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THE EFFECT OF ACADEMIC STAFF PERFORMANCE APPRAISAL SYSTEM ON EMPLOYEES' MOTIVATION IN HIGHER EDUCATION INSTITUTIONS: THE CASE OF DEBRE BERHAN UNIVERSITY

BY

IBRAHIM ZERGA

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A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY THE SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (MBA)

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DECLARATION

I hereby declare that this thesis entitled **"The Effect of Academic Staff Performance Appraisal System on Employees' Motivation in Higher Education Institutions:** The Case of Debre Berhan University**"** has been carried out by me under the guidance and supervision of Dr. Misganaw Solomon.

The thesis is original and has not been submitted for the award of any degree or diploma to any other university or institutions.

Researcher	Signature	Date
Ibrahim Zerga Mohammed	_____	_____

CERTIFICATE

This is to certify that the thesis entitled **"The Effect of Academic Staff Performance Appraisal System on Employees' Motivation in Higher Education Institutions:** The Case of Debre Berhan University"**, submitted to the School of Graduate Studies of St. Mary University in partial fulfillment of the requirements for the award of the degree of master of business administration (MBA) is a record of bona fide research work carried out by *Mr. Ibrahim Zerga Mohammed*, under my guidance and supervision.

Therefore, I hereby declare that no part of this thesis has been submitted to any other university or institution for the award of any degree or diploma.

| *Advisor* | *Signature* | *Date* |
| _____ | _____ | _____ |

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ABSTRACT

The success of any organization depends on the quality and characteristics of its employees. It is a fact that any employee for that matter needs something to induce them or to look forward so that they are motivated to work at the best interest of the company. Performance appraisal is one of the ranges of tools that can be used to motivate employees and manage their performance effectively. This study aims at assessing the effect of performance appraisal on motivation in academic staff of higher education institutions in Ethiopia by taking the case of Debre Berhan University (DBU). This study has two independent variables (perceived fairness and perceived accuracy) and a dependent variable (employees' motivation). Though, perceived fairness is measured by its elements procedural justice, distributive justice and interactional justice by making the total independent variables four. Descriptive and explanatory survey research design is employed for this study. The primary data is collected from permanent academic staff of DBU by using self-administered questionnaire. 300 out of 1203 academic staff of DBU are selected by simple random sampling method. Data analysis was done using the Statistical Package for Social Sciences (SPSS) program. The results indicated that there are significant, positive and moderate relationship between the independent variables and the dependent variable. Nevertheless the independent variables procedural justice, interactional justice and perceived accuracy have a moderate and positive effect on the dependent variable employees' motivation. And the effect of the distributive justice on employees' motivation is insignificant. The coefficient of determination value for this study is 0.322, which means that the mentioned factors of Performance Appraisal cause 32.2 % of the variation in Employees' Motivation. This study recommends that the stakeholders should focus more on procedural justice concept and work accordingly to enhance the motivation of the academic staff.

Key words: Perceived fairness, Perceived accuracy, Procedural justice, Distributive justice, Interactional justice, Employees' motivation

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ACRONYMS

DBU:	Debre Berhan University
ERG:	Existence, Relatedness and Growth
HESC:	Higher Education Strategy Center
HRM:	Human Resource Management
MBO:	Management by Objective
nAch:	need for Achievement
nAff:	need for Affiliation
nPow:	need for Power
PA:	Performance Appraisal
PAS:	Performance Appraisal System
PM:	Performance Management
PMS:	Performance Management System

1. Chapter One

Introduction

1.1.   Background of the Study

Over the years, Human Resource Management (HRM) has grown from being a simple series in the business world to be one of the most important business disciplines which has a strategic significant (Weerakkody & Mahalekamge, 2013). Rather than people were being considered just as another machine, humans are now considered as the very important resource in the business. Thus managing the employee performance has become a vital element in the human resource management context.

The success of any organization depends on the quality and characteristics of its employees. The employees become a significant factor in any organization since they are the heart of the company. Organizations simply cannot achieve their goals and objectives without them. However, it is a fact that any employee for that matter needs something to induce him or to look forward so that he is motivated to work at the best interest of the company. This indeed was indicative of the more strategic approach to Human Resource Management policies which sought to connect the aims of the organization to the performance of the individual. The organization's key aims, goals and objectives become an embedded part of the process in the performance management and communicated through the performance appraisal process (Daoanis, 2012).

Performance appraisal (PA) is one element of the performance management process which involves different measurements throughout the organizations but it is the element which is important if organization is to take advantage of their most important asset employees and gain human capital advantage (Daoanis, 2012).

The underlying objective of PA is to improve the performance of the individual employee, thereby leading to improvement in the performance of the organization as a whole. PA is one of the ranges of tools that can be used to motivate employees and manage their performance effectively, in that it provides data which feeds into other elements of the performance management process. A PA system is often the link between additional pay and rewards that employees receive, and their job performance. If used effectively, PA can improve motivation and performance, but if used inappropriately, it can have disastrous effects (Ojokuku, 2013). For

PA to be effective, it must of necessity be anchored on the performance criteria that have been outlined for the job. In fact, some key points in the arguments of those opposed to performance appraisal is that, most of the time, wrong things are rated and the wrong methods used.

Situations arise whereby only some selected job elements are evaluated or given preference or higher points above other job elements in which the employee was equally engaged during the review period. This calls to question the fairness of the appraisal system and its ability to effectively produce the desired outcomes (Ojokuku, 2013).

A study by (Tekalegn , Solomon, & Gebre, 2016) concentrates on the effect of performance appraisal on employees' performance of the staff of Hawassa University. The findings revealed that there are positive and significant relationships between performance appraisal and employee performance. Nevertheless their focus of study is on the administrative staff and not on the academic staff. On the other hand, this study will be done with the inspiration of the low attention given to the practice of performance appraisal system and lack of sufficient empirical studies related to the practice of performance appraisal system for the academic staff in the Ethiopian higher education institutions. The study was tried to assess the impact of performance appraisal process on the overall motivation of the employees with major emphasis on the academic staff of DBU.

1.2.   Background of the Organization

Strengthening the higher educational sector in Ethiopia is vital because a well-educated population is the motor for Ethiopia's social and economic development. Over the past ten years, major reforms have taken place within the Ethiopian higher education sector in response to the government's wish to create a highly qualified population. Ethiopia, classified as a low-income country, aspires to become a middle income country before 2030. Industrialization, led by a strong and diverse agricultural sector, is an important strategy to achieve this goal. The government realizes that for industrialization to take off, a highly qualified workforce is indispensable. (HESC, 2013) Moreover, this qualified workforce needs to be adequate in numbers.

Debre Berhan University, which is a 14 year old university, is established in the 600 years old historical town- Debre Berhan – a town situated in Amhara Region, North Shoa zone, 130 km away from Addis Ababa in the north. The most powerful explanation of the establishment of the University is the government`s commitment towards the expansion of quality higher education as

well as ensuring a reasonable distribution of higher education in the country. The initial intake capacity of the university (in Jan. 2007 G.C.) was 725 students who joined in to 5 departments with 68 instructors and 7 administrative staffs. But now, the enrollment has significantly increased to around 29,304 regular, extension ,distance and continuity and summer students who joined in to 53 departments/ programs under ten colleges 43 regular post graduate and 2 PhD programs.

Currently, the university is staffed with more than 1286(first degree to third degree) academic staffs (524 are on study leave), and 1181 administrative staffs including technical workers. By 2012 E.C/2020 G.C, the intake capacity of the university was grown to 15,000 regular academic trainees, and staff upgrading and employment will be achieved as planned. But the war in the north destroys lots of things and it almost stops the learning teaching process, Corona virus also takes its part on. Now they start the usual teaching learning program as usual.

1.3.   Statement of the Problem

Many university teachers in Africa are leaving their position because of deteriorating conditions of service, lack of adequate teaching and research facilities and relatively poor remuneration (Ojokuku, 2013). In Ethiopia today, the general state of poverty makes economic reward a very important reason why people go out to work, thereby making money to rank highly as a critical motivator. This situation has made it imperative for Ethiopian workers to pay particular attention to human resource practices which have direct bearing on their financial rewards and social status. One of such human resource activities is performance appraisal linked with remuneration.

There are plenty of rumors and complaints from most academic staff in Ethiopia universities that they are unhappy, uninspired and unmotivated. Most of the academic staff is not favoring the teaching profession which includes low salary, lack of promotion opportunities, unsatisfactory leader behavior, and variety of work load, student discipline problems, uncooperative colleagues and un-conducive working environment. Lack of good working condition and motivation mechanism has no doubt, translated into lecturer's low morale which in turn is translated into student's poor academic performance.

Performance appraisal and remuneration of academic staff in Ethiopian Universities mainly conducted at the time of the candidate's application and as part of annual reports, and only in a few cases there is an additional (development oriented) annual performance appraisal system utilized.

In addition to this, there has been very minimal or less empirical research to investigate the relationship between performance appraisal system and employee outcomes in the form of employee motivation, especially in exploring the perception (both perceived fairness, in form of procedural justice, distributive justice and interactional justice, and perceived accuracy) of employee towards performance appraisal. Furthermore, up to the researcher's knowledge, there is no study on whether or not the academic staff perception on the performance appraisal will have impact and influence on the employee motivation in higher education institutions.

Therefore, it is important to find out the relationships between performance appraisal system and employee motivation, which has a direct impact on work performance and employee commitment in Ethiopia by taking example of DBU. Hence, this study wants to find out the impact of performance appraisal system on the motivation of academic staff in higher education in reference to Debre Berhan University, Debre Berhan, Ethiopia.

1.4. Objectives of the study

The main objective of the study was to examine the effect of performance appraisal system on the motivation of academics in Ethiopian universities by taking Debre Berhan University.

The specific objectives of the study were:

- ✓ To explain the effect of perceived accuracy of academics staff's performance appraisal on the employees' motivation;
- ✓ To determine the impact procedural fairness of academic staff's performance appraisal has on employees' motivation;
- ✓ To find out the relationship between distributive fairness of their performance appraisal and employees' motivation;
- ✓ To examine the impact of interactional fairness of their performance appraisal on employees' motivation;
- ✓ The effect of PAS on the intrinsic motivation of academics in Ethiopia universities by taking DBU
- ✓ The effect of PAS on the extrinsic motivation of academics in Ethiopia universities by taking DBU

Therefore the following null hypotheses were drawn.

- ✓ **Null-hypothesis 1 (H$_o$1):** Performance appraisal has no significant and positive effect on employees' motivation.
- ✓ **Null-hypothesis 2 (H$_o$2):** Procedural justice has no significant and positive effect on employees' motivation.
- ✓ **Null-hypothesis 3 (H$_o$3):** Distributive justice has no significant and positive effect on employees' motivation.
- ✓ **Null-hypothesis 4 (H$_o$4):** Interactional Justice has no significant and positive effect on employees' motivation.
- ✓ **Null-hypothesis 5 (H$_o$5):** Perceived accuracy has no significant and positive effect on employees' motivation.

1.5. Significance of the study

A number of studies have shown that motivation in any form plays a crucial role in determining the level of performance. By satisfying human needs through performance appraisal system in increasing their motivation, better utilization of resources and lowers the cost of business operations. Therefore, good human resource practices will direct the employees towards the accomplishment of the organization goals.

This study will have contribution to Ministry of Education, higher institutions in Ethiopia, management of the higher institutions and academic staff of higher institutions in Ethiopia. In the first place, the results from the study will serve as guidance for Ministry of Education, Debre Berhan University and its fellow Universities in the country to revise their performance appraisal system and work to improve the academic staff motivation accordingly.

Furthermore, the academic staff will have a clear idea about the overall staff performance appraisal system and will benefit from effective use of the system which, on the other hand, will be a source of motivation and inspiration which will create job satisfaction. Finally, this study will be useful to academicians and researchers who might be interested in pursuing research in the same area. The study will help them understand the effect of the performance appraisal system on employee motivation.

