findings revealed that among 32 possibilities of interaction outcomes being examined (4 Organizational Justice variables X 2 Trust Variables X 4 Satisfaction of Performance Appraisal Practice variables), only 12 significant effects of moderation are obtained. Secondly, the moderator patterns found abundant in this research is the enhancer, with the amount of 9, compared to the neutralizer pattern, with only an amount of 3. The variable of trust towards the leader appears to be the most frequently variable that act as the moderator compared with the variable of trust towards the organization in this research. Meanwhile, procedural justice is found to have received trust moderation effects the most in its relationship with the satisfaction of performance appraisal practice variables. Finally, the findings of the research also indicate that the moderation effects of the trust variable occur most frequently towards the satisfaction towards performance appraisals’ feedback. The explanation concerning the findings of moderation effects according to each variables of organizational justice are as follows:-

### ***Distributive Justice Moderation***

The findings of the research revealed that the factor of trust towards the leader act as the enhancer in the relationship between distributive justice and the satisfaction towards the teachers’ satisfaction towards performance appraisal system, satisfaction on the evaluator and the performance appraisals’ feedback. This result indicates that trust towards the leaders is able to increase the effects of distributive justice towards the appraisal systems’ satisfaction, satisfaction in the performances’, evaluator and satisfaction in the performance appraisals’ feedback.

### ***Procedural Justice Moderation***

The findings indicate that teachers' trust towards the leader act as the enhancer in the relationship between procedural justice and the satisfaction towards the performance appraisal system, satisfaction on the evaluator, and the satisfaction in the performance appraisals' feedback. This result reveals that trust towards the leaders is able to increase the effects of procedural justice towards the appraisal systems' satisfaction, satisfaction in the performances', evaluator and satisfaction in the performance appraisals' feedback.

Meanwhile, trust towards the organization acts as the enhancer moderator in the relationship between procedural justice and satisfaction towards the performances' grade. In another context, trust towards organization also act as the neutralizer moderator in the relationship between procedural justice and the satisfaction towards the performance appraisals' evaluator. This finding explains that trust towards the organization is able to elevate the effects of procedural justice towards the satisfaction in the performances' grade. Teachers' trust towards the organization also decreases the effects of procedural justice towards the performance appraisals' feedback.

### ***Interpersonal Justice Moderation***

The findings of the research revealed that, trust towards the leader act as the enhancer moderator in the relationship between interpersonal justice and the satisfaction towards the performances' grade and also the satisfaction towards the performance appraisals' feedback. This result indicates that the trust towards leader is able to elevate the effects of interpersonal justice towards satisfaction of the performances' grade and the performance appraisals' feedback.

### ***Informational Justice Moderation***

The findings show that only the factor of teachers' trust towards the organization act as the neutralizer moderator in the relationship between informational justice and the satisfaction towards the performances' grade and also the satisfaction towards the performance appraisals' feedback. This result explains that trust towards the organization is able to elevate the effects of informational justice towards satisfaction of the performances' grade and the performance appraisals' feedback.

## **DISCUSSION**

Inspection on the effects of aggregates towards organizational justice and trust variables towards the performance appraisal's satisfaction in this research has produced a few interesting findings. Firstly, the addition of two variables of trust (leader and organization) together with the variables of organizational justice (distributive, procedural, interpersonal, informational) has increased the total of variance contributed towards the four variables of performance appraisals' satisfaction. Secondly, the finding also revealed the trust variable contributes its variance towards every variable of the performance appraisals' satisfaction (grades, system, evaluator, feedback), yet its total is still lower compare to the contributions of organizational justice towards the variable of performance appraisals' satisfaction. When taking into consideration the findings concerning the effects of aggregate towards the performance appraisals' satisfaction, the results from the research reveals the importance of inserting both of the organizational justice and trust variables to gain a comprehensive understanding regarding the antecedents of the performance appraisal's satisfaction variable in this research. In fact, analysis results of the aggregate effects prove the implication aforesaid, especially when a large amount of variance has been shared together with the organizational and trust variables. Hence, when examining the effects of organizational justice

towards the criterion variables, it is a rightful to insert trust variables to avoid a bias parameter estimation which may result from the mistake of the regression model.

Inspection on the individual effects towards the variable of performance appraisals' satisfaction indicates that the organizational justice (distributive, procedural, interpersonal) poses a positive influence to the performance appraisal satisfaction. This is because the perception of justice concerning a performance appraisal is prominent as dissatisfaction will lead to failure (Cardy & Dobbins, 1994; Smither, 1988; Taylor, Tracy, Renard, Harrison, & Carroll, 1995). In fact, this study also enforces previous researches conducted in Singapore which discovered that justice and clarity among performances' evaluator can increase teachers' satisfaction in the performance appraisal, satisfaction in jobs, while boosting teachers' motivation (Kelly, Ang, Chong, & Hu, 2008). This finding also stands parallel with the research conducted by Greenberg and Folger, (1983) which discovered that employees would be more satisfied with the performance appraisal process if the justice criteria are fulfilled. Cook and Crossman (2004) also voiced similar matters that satisfaction in the performance appraisal can be increased by involving every employee in the appraisal process whereby they are provided with training during the performance appraisal feedback. A good interpersonal relationship between the employer and employee also propels productivity as a good relationship helps employees to understand reasons of certain decisions that were made (Mani, 2002).