1.6. Scope and Limitation of the Research

The study determined the effect of performance appraisal system in improving employees' motivation. The study will be limited to Ethiopian higher education institutions by taking DBU as an example and assuming uniformity in the country. The study will concentrate and only be limited the performance appraisal linked with remuneration package. This study will only focus on the theoretical concepts of performance appraisal which are perceived fairness, perceived accuracy and appraisal satisfaction. Consequently, the study will not focus on the other aspects of performance appraisal system. In addition, the study will only be limited to the examination of the relationship between performance appraisal system and employees' motivation of the academic staff and will not consider the administrative or supporting staff because of the difference in their management system.

1.7. Definition of Important terms and Words

Perceived Fairness: is employees' perception of justice which it will affect the attitudes and behavior of the employee.

Perceived Accuracy: is the perception of employees concerning appraisal accuracy.

Procedural Justice: is the degree to which rules are always properly followed to implement policies

Distributive Justice: is the degree to which all employees are treated the same under a policy.

Organizational Justice: individuals' perceptions of fairness in organizations.

Interactional Justice: the degree to which all people are treated with dignity and respect in decisions affecting them

Performance Appraisal: is a formal system of review and evaluation of individual or team task performance

Employees' Motivation: is the complex of psychological process that accounts for the level, direction and persistence of person's goal-oriented actions.

1.8. Organization of the Study

This study will include five major chapters. The first chapter will be an introductory part consisting of the general introduction, statement of the problem, the significance and the objectives of the study and its scope and limitation.

The second chapter will present the literature review. In this section, theoretical and empirical findings of previous researches (i.e. theories of motivation, performance appraisal studies, and

interrelations in between them) related to the observed topic will be reviewed.

The third chapter will be the methodology section. It will give brief information on the methods, instruments, target, and study population which will be used for this study. It will explain the sampling and procedures to be used for the data collection and will describe research design and its appropriateness.

Chapter four will present and discuss the results and findings of the study. In doing so, reliability analysis and correlation analysis will be used to test how well the variables are correlated to one another and the findings will be presented using tables and figures.

The fifth chapter will conclude and recommend on the results and findings of the study

2. Chapter Two

Review of Related Literatures

In this chapter the researcher tried to make explicit and clear issue that shaped and organized the study. The theoretical and conceptual frame work is vital for guiding the research, for insuring the boundaries of the study. The researcher emphasizes to the most appropriate theories relating with performance appraisal system on employees' motivation in higher education institutions.

2.1. Theoretical Literature

2.1.1. Motivation Definition

The term motivation originates from the Latin word "movere", what means "to move". That gives an account of why it is regularly considered as a people's driving force. Motivation refers to "the reasons underlying behavior" (Julien, et al., 2010). Paraphrasing, (Gredler, Broussard, & Garrison, 2004) broadly define motivation as "the attribute that moves us to do or not to do something". (Adam M, 2008), considers motivation as power that imposes people to reach their goals.

(Robinnes & Judge, 2013), Defined motivation as the processes that account for an individual's intensity, direction, and persistence of effort toward attaining a goal. The challenge for any manager is to find the means to create and sustain employee motivation. (Dobre, 2013) Employees' motivation corresponds to a narrower concept of motivation. A specific job-related definition of motivation was determined by (Robinnes & Judge, 2013). It is defined as the inclination to expend sophisticated efforts towards organizational goals with concern for capability and effort to fulfill personal needs. In general, motivation affects employees to achieve their goals and leads them towards set objectives. Thus, employees can be considered motivated if they have clearly set goals and doing their best to achieve them.

In the present context employees' motivation is defined as the complex of psychological processes that account for the level, direction and persistence of person's goal-oriented actions. In this framework direction refers to the individual choice among all the possible alternatives; level refers to the amount of person's effort; and persistence refers to lengths of time individual spent for every action. Understanding of these psychological processes allows successfully guiding and motivating employees.

The lack of motivation results in employees' discouragement, unproductiveness and not

complete participation in job-related activities. Moreover, top performers in the organizations won't do their best until they are motivated. Consequently, in terms of organizational development, understanding of employees' motivation appears to be one of the key elements of work effectiveness. Furthermore, in order for companies to be successful and to survive in the modern competitive world, organizations need motivated employees as they are highly involved in the work and achieve better results.

2.1.2. Theories of Motivation

It is extremely important to understand what makes employees willing to provide exceptional service, be effective at their work, reach set goals and do the best to overcome the expectations. Answering these questions is one of the most important moments in understanding of employees' behavior and their motivation. It is not as simple to response to these queries as it seems. Instead of the answers there are plenty of theories that explain motivation concept. They can be divided into two broad categories: content theories and process theories (Schermerhorn, G.Hunt, Richard N, & Uhl-Bien, 2010). Also a definite amount of consideration should be given to intrinsic and extrinsic motivation and its theories as well. Theories of each category contribute to the general understanding of job motivation but at the same time neither of them provides a definite explanation.

2.1.3. Content theories of motivation

Early researchers considered motivation in terms of understanding of individual needs. They thought that employees' goal-oriented behavior was determined by those desires. Thus, content theories emphasis mainly on the needs of individuals which can be described as psychological or physiological deficiencies that arouse behavior. They can be weak or strong, vary over time and place and be influenced by environmental, therefore it is vital to recognize those desires in regard to employees' motivation. Consequently, content theories explain the influence of satisfied and blocked needs on overall job motivation. These are the four major theories in the category: Maslow's hierarchy of needs theory, Alderfer's ERG theory, Herzberg's dual-factor theory, and McClelland's acquired needs theory.

2.1.4. Maslow's hierarchy of needs theory

Maslow suggests that motivation is a function of five levels of individual needs: physiological, safety, social, esteem, and self-actualization (Figure 1).
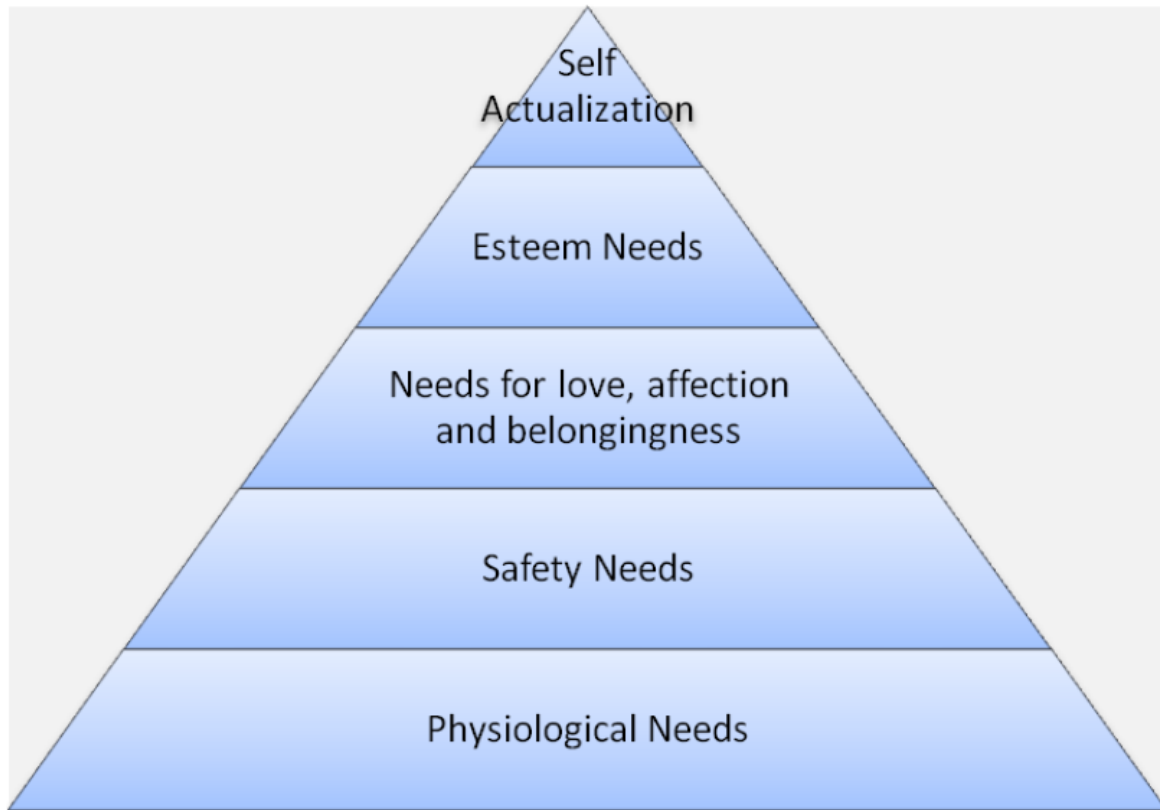
Figure 1**Maslow's hierarchy of needs adapted from Jerome, (2013)**

They range from physiological needs at the bottom to self-actualization needs at the top. The theory assumes that people have needs that hierarchically ranked; some of them are more significant than others and have to be satisfied before the other needs may serve as motivators. Thus, once lower-order needs (physiological, safety, and social) are satisfied, the person will emerge higher-order needs (esteem and self-actualization) while lower-order needs won't serve as motivators anymore.

2.1.5. Alderfer's ERG theory

ERG is a motivational construct concerned with understanding the factors that contribute to individual human behavior (R. Caulton, 2012). This theory represents a modification of Maslow's hierarchy, but differs in three main aspects Alderfer, 1989, as cited in (R. Caulton, 2012)). First, Alderfer grouped human needs into three categories: existence, relatedness, and growth (ERG). Existence represents desires for physiological and material well-being (corresponding to Maslow's physiological and safety needs); relatedness is focused on satisfaction of interpersonal relations (it corresponds to Maslow's social needs); and growth is

oriented to sustained personal growth and development (Maslow's esteem and self-actualization). Second, if the high-level needs cannot be satisfied, lower-level needs enhance. That is called "frustration-regression" hypothesis. Thus, lower-level needs on the same basis as higher level needs may become motivators at any point. Finally, in accordance with ERG theory more than one need may operate at the same time.

Consequently, ERG theory represents a more flexible approach (compared to Maslow's theory) towards understanding of employees' motivation. It implicated the necessity of employees' multiple needs recognition in order to perceive their behavior and motivate them.

2.1.6. Herzberg's dual-factor theory

Frederick Herzberg approached the question of connection between individual needs and motivation in a different way. By asking employees what makes them feel good at work and what dissatisfies them, Herzberg noticed that features of the work environment that satisfy people are different from those that dissatisfy them. (Herzberg, 1968, as cited in (Hong & Wahid, 2011)) These aspects were divided into two categories: hygiene and motivator factors (Figure 2).
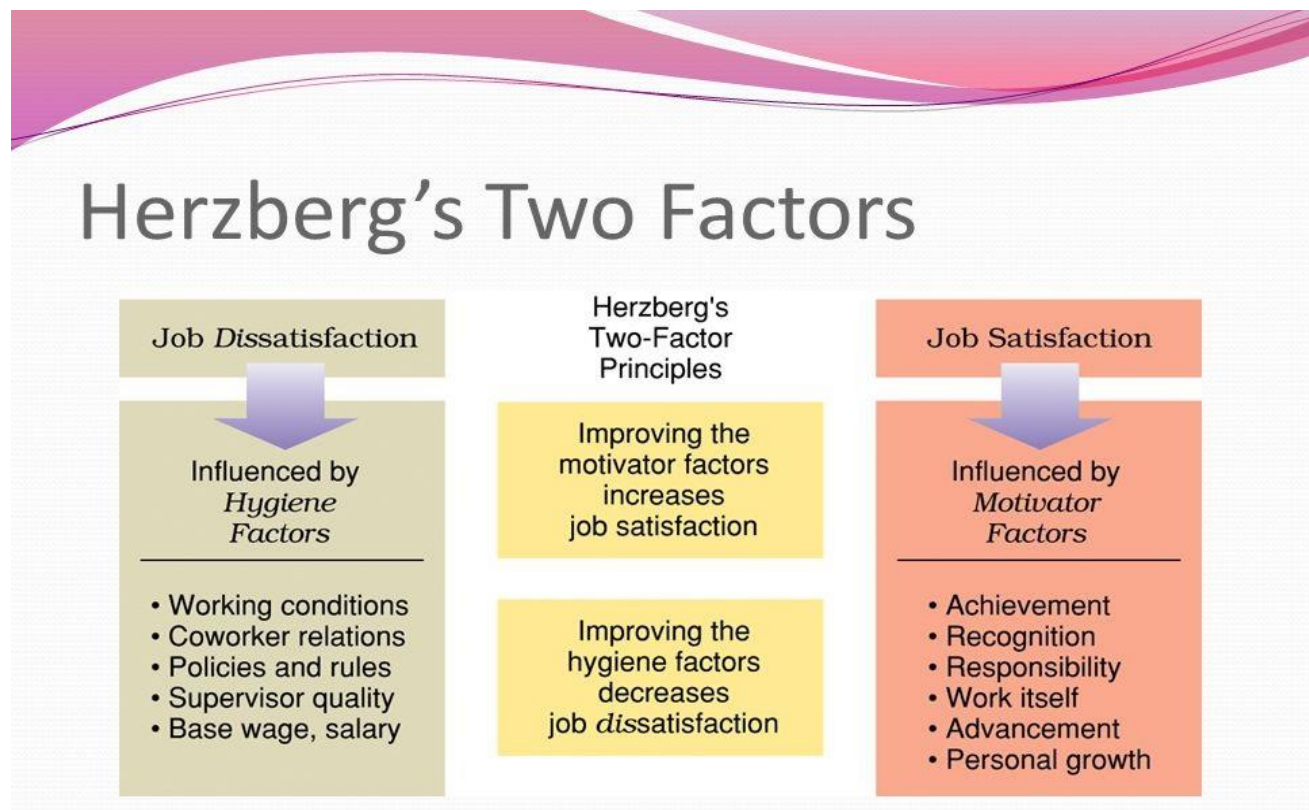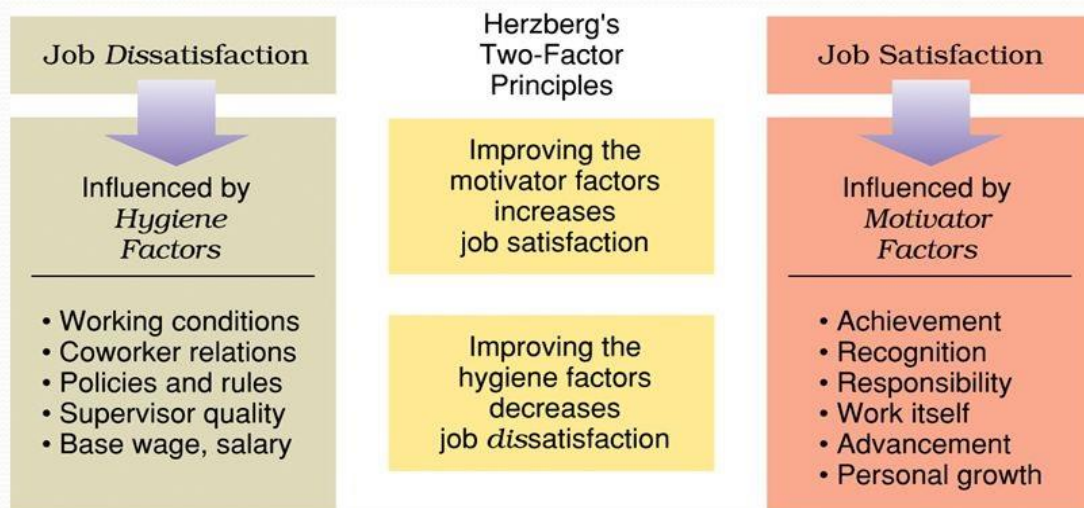
Hygiene factors represent the source of job dissatisfaction and mostly associated with the work environment. According to the dual-factory theory, poor hygiene factors give the rise to job dissatisfaction and their improvement cannot increase job satisfaction, but just decrease job dissatisfaction. On the other hand, motivator factors are the source of job satisfaction. They are intrinsic and more related to job content. According to this theory, the existence or absence of motivators is the key element of satisfaction, motivation, and performance (Schermerhorn, Hunt, Osborn, & Bien, 2010).

Herzberg's dual-factor theory has also received its share of criticism, basically related to the fairness of allocation of factors towards hygiene or motivator. Despite its limitations, this theory gives attention to the work environment as to the field of impact on employees' motivation.

2.1.7. McClelland's acquired needs theory

The theory of (learned) needs is one of the most ubiquitous and pragmatic in personality and organizational scholarship. Developed by McClelland, needs theory contends that individuals are motivated by three basic drivers: achievement, affiliation, and power (Royle & Hall, 2012). According to McClelland's theory, people obtain these three categories of needs according to

their life experiences. These are: need for achievement, or nAch (the desire to do things more efficient and better, to solve problems and be responsible for complex tasks), need for affiliation, or nAff (the desire for warm and friendly relations with others), and need for power, or nPow (the desire to control and influence others behavior). The differences in these categories can be linked with the set of work preferences and as a result with work motivation.

Consequently, this theory has a substantial implication on employees' motivation from a perspective of individual needs. All the content theories can be united and compared in Table 1.

Table 1: Comparison of Content Theories

	Maslow	Alderfer	Herzberg	McClelland
Lower-order needs	Physiological needs Safety needs Social needs	Existence Relatedness	Hygiene factors	Affiliation
Higher-order needs	Esteem needs Self-actualization	Growth	Motivator factors	Power Achievement

As it can be seen from the table all the four theories are interrelated. They are addressed towards studying of people needs. In general, needs represent individual's unsatisfied physiological or psychological desires, clarify on-the-job behavior or attitudes, and create tensions that impact the overall behavior. Thus, according to content theories people are motivated by their unsatisfied needs.

2.1.8. Intrinsic and extrinsic motivation

Various individuals' needs can be categorized in many ways as physiological, social, or other motives. Motivation, in this case, may be different not only in the level (how much), but also in the orientation (what type). In motivational orientation it is mainly studied the attitudes and goals that lead people to the action. Thus, (M.Ryan & L.Deci, 2000) outline two types of motivation: intrinsic and extrinsic. There are different motivators or goals that bring people to action in each type. In intrinsic motivation, action is defined by inherent interest or enjoy, while in extrinsic

motivation separable outcomes lead to it.

2.1.8.1. Intrinsic motivation and Cognitive Evaluation Theory

According to (M.Ryan & L.Deci, 2000)

"Intrinsic motivation is defined as the doing of an activity for its inherent satisfaction rather than for some separable consequence. When intrinsically motivated, a person is moved to act for the fun or challenge entailed rather than because of external products, pressures or reward".

They argued that interpersonal events and structures promoting feelings of competence during actions increase intrinsic motivation by satisfying basic psychological needs for competences. They specified that the feeling of competence will enhance intrinsic motivation if it promotes a sense of autonomy. That means that in order to maintain and increase intrinsic motivation, employees should experience a sense of self-efficiency as well as autonomy (Oudeyer, Kaplan, & Hafner, 2007)

2.1.8.2. Extrinsic motivation and Organismic Integration Theory

Despite of the fact that intrinsic motivation is important, there are many types of activities in which people are not intrinsically motivated.

(M.Ryan & L.Deci, 2000), defined extrinsic motivation as;

> *"Extrinsic motivation is a construct that pertains whenever an activity is done in order to attain some separable outcome. Extrinsic motivation thus contrasts with intrinsic motivation, which refers to doing an activity simply for the enjoyment of the activity itself, rather than its instrumental value."*

Extrinsic motivation is linked to tangible rewards as promotions, job security, wages, health insurance, benefits, work environment, etc.

It is necessary to point out that the higher level of motivation autonomy (the closer it is to intrinsic motivation), the bigger the consequences. Consequently, employees' performance depends on their intrinsic and extrinsic motivation which eventually results in the satisfaction level of their needs. In other words, employees' job performance can be evaluated through intrinsic (the level of autonomy, feeling of competencies, interest towards the job, etc.) or extrinsic (promotions, pay raise, etc.) rewards (Benabou & Tirole, 2003)

2.1.9. Process theories

These theories in contrast to content approach consider motivation as a rational process. They mainly concentrate on the cognitive process that appears in the employees' minds and impact on their behavior (Schermerhorn, G.Hunt, Richard N, & Uhl-Bien, 2010). Individuals both examine the working environment and develop their feelings and reactions what allows them to respond in the definite way. While content theories emphasize their attention on individual needs, a process approach is mostly oriented on identification of employees' behavior in accordance with existing rewards and work opportunities. The three major theories of this category are equity theory, expectancy theory, and goal-setting theory.

2.1.10. Equity theory

Adams Equity theory is generally defined as one of the motivational models that clarify how employees struggle for fairness and justice in social interactions and give-and-take relationships. The basis for equity approach is social comparison. This equity can be presented by equation 1.

$$\frac{Person's\ outcomes}{Person's\ inputs} = \frac{Other's\ outcomes}{Other's\ inputs} \qquad \text{Equation 1}$$

People felt negative inequity in this equation when an individual feels that he or she has received relatively less than others have in proportion to work inputs. Thus, in case of perceived negative inequity employees are more likely to change work inputs or outputs, reconsider comparison points, or even quit. At the same time, positive inequity exists when an individual feels that he or she has received relatively more than others have, which makes people increase the quantity or quality of their work or even both of them. When either feeling exists, the theory states that people will be motivated to act in ways that remove the discomfort and restore a sense of felt equity. (Schermerhorn, G.Hunt, Richard N, & Uhl-Bien, 2010)

The equity comparison can be viewed as intervening between the allocation of rewards and the ultimate motivational impact for the recipient. That is: (Figure 3).
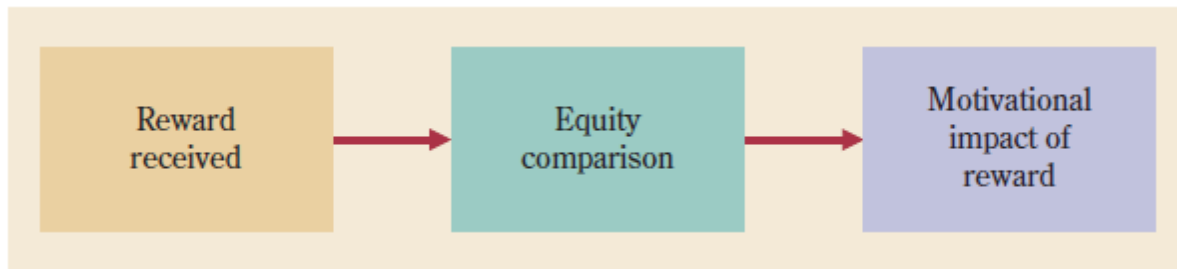
In equity theory employees in interactions are motivated by the sense of fairness based on the social comparison, and that is why not every reward may work as intended. If the reward is not fair and equitable, it may lead to the negative consequences. Thus, motivational outcomes in equity theory are determined by the recipient perception of the rewards in context and in terms of fairness.

In equity theory, perceived fairness is considered to be a motivator with its limitations towards rewards. One of the basic elements of equity theory is the fairness with which people perceive they are being treated. This raises an issue in organizational behavior known as organizational justice. (Schermerhorn, G.Hunt, Richard N, & Uhl-Bien, 2010) It represents the fairness and equity of employees' view towards practices of their workplace and consists of three categories: procedural justice, distributive justice, and interactional justice.

Procedural justice can be described as degree to which perceived fairness of the procedures and processes used to make allocation decisions. It is a finding that people evaluate procedures that allow them an opportunity to voice their opinion in a decision-making process to be more fair than procedures that do not allow them such an opportunity. (Prooijen, van den bos, & Wilke, 2004)

Distributive justice is the degree of perceived fairness towards distribution and allocation of rewards and resources. It is described as the level to which all the employees are treated the same under the policy. Distributive justice is concerned with the final allocation of economic rewards and responsibilities, as opposed to procedural justice, which concerns just processes and may include consideration of inter-temporal choice and uncertainty that are not addressed here. (Konow, 2001) Interactional justice refers to the degree to which the people affected by a decision are treated with dignity, respect, and kindness in interpersonal relations. Interactional justice may motivate employees even in case of negative outcomes.