The findings from the previous studies revealed that teachers' trust towards the leader has a positive effect towards the appraisal systems' satisfaction. This is because trust is the key element in the building relationships between employer and employees (Patton, 1999). This connection is said to be influential in the effectiveness of performance appraisal. However, when employees' trust towards the employer is shaken, their level of satisfaction in the performance appraisal results will decrease, whereby employees will also decline any feedbacks provided (Hedge & Teachout, 2000). Nevertheless, when employees are given opportunities to be involved in performance appraisal, their degree of trust towards the employer will increase, leading to satisfaction towards the performance appraisal (Korsgaard & Roberson, 1995). Employees who have a high degree of satisfaction towards the performance appraisal were also reported to possess a high degree of trust towards the management system (Levy & Williams, 2004; Mayer & Davis, 1999).

Inspection on the moderation effects discovered that the most occurring moderator patterns in the research is the enhancer, with 9 occurring frequencies, while the neutralizer pattern with only 3 times of occurrence. Meanwhile, the variable of trust towards the leader emerged as the most occurring variable, acting as the moderator compared to the variable of trust towards the organization in this research. This situation is reported to be similar by (Bryk & Schneider, 2002; Daly & Chrispeels, 2005; Louis, 2003; Tschannen & Moran, 2004) that trust is the prime ingredient pertaining a school's excellence. Most schools that have a high regard in justice exhibit teachers who give cooperation, working together in achieving organizational goals besides demonstrating an increase in education achievements (Hoy & Tschannen-Moran, 2003; Tschannen & Moran, 2004). Hence, the findings of the research runs parallel with Bryk and Schneider (2002) who discovered that schools that practices a culture of trust are capable of accepting any performance appraisal results in a positive manner. Meanwhile in a research conducted by Mani (2000), it was discovered that trust towards the leader is an important aspect in determining the degree of satisfaction towards the performance appraisals' system.

Employees who reported a high degree of satisfaction towards the performance appraisal are also satisfied with the management system (Mayer & Davis, 1999).

### **RESEARCH IMPLICATIONS**

The findings of this study could be used as a basis for developing teachers' performance. In a school's context, justice is a fundamental factor that should be viewed prominently. The school's managing board of directors should show their concern towards matters of equity as they are universal issues, regardless of physical borders, hierarchy and various departments. Leaders who position justice rightfully will be successful in shattering the walls of self-centeredness, discrimination and prejudice. Hence, prejudice and disagreements among leaders towards teachers should not be an excuse for them to exercise impartiality. Although, organizational justice may exist in schools but the results of this research discovered that its existence is not explicit in quality and quantity wise. This is because a few situational and leadership factors which correlate with factors of attitude, perception of teachers' role and performance have been overlooked. Therefore, the principal should remind teachers the importance of cultivating trust toward leaders during the stage of implementation. The quality of trust towards a leader is able to increase teachers' confidence and assurance concerning the practice of justice by the principal, which leads to an increase in the performance appraisal's satisfaction. Similarly, in the process of elevating the degree of trust and satisfaction among teachers towards the performance appraisal, the principal should also create a conducive atmosphere for teachers to improve their skills. Conducive environment is capable of establishing a "joy of working" situation, where there is minimal stress. An environment such as this will propel values of loyalty and also a high degree of satisfaction among the teachers.

The effects of moderation obtained in this research acknowledges the contribution of organizational justice towards the performance appraisals' satisfaction, but it is more inclined in explaining how a principal, as a leader, should exercise the trust as a moderator to establish justice in the effort of increasing satisfaction towards the teachers' performance appraisal. Moreover, the findings stresses that effectiveness of justice in schools can be enforced by the attributes of the principal himself, in other words, the degree of teachers' trust towards the principal. When the school has no assurance in the principal's leadership, he would not be able to perform well and will be always torn between dilemmas, predicaments, and complications in solving the issues of teachers' satisfaction towards the performance appraisal. As such, as the leader responsible for the schools' transformation, the principal should manage both the trust moderators, the "enhancer" and the "neutralizer" differently while diligently choosing suitable moderators and manipulating them creatively in managing human resource. When a principal diligently and rightfully manipulates these two moderators, justice can be established besides increasing teachers' satisfaction towards the performance appraisal.

### **CONCLUSION**

The findings of this research have demonstrated convincing statements regarding moderation effects of trust variables towards the relationship between organizational justice and satisfaction in teachers' performance appraisal. In a more functional aspect, these findings denote that any model structure that examines the effects of organizational justice towards the performance appraisals' satisfaction without inserting trust variables can be assumed as "misspecified". Rejecting the capacity of trust variable when examining the effects of organizational justice in a schools' setting will only lead to bias assumptions concerning the effects of organizational justice towards satisfaction in performance appraisal. Moreover, researches' results which prove that trust variable is influential towards the performance appraisals' satisfaction also suggest that the principals' leadership and charisma have definite

impact towards teachers' attitude, role perception and their performance. Finally, the results also indicate that for the goodwill of organization, a principal should know ways to manipulate and enforce the enhancer and neutralizer moderators to increase the influence of justice practices towards the teachers' performance appraisal satisfaction.

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