Paying careful attention towards all the three categories of justice will definitely be beneficial for employees. Moreover, justice perceptions results in positive outcomes for the companies while injustice is mostly harmful and contributes to stress. Treating employees at work with the respect to procedural, distributive, and interactional justice create higher level of employees' commitment to organizations, increase performance and eventually affect their motivation. Moreover, employees' perception of justice categories that is based on social comparison form the obvious motivational influence.

Consequently, if employees face inequity in perceived fairness (procedural, distributive, or interactional) through allocation of extrinsic and intrinsic rewards compared to their inputs, they are likely to be dissatisfied and have the feeling of unsatisfied needs. When this occurs individuals' tension leads them to take actions that would restore the perceived inequity. The process of rethinking is happening right before an employee makes an effort

2.1.11. Expectancy theory

Vroom's expectancy theory differs from the content theories of Maslow, Alderfer, Herzberg, and McClelland in that Vroom's expectancy theory does not provide specific suggestions on what motivates organization members. Instead, Vroom's theory provides a process of cognitive variables that reflects individual differences in work motivation. From a management standpoint, the expectancy theory has some important implications for motivating employees. It identifies several important things that can be done to motivate employees by altering the person's effort-to-performance expectancy, performance-to-reward expectancy, and reward valences. (Lunenburg, 2011) Consequently, people's motivation will depend on the degree of the next believes (Figure 4):

- ✓ Effort will lead to adequate performance (expectancy);
- ✓ Performance will be rewarded (instrumentality);
- ✓ Value of the reward will be positive (valence).
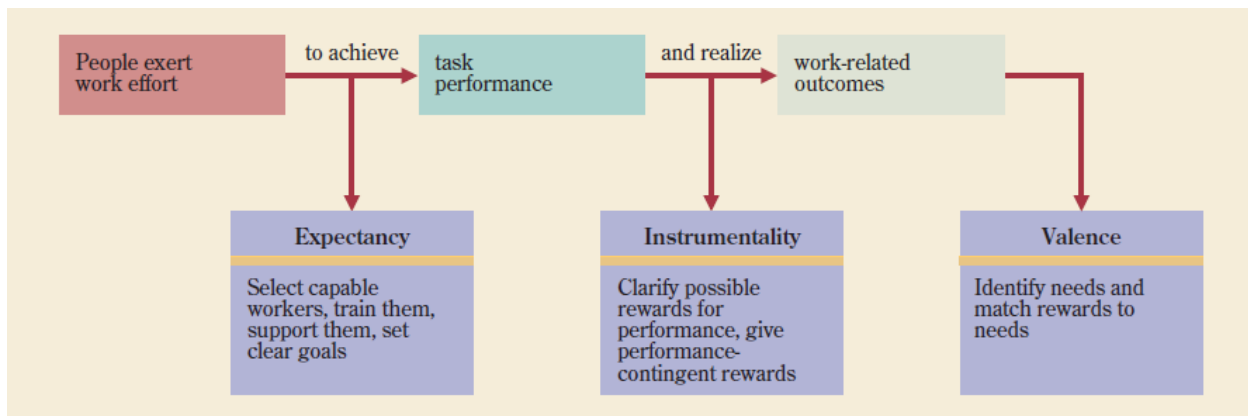
*Figure 4*Key terms and managerial implications of Vroom's expectancy theory. Adapted from "Organizational Behavior," by (2010, p. 116)

Thus, expectancy is shown up as individual belief that work effort will be followed by a particular level of performance, or effort-to-performance expectation. Instrumentality is represented as performance-to-outcome expectation. It refers to individual expectation that his/her performance will result in different work outcomes. Valence refers to the value the individual (both positive and negative) places on outcomes. Valence shows employees' personal preferences. Accordingly, the outcome's valence will depend on individual's needs as it will refer to different consequences connected to pay, promotion, recognition, etc. In his theory, Vroom posits that all the elements are related to each other and influence on employees' motivation. It can be presented in the following equation.

Motivation = Expectancy x Instrumentality x Valence.

As it can be seen from the equation, there is a multiplier effect of three constituents that affect motivation. Thus, to create a high level of work motivation it is necessary to maximize expectancy, instrumentality, and valence.

2.1.12. Goal-setting theory

Goals are important aspects of motivation, and yet they often go unaddressed. Without clear goals, employees may suffer direction problems; when goals are both clear and properly set, employees may be highly motivated to move in the direction of goal accomplishment. Among numerous motivational theories, goal setting theory particularly can serve strategic human resource development practices. The goal-setting theory suggests that organizational goals have to be communicated clearly and the goals need to be specific enough. Another feature of goal-setting is that they need not be too easy or perceived to be impossible to fulfill. (Avci, 2015), and

(Schermerhorn, G.Hunt, Richard N, & Uhl-Bien, 2010), summarized the researches on goals setting implications:

- ✓ Difficult goals are more likely to lead to higher performance than are less difficult ones;
- ✓ Specific goals are more likely to lead to higher performance than are no goals or vague or very general ones;
- ✓ Task feedback, or knowledge of results, is likely to motivate people toward higher performance by encouraging the setting of higher performance by encouraging the setting of higher performance goals;
- ✓ Goals are most likely to lead to higher performance when people have the abilities and the feelings of self-efficacy required to accomplish them;
- ✓ Goals are most likely to motivate people toward higher performance when they are accepted and there is commitment to them

Thus, it is obvious that goals setting influence on employees motivation. Moreover, speaking about goals setting and its motivational potential, a widely used concept called management by objectives (MBO) should be mentioned. MBO is defined as management system that includes involvement of supervisor and subordinate in goal setting, feedback, and decision making processes. Despite of the positive results, MBO has its drawbacks. Thus, there are difficulties with recording and documenting of goals and accomplishments, what creates overload of paper-work, there is also too much focus on rewards and punishments as well as on top-down goals which is easier to achieve individually rather than by team.

2.2. Performance Management

Performance management is defined as a management instrument, consisting of (1) performance appraisal and (2) remuneration connected to results of appraisal. The goal for performance management is to increase performance and align means of performance appraisal with strategic goals of an organization. Performance management (PM) is a goal-oriented process directed towards ensuring that organizational processes are in place to maximize the productivity of employees, teams, and ultimately, the organization. (Pandey & Dr. MS , 2016)**,** It is a major player in accomplishing organizational strategy in that it involves measuring and improving the value of the workforce. PM includes incentive goals and the corresponding incentive values so that the relationship can be clearly understood and communicated. There is a close relationship between incentives and performance.

2.3. Performance Appraisal

Performance appraisal (PA) is a formal system of review and evaluation of individual or team task performance. (L. Toppo, & Prusty, 2012), a critical point in the definition is the word formal, because in actuality, managers should be reviewing an individual's performance on a continuing basis. (Schermerhorn, G.Hunt, Richard N, & Uhl-Bien, 2010), defines performance appraisal as the formal procedure for measuring and documenting a person's work performance

PA is part of the performance management process in which an employee's contribution to the organization during a specific period is assessed. The feedback from this process allows an employee to know how well they have performed in comparison with the set standard of the organization.

2.3.1. Purpose of Performance Appraisal

For many organizations, the primary goal of an appraisal system is to improve individual and organizational performance. (Iqbal, 2012)) There may be other goals, however. PA data are potentially valuable for virtually every human resource functional area like; human resource planning, recruitment and selection, training and development, career planning and development, compensation program, internal employee relations and assessment of employee potential.

Performance appraisal has two general uses in organizations. One role is to measure performance for the purpose of rewarding or otherwise making administrative decisions about employees. Promotions or layoffs might hinge on these ratings. Another role is the development of individual potential. In that role, the manager is featured more as a mentor than as a judge, and the atmosphere is often different. (Ibeogu & Ozturen, 2015), The emphasis is on identifying potential and planning employees' growth opportunities and direction. Most employees have a strong need to know how well they are performing.

Performance appraisal systems are being administered for fulfilling various purposes in organizations, for instance, to enhance employee performance and productivity, develop employees to enhance their skills and to develop those performance areas where employee has low ratings. (Ikramullah, Shah, Khan, Ul Hassan, & Zaman, 2012) PASs are being used for administrative decisions relating to (salary, promotion, retention or termination, layoff) and developmental decisions like (training of employees, furnishing appraise with regular performance feedback, employees' transfers, determining employees' strengths and weaknesses).

Performance appraisal serves many purposes for the worker, the manager, and the organization. For the worker, PA serves as a means of reinforcement and career advancement (through praises, pay raises, promotion, and increased responsibility). For the manager, PA serves as a basis for making personnel decisions such as promotions, transfers, firings, etc. It also serves as a means of assessing workers' goal attainments and opportunity to provide feedback and interact with subordinates. For the organization, PA facilitates assessment of the productivity of individual workers and work units.

2.3.2. Performance Appraisal in Higher Education Institutions

Performance management of academic staff is based on two pillars: (1) annual performance appraisals and (2) corresponding remuneration decisions. According to Turk (2016) PM is considered as an important management instrument on tactical level. Performance appraisal of academic staff may be: a) position-based and/or annual; b) general and/or detailed; c) long- or short-term; d) quantitative and/or qualitative indicator based; e) objective and/or subjective; f) a combination of the above. A combination of different indicators and methods was used to appraise performance. In parallel to qualitative indicators and subjective assessment based evaluation, some cases saw the additional use of quantitative and objective indicator based annual evaluation. The subjective and position-based appraisal of academic staff takes place as part of the appointment to the position and is based on general, long-term and qualitative indicators. The academic staff pay system can be a) position-based (salary scale and basic wage based); b) market-based (work and salary market based); performance based (performance appraisal based); d) a combination of the above. The performance based systems for remuneration are based on the annual performance appraisal and comprise a unified performance management system.

2.3.3. Elements of Performance appraisal

The theoretical framework elements of performance appraisal are perceived accuracy, perceived fairness and appraisal satisfaction

2.3.3.1. Perceived fairness

Performance appraisal system has a significant impact on the employee perception of justice which it will affect the attitudes and behavior of the employee; alternately, it will influence the

performance of the organization. According to Warokka (2012) Performance appraisal system is closely linked with the organizational justice. The fundamental concept underpinning both ethics and organizational justice is fairness, which influences people's judgment about right and wrong. (Moghimi, Kazemi , & Samiie, 2013), This perceived fairness has generally been postulated to encompass three different components: Distributive justice (is the degree to which all people are treated the same under a policy), procedural justice (the degree to which rules are always properly followed to implement policies.), and interactional justice (the degree to which the people are treated with dignity and respect in decisions affecting them). (Schermerhorn, G.Hunt, Richard N, & Uhl-Bien, 2010)

2.3.3.2. Perceived accuracy
Perceived accuracy is one of the most widely and frequently used criteria of individuals' acceptance of appraisal system. Accurate evaluation stimulates employees to accept appraisal system as a valid indicator of their performance what leads to increased participation in appraisal process and motivational accretion. Thus, (Michael , Scott, & Tarnoff, 1995) claimed the presence of strong correlation between perceived accuracy and employees' motivation in functioning appraisal systems.

2.3.3.3. Appraisal satisfaction
Appraisal satisfaction can be defined as employees' attitude towards the implemented performance appraisal system, otherwise speaking it is the measurement of employees' reaction (satisfaction) in regard to their evaluation. (Kuvas, 2006), In order for PA to positively influence employee behavior and future development, employees must experience positive appraisal reactions. If not, any appraisal system will be doomed to failure.

Moreover, individuals' appraisal satisfaction as a significant motivator was studied in the work of (DeNisi & D. Pritchard, 2006). They confirmed that workers' satisfaction with appraisal system may result in improvement of their performance.

2.4. Empirical Literature
There is a growing consensus among researchers and practitioners that the success with the performance appraisal process is extremely important in encouraging employee development and motivation. Researchers have typically measured appraisal reactions in terms of perceived fairness, perceived accuracy, and appraisal satisfaction. (Dusterhoff, Cunningham, & MacGregor, 2014)

2.4.1. Perceived fairness on appraisal satisfaction

A study by (Choon & Embi, 2012) on subjectivity, perceived fairness and performance appraisal revealed that subjectivity is unavoidable in performance appraisal and the perceptions of injustice will still exist. In another study, it is found that the motivational effect was greater for those who perceive performance appraisal as fair and are satisfied with post-assessment feedback. (Lee, 2017) With this in mind, an important and influential approach to the perception of performance appraisal fairness has been provided by the organizational justice perspective.

Organizational justice prevails when its employees believe that the rewards are fair and justified. Perceptions of fairness are ordinarily categorized as Procedural, Distributive and Interactional. (Akhtar & Shehzad, 2013), In another study, (Ibeogu & Ozturen, 2015) an overall perception of employees of Northern Cyprus Banks shows a positive rating towards the fairness of the appraisal system regarding procedural justice, distributive justice and interactional justice.

2.4.2. Procedural Justice on Appraisal Satisfaction

Procedural justice focuses on the perceived fairness of procedures followed to arrive at the intended outcome (ratings). (Pichler, et al., 2015), show how procedural justice is related to employee perceptions of fairness and attitudes about the performance appraisal process. They suggest that the relationship between leader-member exchange and appraisal satisfaction is mediated by procedural justice. But in the contrary to this, (Sudin, 2011) found that Procedural justice failed to show any relationship with satisfaction variables. In addition, a current study by (Phuong, 2018) also showed that perception of procedural justice does not influence job performance among Vietnamese employees.

2.4.3. Distributive Justice on Appraisal Satisfaction

In the context of performance appraisal, distributive justice focuses on the perceived fairness of the appraisal rating or outcome received in relation to the actual work performed. (Akhtar & Shehzad, 2013), A study by (Sudin, 2011) found that distributive justice is significantly and positively related to satisfaction with the appraisal ratings as well as satisfaction with the supervision. Currently, (Raza, Gulzar, & Jabeen, 2017) found that distributive justice is positively correlated with trust in leader, but negatively correlated with employee turnover intention in telecom sector in Pakistan.

2.4.4. Interactional Justice on Appraisal Satisfaction

Interactional justice focuses on the perceived fairness of the interpersonal treatment employees receive during the appraisal process. (Akhtar & Shehzad, 2013) Interpersonal justice was found to be significantly and positively related to employee satisfaction with supervisor. This finding shed some light to our understanding of relationship between interactional justice, which consists of interpersonal justice, and informational justice, and employee satisfaction. (Sudin, 2011) Another current study on interactional justice indicated that this variable fully mediated the relationship between procedural justice and job performance in south Asian countries. (Ashraf, Vveinhardt, Ahmed, Streimikiene, & Mangi, 2017) The result of this study indicates that the performance of government college faculty members can be improved by ensuring fair procedures and dignified treatment of faculty members in the working environment. It can be concluded that teachers can accommodate harsh procedures, subject to courteously and fairly communicated.

2.4.5. Perceived Accuracy on Appraisal Satisfaction

It was suggested that perceptions of fairness and accuracy in performance evaluation may depend as heavily on the level of trust in the on-going superior-subordinate relationship as on characteristics of the performance appraisal process itself. (Fulk, Fulk, Brief, & Barr, 1985) The paper by (Sharma & Sharma, 2017) proposed that the use of HR analytics will be negatively related to subjectivity bias in the performance appraisal system, thereby positively affecting employees' perceived accuracy and fairness. Which further positively affects employees' satisfaction with performance appraisal system and which subsequently increases employees' willingness to improve performance?

2.5. Appraisal Satisfaction on Employees' Motivation

In addition to fairness and transparency of assessments, it should be tired to continuously and from the perspective of employees, improve and modify performance appraisal system. A study by (Fakhim & Raisy, 2013) indicate that satisfaction with performance appraisal is regarded as an important index in improving the effectiveness of this function of management and it will have outcomes such as motivation improvement, reduction in willingness to quit job, increasing affective commitment of employees and improvement in work performance. While another study by (Weerakkody & Mahalekamge, 2013), indicate that there is a weak (10%) but positive relationship between performance appraisal satisfaction and employee motivation.

2.6. Conceptual framework

This study tried to examine the impact of performance appraisal system on employees' motivation. Here the independent variable are the theoretical framework elements of performance appraisal; perceived accuracy and perceived fairness, which is interpreted using organizational justice that are procedural justice, distributive justice and interactional justice. The dependent variable is the employees' motivation which can further have a direct impact on work performance and employee commitment.
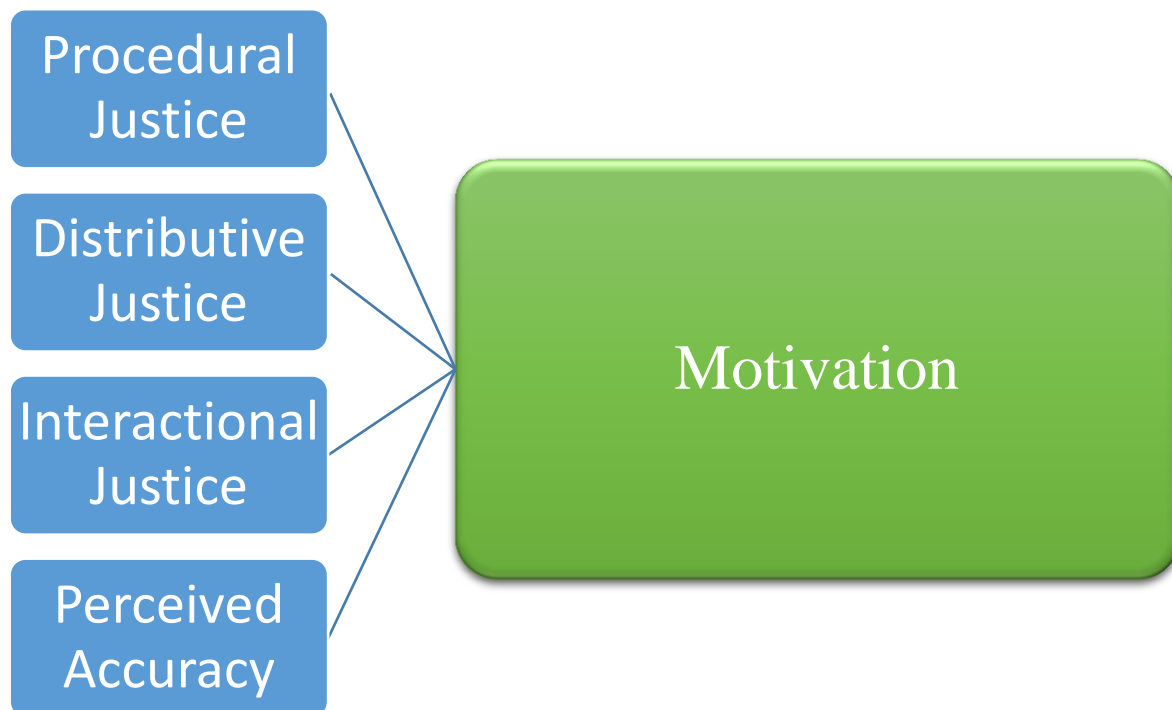
*Figure 5: **Conceptual framework for the effect of performance appraisal system on employee's motivation, developed by researcher***

The model shows that there are four elements that may have direct effect on overall motivation, which are procedural justice, distributive justice, interactional justice and perceived accuracy.

3. CHAPTER THREE

RESEARCH METHODOLOGY

Introduction

This chapter presents the methodology of research that was used in this study. It explains the approaches that were taken to examine the data for the chosen variables and analysis of the data discourse the research problem. The area covered in this entire research design includes; research design, sampling and source of data, data collection and method of data analysis, reliability and validity test.

3.1. Research Design

Explanatory and descriptive survey research design is employed for this study. This study tried to discover and explain the level of motivation of the academic staff and explained the effect of their perception towards the performance appraisal system. An explanatory research establishes causal relationships between variables. It emphasizes on studying a situation or a problem in order to explain the relationship between variables. An exploratory research is undertaken when the researcher has little information or knows little about the problem or the opportunity. It is designed to discover new relationships, patterns, ideas and insights. Descriptive research is undertaken in order to ascertain and be able to describe the characteristics of the variables of interest in a situation.

3.2. Sampling Design

3.2.1. Target Population

The target population for this study included academic staff of DBU. The target population for this research is around 1203 academic staff. From which 924 are male and the rest 279 were female.

3.2.2. Sample Size Determination

Yamane provides a simplified formula to calculate sample size (Yamane, 1967). This formula was used to calculate the sample size for this study. A 95% confidence level and $e = 0.05$ are assumed for this Equation.

$$n = \frac{N}{1+N(e)^2} \qquad\qquad \textit{Equation 1}$$

Where *n* is the sample size, *N* is the population size, and *e* is the level of precision or the margin of error. When this formula is applied to the above population, we get the following sample

size.

$$n = \frac{1203}{1 + 1203(0.05)^2}$$

$$\underline{n \cong 300}$$

Using the Yamane's formula, the sample size was 300. Consequently, 300 questionnaires were expected to be collect from academic staff of the DBU.

3.2.3. Sampling Techniques

The probability sampling (simple random sampling) was used for this study in order to guarantee randomization of selection process as well as the lack of systematic and sampling bias in it. Moreover, properly done random selection allows making conclusions for the entire population. Thirty five questionnaires were distributed to each of the ten college deans and then they distribute and collect it from their corresponding staff members.

3.3. Source of Data

This study is quantitative research which aimed to assess the effect of the Performance appraisal system on employees' motivation in DBU. The study used both the primary as well as secondary data. A survey data collection method was employed to collect primary data. The primary source of data was the academic staff members of DBU.

3.4. Methods of Data Collection

Self-administered questionnaire is the most effective way of data collection tool for the survey of this study. The respondents were expected to provide answers to the closed ended questions. The questionnaire was split into four sections. The initial section asked questions concerning the general respond information; demographics. The second section examined the level of the employee's intrinsic and extrinsic motivation. The third section established the effect of the perceived fairness of the performance appraisal process on employees' motivation. In assessing the level of perceived fairness, procedural, distributive and Interactional justice is analyzed. And finally, the fourth section examined the perceived accuracy of the performance appraisal. A five-point Likert-type scale and rankings is used (ranging from strongly disagree to strongly agree) to reflect the appropriate levels of measurement necessary for statistical analysis.

The researcher distributed 350 questionnaires and 310 were collected. Out of the 310 collected questionnaires, 300 were used for analysis by random selection. Therefore, the researcher considered all the questionnaires are returned.

3.4.1. Reliability Analysis

Reliability is concerned with the ability of an instrument to measure consistently (Tavakol, 2011). Reliability is computed to check whether data items measured the variables they were supposed to measure and that the measures were stable when used for repeated measurements. The purpose of the reliability testing was to examine the properties of measurement scales and the items in order to obtain the overall index of internal consistency of the scales. Cronbach's alpha is the most common measure of internal consistency ("reliability") (Tavakol & Dennick, 2011). It is most commonly used when multiple Likert questions are used in the survey questionnaire that form a scale, and to determine if the scale is reliable.

Pilot study was conducted on 20 respondents from DBU academic staff which were not part of the main study. The survey study was made before conducting the actual study in order to make sure that the questionnaire is relevant to the study. The Cronbach's alpha coefficient was calculated for each variable of the questionnaire (Table 2 and 3). This reliability statistics is above the minimum required threshold (0.7) (Taber, 2018). Hence, the instrument is reliable.

Table 1: Reliability Statistics

Cronbach's Alpha	N of Items
0.865	6

Source: Own Survey, 2022

Table 2: Reliability Statistics for each variable

Variables	Cronbach's Alpha for each Item
Intrinsic Motivation	0.835
Extrinsic Motivation	0.815
Procedural Justice	0.815
Distributive Justice	0.816
Interactional Justice	0.822
Perceived accuracy	0.819

Source: Own Survey, 2022

3.4.2. Validity Test

A valid instrument contains content that is relevant to the study. To ensure the validity of the instrument, content validity was conducted. Content validity refers to a measure of a degree to which data collected using a particular instrument represent a specific domain of indicators or content a particular concept (Heale & Twycross, 2015). It indicates the degree to which an instrument measures what it is supposed to measure. Questionnaire papers were modified according to literatures within the specific topic and were reviewed by advisors, professionals and academicians.

3.5. Methods of Data Analysis

The collected data was coded and entered into the computer and processed using the Statistical Package for Social Sciences (SPSS) program according to each variable of the study for analysis. This study also used descriptive statistics. The descriptive analysis involves a process of transforming a mass of raw data into tables, charts, with frequency distribution and percentages, which are a vital part of making sense of the data. In order to establish the relationships between variables, bivariate correlation analysis is conducted. Pearson correlation (r) is used for this purpose since it is best suited for the data of the study and helps to determinate the strengths and directions of the association between items. In addition, multiple linear regressions is used to analyze the relationship between a single dependent variable and the four independent variables in the study. In order to see outliers, it is needed to check the data whether there are any potential outliers existing in the analysis. Multiple regressions are very sensitive to outliers (i.e. very high or low score). Thus, outliers should be removed before running the regression analysis. Multivariate outliers can be detected by using statistical methods such as case wise diagnostics.

3.6. Ethical Consideration

The primary responsibility of the researcher would be confirming strictly its confidentiality and guarantying their privacy during treating the information given by respondents. The purpose of the research was explained to respondents before conducting survey by preparing them with covering letters.

4. CHAPTER FOUR

DATA ANALYSIS AND DISCUSSIONS

An explanatory research design that uses both descriptive and inferential analysis was conducted in order to find out the effect that Performance Appraisal System has on Employees' Motivation. The researcher collected secondary data from records of office, publications and Legislation. On the other hand, primary data was collected using questionnaires that were filled by employees

4.1. Demographics Characteristics

The demographic section of the questionnaire shows the information about the gender, age, educational level and work experience of employees to have a better understanding of their responses and resulting conclusion for the research.

The study put into account the Gender, age of the respondents, current educational level, work experience which were considered relevant to this study so as to see the background information of the respondents.

Table 3: Gender Distributions of Respondents

		Frequency	% age
	Male	238	79.3
Gender	**Female**	62	20.7
Total		**300**	**100**

Source*:* **Own Survey, 2022**

Table 4 is about the gender distributions of the respondents. It is evident from this gender frequency distribution table that majority of the respondents were males at (79.3%) while (20.7%) were females. This tentatively implies that in the organization male employees are majority in number of workers than female employees.

Table 4: Respondents by Levels of Education

Educational levels	Frequency	% age
Bachelor Degree	9	3.0
Master's Degree	246	82.0
Doctorate Degree	43	14.3
Above Doctorate Degree	2	0.7
Total	300	100.0

Results in Table 5 revealed that the majority of the respondents were (82%) hold their Master's degree. It implies that this study measures the motivation and performance appraisal of most academic staff holding a Master's degree.

Table 5: Age Distributions of Respondents

Age of respondents		Frequency	Percent
Valid	Below 25	12	4.0
	25 – 35	180	70.0
	35 – 45	105	35.0
	Above 45	3	1.0
	Total	300	100.0

Table 6 is about the age distributions of the respondents. It is evident from this age frequency distribution table that majority of the respondents were the age of below 45. The study noted that this was very important that DBU should retain competent and young Employees.

Table 6: Respondents by Work Experience

Period Worked		Frequency	Percent
Valid	Less than one year	24	8.0
	2 – 10 years	219	73.0
	11 – 20 years	56	18.7
	Above 21 years	1	0.3
Total		**300**	**100.0**

Table 7 shows the respondent's work experience. The result indicates that the majority have an experience of less than 15 years in the University level. The study noted that this was very important that the organization should retain its experienced and qualified employees.

4.1. Data Analysis Related to Research Objectives Type

The collected questionnaire is analyzed and described by the frequencies and percentage of each item. The questionnaire was a five-point Likert type and for description it is categorized to three parts. Strongly disagree and disagree are cumulated as 'disagree' while strongly agree and agree

are summed up as 'agree'. In addition, the means and Standard Deviation (SD) of each item of the questionnaire are summarized in the following tables.

Table 8 below shows each item questionnaire used to measure the intrinsic as well as the extrinsic and over all the motivation of the academic staff. It shows that there is a minimum mean for the questions of why they are involved in their work is because of the type of work the academic staff chose to do to attain a certain lifestyle and the work enables them to generate more income. It indicates that the academic staffs are not benefiting in terms of money from their work and also they are not interested with the type of the work they are doing. The most probable reason for staying in their work is because they derive much pleasure from learning new things. On top of this because the academic staff wants to succeed at their job and this type of work provides them with security are the other points for the academic staff to stay in their work place.

Table 7: Employee's Motivation

№	I Get Motivated On My Job	Level of Agreement						Mean	SD
		Disagree		Neutral		Agree			
		F	%	F	%	F	%		
1.	Because this is the type of work I chose to do to attain a certain lifestyle	141	47	87	29	72	24	2.85	1.14
2.	For the income it provides me	91	30.3	146	48.7	63	21	2.85	0.96
3.	Because I derive much pleasure from learning new things	15	5	88	29.3	197	65.7	3.81	0.85
4.	Because it has become a fundamental part of who I am	21	7	188	62.7	91	30.3	3.33	0.86
5.	Because I want to succeed at this job, if not I would be very ashamed of myself	118	39.3	90	30	92	30.7	2.98	1.10
6.	Because I chose this type of work to attain my career goals	39	13	142	47.3	119	39.7	3.40	0.91
7.	For the satisfaction I experience from taking on interesting challenges	56	18.7	148	49.3	96	32	3.23	0.90
8.	Because it allows me to earn money	158	52.6	109	36.3	33	11	2.42	0.96
9.	Because it is part of the way in which I have chosen to live my life	65	21.7	180	60	55	18.3	3.02	0.86
10.	Because I want to be very good at this work, otherwise I would be very disappointed	57	19	156	52	87	29	3.13	0.86
11.	Because I want to be a "winner" in life	44	14.7	149	49.7	107	35.7	3.28	0.87
12.	Because it is the type of work I have	48	16	153	51	99	33	3.29	0.88

№	Statement							Mean	SD
	chosen to attain certain important objectives								
13.	For the satisfaction I experience when I am successful at doing difficult tasks	17	5.7	147	49	136	45.3	3.56	0.86
14.	Because this type of work provides me with security	36	12	121	40.3	143	47.7	3.43	0.90
15.	Because this job is a part of my life	133	43.3	91	30.3	76	25.3	2.89	1.05
16.	Because it provides me with more money	218	72.7	55	18.3	27	9	2.09	1.05

Source: Own Survey, 2022

The other part of the questionnaire was used to measure the academic staff perception towards the fairness of their performance appraisal (Table 9). The first seven items of the questionnaire measure the procedural justice and the next four items measure the distributive justice and finally the last four items measure the interactional justice of the perception of fairness of the academic staff performance appraisal. From the procedural justice part, the minimum mean value (2.73) indicates that the academic staffs are less able to express their views and feelings during the performance appraisal. And the higher mean value (2.94) indicates that there is a moderate perception that the performance appraisal is free of bias in terms of procedural justice.

When the distributive justice is concerned, a minimum mean value (2.87) shows that the performance appraisal outcome is not as appropriate for the work they completed. But the higher mean value (3.1) indicates that their outcome is justified in terms of distributive justice.

Finally, the academic staff perceived that their interaction with their supervisor is minimum (2.93) because they think that their supervisors not treat them with dignity and maximum (3.15) because their supervisor treated them in a polite manner.

Table 8: Perceived Fairness Questionnaire

№	Statement	Level of Agreement						Mean	SD
		Disagree		Neutral		Agree			
		F	%	F	%	F	%		
1.	You are able to express your views and feelings during the performance appraisal.	148	49.3	98	32.7	54	18	2.73	0.95
2.	You have had influence over the outcome arrived by the performance appraisal.	147	49	87	29	66	22	2.74	0.96
3.	The performance appraisal is applied consistently.	130	43.3	124	41.3	46	15.3	2.75	0.86
4.	The performance appraisal is free of bias.	92	29.7	145	48.3	63	21	2.94	0.87
5.	The performance appraisal is based on accurate information.	99	33	132	44	69	23	2.89	0.91

No.	Statement	Disagree		Neutral		Agree		Mean	SD
6.	You have been able to appeal the outcome arrived at by the performance appraisal.	76	25.3	170	56.7	54	18	2.91	0.82
7.	The performance appraisal upheld ethical and moral standards.	92	30.7	139	46.3	69	23	2.93	0.90
8.	Your outcome reflects the effort you have put into your work.	111	37	128	42.7	61	20.3	2.91	0.93
9.	Your outcome is appropriate for the work you have completed.	124	41.3	113	37.7	63	21	2.87	1.00
10.	Your outcome reflects what you have contributed to the organization.	72	24	158	52.7	70	23.3	3.06	0.90
11.	Your outcome is justified, given your performance.	63	21	166 5	55	72	24	3.10	0.84
12.	Your supervisor treated you in a polite manner.	53	17.7	168	56	79	26.3	3.15	0.81
13.	Your supervisor treated you with dignity.	87	29	158	52.7	55	18.3	2.93	0.91
14.	Your supervisor treated you with respect.	88	29.3	152	50.7	60	20	2.95	0.92
15.	Your supervisor is refrained from improper remarks or comments.	84	28	171	57	45	15	2.95	0.89

Source: Own Survey, 2022

The last part of the questionnaire was used to measure how well the academic staff think or perceive that their performance appraisal was accurate. The below table (Table 10) shows that academic staff believe that neither their last performance appraisal was accurate nor it accurately described their strengths and weaknesses. Regarding the question "My last performance appraisal accurately reflected my performance for the entire rating period" the academic staff not believes that the PA was accurately reflects their performance for the entire rating period and they believe that it was not measured their true performance.

Table 9: Perceived Accuracy Questionnaire

№	Statement	Level Of Agreement						Mean	SD
		Disagree		Neutral		Agree			
		F	%	F	%	F	%		
1	My last performance appraisal was accurate	141	50.3	95	31.7	54	18	2.66	0.93
2	My last performance appraisal accurately reflected my performance for the entire rating period	149	49.7	109	36.3	42	14	2.64	0.87
3	My last performance appraisal accurately described my strengths and weaknesses	162	54	102	34	36	12	2.55	0.92
4	My last performance appraisal rating accurately measured my true performance	180	60	75	25	45	15	2.56	0.97

Source: Own Survey, 2022

At last, all the items of the questionnaire are transformed to their corresponding variables. Furthermore, these variables are computed for their mean and standard deviation and summarized in the following table (Table 11). The result shows that the academic staff intrinsic motivation is relatively higher than their extrinsic motivation which has a mean of 3.22 and 2.85, respectively. This will lead to the overall motivation mean of 3.03. So the finding shows that most employees in DBU are motivated by Intrinsic Motivation than the Extrinsic Motivation.

In addition to this, procedural justice has a lower mean (2.84) than their counter parts distributive justice (2.98) and interactional justice (2.99). And since these organizational justices are the measure of perceived fairness, it is believed that the academic staff perception towards the fairness of performance appraisal is moderate having a mean of 2.94. The finding shows that most employees in DBU believe on the fairness of PA system in the organization.

Table 10: Descriptive statistics of overall mean and standard deviation of the variables

	Procedural justice	Distributive justice	Interactional justice	Perceived accuracy	Overall motivation
Mean	2.8414	2.9858	2.9942	2.6017	3.0314
Std. Deviation	0.63337	0.76504	0.72763	0.77081	0.40801

Source: Own Survey, 2022

4.2. Inferential statistical analysis for Overall Motivation

An extensive inferential statistical analysis was made to interpret the data gathered. Inferential analysis is conducted using binary correlation and linear regression analysis, based on the hypothesis and research objective using Statistical software SPSS.

4.2.1. Correlation Analysis

Correlation is a statistical technique that can show whether and how strongly pairs of variables are related. Table 12 depicts how well each variable of the study is correlated to one another.

Table 11: Pearson Correlation Analysis

Correlations		Motivation	Perceived fairness	Perceived Accuracy	Procedural Justice	Distributive Justice	Interactional Justice
Motivation	Pearson Correlation	1					

	Sig. (1-tailed)						
	N	300					
Perceived fairness	Pearson Correlation	0.546**	1				
	Sig. (1-tailed)	0.000					
	N	300	300				
Perceived Accuracy	Pearson Correlation	0.506**	0.784**	1			
	Sig. (1-tailed)	0.000	0.000				
	N	300	300	300			
Procedural Justice	Pearson Correlation	0.531**	0.895**	.750**	1		
	Sig. (1-tailed)	0.000	0.000	0.000			
	N	300	300	300	300		
Distributive Justice	Pearson Correlation	0.472**	0.916**	0.734**	0.736**	1	
	Sig. (1-tailed)	0.000	0.000	0.000	0.000		
	N	300	300	300	300	300	
Interactional Justice	Pearson Correlation	0.489**	0.908**	0.653**	0.727**	0.736**	1
	Sig. (1-tailed)	0.000	0.000	0.000	0.000	0.000	
	N	300	300	300	300	300	300

Source: Own Survey, 2022

For interpreting correlation coefficient intervals: 0 to 0.20 corresponds to a very weak relationship; 0.21 to 0.40 corresponds to a weak relationship, 0.41 to 0.60 corresponds to a moderate relationship, 0.61 to 0.80 corresponds to a strong relationship, and 0.81 to 1.00 corresponds to a very strong relationship (Field, 2010).

Therefore, from the correlation result illustrated in Table 12, it is possible to see that, there is significant, positive and moderate relationship between perceived fairness and employees' motivation (r=0.546, p<0.05). There is significant, positive and moderate relationship between perceived accuracy and employees' motivation (r=0.506, p<0.05). There is also significant, positive and moderate relationship between procedural justice and employees' motivation (r=0.531, p<0.05). Moreover, there is significant, positive and moderate relationship between distributive justice and employees' motivation (r= 0.472, p<0.05) and also there is significant, positive and moderate relationship between interactional and employees' motivation (r= 0.489, p<0.05). As *p* value is less than 0.05 for all of the independent and dependent variables correlation, the all the assumptions for the independent variable has relationship with the dependent variable are accepted.

4.2.2. Regression Analysis

In this study multiple regressions were conducted in order to examine and measure how much of the variability in the outcome (in this case employees' motivation) accounted by the predictors (Performance appraisal factors). In conducting the multiple regression analysis, several main assumptions were considered and examined in order to ensure that the multiple regression analysis was appropriate. The assumptions to be examined are as follows: (1) outliers, (2) normality, linearity and homoscedasticity, and (3) multi-collinearity.

During conducting multiple regression and Collinearity Diagnostics, no outlier was detected and there is no need to be removed.

One of the assumptions to be examined is normality, linearity, homoscedasticity and multicollinearity. In order to check normality a graph is plotted using SPSS regression graph .The below graph (Figure 6) shows the assumption of normality is accepted, Moreover, the normality test was conducted using Kolmogorov normality test the below table (Table 13) also shows the results for all variables are significant ($p<0.05$). Thus, the assumption of normality is accepted.
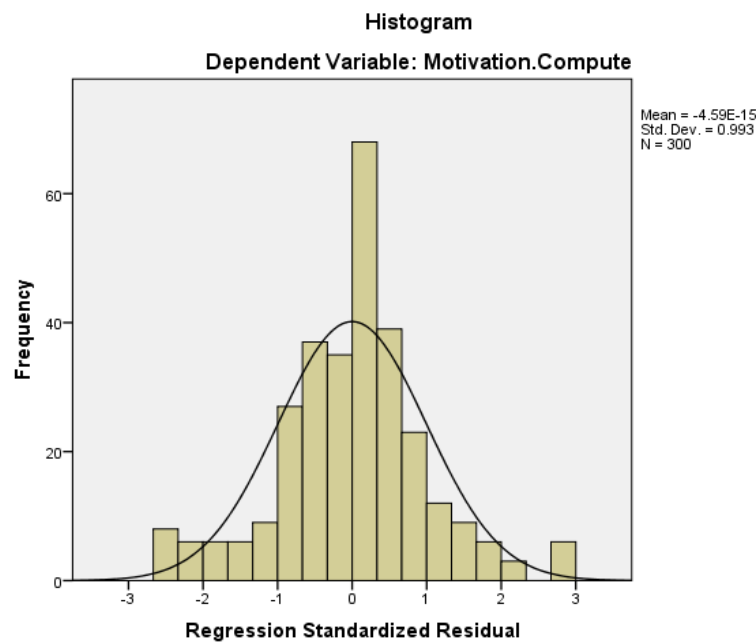
Figure 6: Normality Test, Own Survey, 2022

Table 12: Test of Normality

<table>
<tr><td colspan="5" align="center">Tests of Normality</td></tr>
<tr><td></td><td colspan="2" align="center">Kolmogorov-Smirnov[a]</td><td colspan="2" align="center">Shapiro-Wilk</td></tr>
<tr><td></td><td align="center">Statistic</td><td align="center">Sig.</td><td align="center">Statistic</td><td align="center">Sig.</td></tr>
<tr><td>Intrinsic Motivation</td><td align="center">0.204</td><td align="center">.000</td><td align="center">0.842</td><td align="center">0.000</td></tr>
<tr><td>Extrinsic Motivation</td><td align="center">0.116</td><td align="center">.000</td><td align="center">0.965</td><td align="center">0.000</td></tr>
<tr><td>Procedural Justice</td><td align="center">0.163</td><td align="center">.000</td><td align="center">0.913</td><td align="center">0.000</td></tr>
<tr><td>Distributive Justice</td><td align="center">0.219</td><td align="center">.000</td><td align="center">0.837</td><td align="center">0.000</td></tr>
<tr><td>Interactional Justice</td><td align="center">0.233</td><td align="center">.000</td><td align="center">0.876</td><td align="center">0.000</td></tr>
<tr><td>Perceived accuracy</td><td align="center">0.196</td><td align="center">.000</td><td align="center">0.876</td><td align="center">0.000</td></tr>
<tr><td colspan="5">a. Lilliefors Significance Correction</td></tr>
</table>

Source: Own Survey, 2022

The importance of testing for linearity lies in the fact that many statistical methods require an assumption of linearity of data (i.e. the data was sampled from a population that relates the variables of interest in a linear fashion). Moreover, to check linearity, a graph is plotted (Figure 7) using SPSS regression graph .The below graph shows the assumption of linearity is met.

Normal P-P Plot of Regression Standardized Residual
Dependent Variable: Motivation.Compute
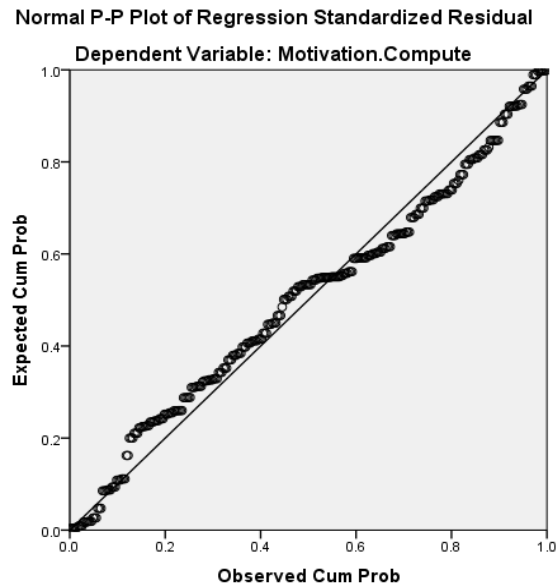
Figure 7: **Linearity Test, Own Survey, 2022**

So as to check the assumption of homoscedasticity or homogeneity, residual data is plotted using SPSS regression graph and the graph shows most of the data scattered are compacted in one area and the data are elliptical in pattern in homogenized pattern. On the below graph (Figure 8)shows the assumption of linearity, normality and homogeneity.
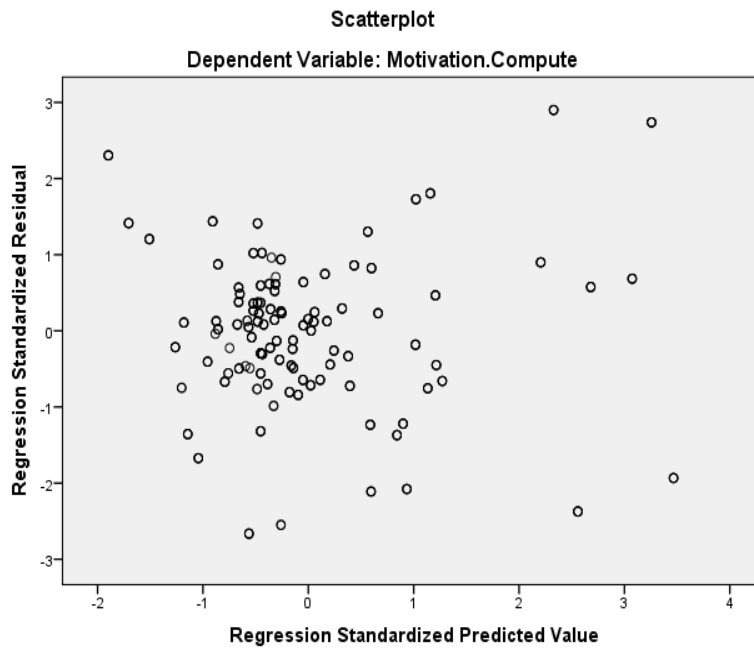
Figure 8 **Test of homoscedasticity, Own Survey, 2022**

Multi-collinearity is known as a condition of high inter-correlation among the independent variables with no complete linear dependency. There should be no perfect linear relationship between two or more of the predictors (Field, 2010). When tolerance is close to 0 there is high multi-collinearity of that variable with other independents and the B and Beta coefficients will be unstable. But in this case tolerance is much higher than 0 which is (0.321-0.381) (Table 14). Hence, multi-collinearity is not a threat to the substantive conclusions of this study and the B and Beta coefficients are stable. VIF (Variance Inflation Factor) is simply the reciprocal of tolerance. In this case, since VIF (2.623-3.114) are less than 10 and greater than 1, thus multi-collinearity is not a threat to the substantive conclusions of this study and the B and Beta coefficients are stable.

Coefficient of Determination

The coefficient of determination (R^2) is a measure of how much of the variability in the outcome (in this case Employees' Motivation) is accounted for by the predictors (i.e. factors of Performance Appraisal). The Coefficient of determination for this study is shown in the following table (Table 14).

Table 13: Results of Multiple Regressions

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.567[a]	0.322	0.312	0.33830	1.921
a. Predictors: (Constant), PA elements					
b. Dependent Variable: Motivation					

Source: Own Survey, 2022

The coefficient of determination (R^2) value is 0.322 (Table 14), which means that the mentioned factors of Performance Appraisal cause 32.2 % of the variation in employees' motivation. Moreover, the above all findings suggests that the cumulative of performance appraisal factors can affect employees' motivation and can be used as performance appraisal measuring criteria as well as the variations in the factors of performance appraisal has a greater effect on employees' motivation . In this case, the researcher has found out that, performance appraisal factors have 32.2 % contributions for the variations in the outcome which is employee's motivation. This implies that there are other 67.8 % that can contribute for the variations in the employee's motivation. This is left for other researchers to find out about the remaining factors.

Multiple Regressions

The main purpose of multiple regressions is to learn more about the relationship between several independent or predictor variables and a dependent variable. The result of the regression is indicated in the table 15 as follows.

Table 14: Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
	1.995	0.094		21.254	0.000		
Procedural Justice	0.159	0.055	0.247	2.914	0.004	0.321	3.114
Distributive Justice	0.015	0.045	0.029	0.342	0.733	0.328	3.048
Interactional Justice	0.091	0.044	0.162	2.091	0.037	0.381	2.623
Perceived accuracy	0.102	0.042	0.194	2.432	0.016	0.363	2.756

The Beta (β) coefficient is the standardized regression coefficients. Their relative absolute magnitudes for a given step reflect their relative importance in predicting perceived value. Beta (standardized coefficients) is a measure of how strongly each predictor variable influences the criterion variable. The highest Beta (β) coefficient which is 0.247 (Table 15), this beta value indicates that a change of one standard deviation in the predictor variable (in this case procedural justice) will result in a change of 24.7 % standard deviations in the dependent variable (employees' motivation) by keeping the other variables constant at zero. Thus, the higher beta value in procedural justice indicates that a unit change in this predictor variable has a large effect on the employees' motivation.

In addition to this, a Beta value of 0.194 for perceived accuracy indicates that a change in one standard deviation in the perceived accuracy will result in a change of 19.4% standard deviation in employees' motivation by making the other variables constant at zero. Furthermore, a change in standard deviation in interactional justice will produce a 16.2% change in standard deviation on employees' motivation.

Unfortunately, the beta value for the variable, distributive justice, is statistically insignificant ($p > 0.05$, sig= 0.733). Hence, the value for this variable is crossed out of the regression equation model.

Therefore, the above results show that all the null hypotheses for the effect of procedural justice, interactional justice and perceived accuracy are rejected. And for the effect of distributive justice on employees' motivation, we fail to reject the null hypothesis.

Table 15: Hypothesis (Acceptance and Rejection)

Relationship		Finding
H_o1	Performance appraisal has no significant effect of on Employee's Motivation.	Rejected
H_o2	Procedural justice of performance appraisal has no significant effect on Employee's Motivation.	Rejected
H_o3	Distributive justice of performance appraisal has no significant effect on Employee's Motivation.	Fail to rejected
H_o4	Interactional justice of performance appraisal has no significant effect on Employee's Motivation.	Rejected
H_o5	Perceived accuracy of performance appraisal has no significant effect Employee's Motivation.	Rejected

Source: Own Survey, 2022

The regression equation model is therefore, $Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4$. When the values from the table are computed, the equation becomes:

$$Y = 1.995 + 0.247X_1 + 0.162X_3 + 0.194X_4 \quad \text{Equation 2}$$

Where: Y = Employees' Motivation

X_1= Procedural Justice

X_3 = Interactional Justice

X_4 = Perceived Accuracy

This shows that all independent variables, except distributive justice (sig. value=0.733), are statistically significant (sig=0.00, $p<0.05$) and are making a significant contribution to the prediction of the dependent variable (employees' motivation). And Beta value 0.242 for the variable Procedural Justice is highly contributing factor than Interactional Justice with a Beta value 0.162.

Table 16: Analysis of Variance Results of the Regression Analysis between Predictor Variables and Employee Motivation

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	16.012	4	4.003	34.977	0.000[b]
	Residual	33.762	295	0.114		
	Total	49.775	299			

a. Dependent Variable: Employee's motivation

b. Predictors: (Constant), procedural Justice, Distributive Justice, Interactional Justice and Perceived accuracy

Source: Own Survey, 2022

From the analysis, it indicates that the regression relationship was highly significant ($p<0.05$) in predicting how procedural justice, distributive justice, interactional justice and perceived accuracy influenced employee motivation (Table 17). Further, the findings show that the overall model was significant.

4.3. Inferential statistical analysis for Intrinsic and Extrinsic Motivation

4.3.1. Correlation Analysis

There is significant, positive and moderate relationship between perceived accuracy and intrinsic motivation (r=0.632, p<0.05) (Table 18). But perceived accuracy has insignificant correlation with extrinsic motivation (r=0.089, p>0.05). There is also significant, positive and moderate relationship between procedural justice and intrinsic motivation (r=0.686, p<0.05). But procedural justice has insignificant correlation with extrinsic motivation (r=0.089, p>0.05). Moreover, there is significant, positive and moderate relationship between distributive justice and intrinsic motivation (r= 0.645, p<0.05). But distributive justice has insignificant correlation with extrinsic motivation (r=0.089, p>0.05). And also there is significant, positive and moderate relationship between interactional justice and both intrinsic and extrinsic motivation (r= 0.587, p<0.05 and r=0.114, p<0.05 respectively).

Table 17: Pearson Correlation Analysis

		Intrinsic Motivation	Extrinsic motivation	Procedural Justice	Distributive Justice	Interactional Justice	Perceived accuracy
Intrinsic Motivation	Pearson Correlation	1	.135*	.686**	.645**	.587**	.632**
	Sig. (2-tailed)		.020	.000	.000	.000	.000
	N		300	300	300	300	300
Extrinsic Motivation	Pearson Correlation		1	.067	.017	.114*	.089
	Sig. (2-tailed)			.248	.765	.048	.124
	N			300	300	300	300

4.3.2. Regression analysis for Intrinsic Motivation

All the assumptions for outliers, linearity, normality, homoscedasticity and multi-collinearity being met for the impact of perceived accuracy, procedural justice, distributive justice and interactional justice on employees' intrinsic motivation, the coefficient of determination (R^2) becomes 51.9% (Table 19). This means that the mentioned factors of performance appraisal cause 51.9 % of the variation in employees' intrinsic motivation.

Table 18: Results of Multiple Regressions

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.725[a]	.525	.519	.40431	1.898

a. Predictors: (Constant), procedural justice, distributive justice, interactional justice and perceived accuracy

b. Dependent Variable: Intrinsic motivation

Multiple regression analysis gives us the standardized regression coefficient (Beta (β) coefficient) for all the predictor variables. The highest Beta (β) coefficients which is 0.362 indicates that a change of one standard deviation in procedural justice will result in a change of 36.2 % standard deviations in employees' intrinsic motivation, by keeping the other variables constant at zero. (Table 20)

In addition to this, a Beta value of 0.163 for perceived accuracy indicates that a change in one standard deviation in the perceived accuracy will result in a change of 16.3% standard deviation in employees' intrinsic motivation by making the other variables constant at zero. Furthermore, a change in standard deviation in distributive justice will produce a 21.6% change in standard deviation on employees' intrinsic motivation.

Unfortunately, the beta value for the variable, interactional justice, is statistically insignificant ($p>0.05$, sig= 0.372). Hence, the value for this variable is crossed out of the regression equation model. Therefore, the above results show that all the null hypotheses for the impact of procedural justice, distributive justice and perceived accuracy on employees' intrinsic motivation are rejected. And for the impact of interactional justice on employees' intrinsic motivation, we fail to reject the null hypothesis.

Table 19: Regression Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients	Sig.	Collinearity Statistics	
		B	Std. Error	Beta		Tolerance	VIF
1	(Constant)	1.316	.112		.000		
	Procedural Justice	.333	.065	.362	.000	.321	3.114
	Distributive Justice	.165	.053	.216	.002	.328	3.048
	Interactional Justice	.047	.052	.058	.372	.381	2.623
	Perceived Accuracy	.124	.050	.163	.015	.363	2.756

a. Predictors: (Constant), procedural justice, distributive justice, interactional justice and perceived accuracy

b. Dependent Variable: Intrinsic motivation

The regression equation model is therefore, $Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4$. When the values from the table are computed, the equation becomes:

$$Y = 1.316 + 0.362X_1 + 0.216X_2 + 0.163X_4$$

Where: Y = Employees' Intrinsic Motivation

X_1 = Procedural Justice

X_2 = Distributive Justice

X_4 = Perceived Accuracy

Table 20: Analysis of Variance

Model		Sum of Squares	Df	Mean Square	F	Sig.
ANOVAª						
1	Regression	53.382	4	13.346	81.640	.000ᵇ
	Residual	48.223	295	.163		
	Total	101.606	299			

a. Predictors: (Constant), procedural justice, distributive justice, interactional justice and perceived accuracy

b. Dependent Variable: Intrinsic motivation

From the analysis, it indicates that the regression relationship was highly significant ($p<0.05$) in predicting how procedural justice, distributive justice, interactional justice and perceived accuracy influenced employees' intrinsic motivation (Table 21). Further, the findings show that the overall model was significant.

4.3.3. Regression analysis for extrinsic Motivation

All the assumptions for outliers, linearity, normality, homoscedasticity and multi-collinearity being met for the impact of perceived accuracy, procedural justice, distributive justice and interactional justice on employees' extrinsic motivation, the coefficient of determination (R^2) becomes 1.6% (Table 22). This means that the mentioned factors of performance appraisal cause only 1.6% of the variation in employees' extrinsic motivation.

Table 21: Results of Multiple Regression

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
Model Summaryᵇ					
1	.170ª	.029	.016	.49402	1.648

a. Predictors: (Constant), procedural justice, distributive justice, interactional justice and perceived accuracy

b. Dependent Variable: Extrinsic motivation

In addition, it indicates that the regression relationship was insignificant (p>0.05) in predicting how procedural justice, distributive justice, interactional justice and perceived accuracy influenced employees' extrinsic motivation.

5. CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1. Summary of the study

The specific objectives of this study were to explain and determine the effect of perceived fairness, in terms of the organizational justice which are procedural, distributive and interactional justice as well as to explain and determine the effect of employees' perception toward the accuracy of performance appraisal on their motivation.

When the correlation concept is concerned, the correlation of all of the independent variables (Perceived fairness (r=0.546, p<0.05), in terms of procedural justice (r=0.531, p<0.05), distributive justice (r=0.472, p<0.05) and interactional justice (r=0.489, p<0.05), and perceived accuracy (r=0.506, p<0.05)) have significant, positive and moderate relationship with the dependent variable (employee's motivation).

In conducting the multiple regression analysis, several main assumptions were considered and examined in order to ensure that the multiple regression analysis was appropriate. The assumptions to be examined are as follows: (1) outliers, (2) normality, linearity and homoscedasticity, and (3) multi-collinearity. During conducting multiple regression and Collinearity Diagnostics, no outlier was detected and there is no need to be removed. Moreover, the normality test was conducted using Kolmogorov normality test the below table also shows sig. value for all variables is less than 0.05(0.000). Thus, the assumption of normality is accepted. In addition, to check linearity, a graph is plotted using SPSS regression graph .The graph shows the assumption of linearity is met. Furthermore, So as to check assumption of homoscedasticity or homogeneity, residual data is plotted using SPSS regression graph and the graph shows most of the data scattered are compacted in one area in homogenized pattern. Finally, multi-collinearity is not a threat to the substantive conclusions of this study since tolerance is much higher than zero (0.321-0.381) and the B and Beta coefficients are stable. In this case, since VIF are less than 10 and greater than 1, thus multi-collinearity is not a threat to the substantive conclusions of this study and the B and Beta coefficients are stable.

The coefficient of determination (R^2) value is 0.322, which means that the mentioned factors of performance appraisal cause 32.2 % of the variation in employees' motivation. Moreover, the

above all findings suggests that the cumulative of performance appraisal factors can affect employees' motivation and can be used as performance appraisal measuring criteria as well as the variations in the factors of performance appraisal has a greater effect on employees' motivation.

Therefore, the above results show that all the null hypotheses for the effect of procedural justice, interactional justice and perceived accuracy are rejected. And for the effect of distributive justice on employees' motivation, we fail to reject the null hypothesis.

5.2. Conclusions

Many of previous researches have indicated that a business ongoing success depends to a wide extend on the presence of highly-motivated employees in organizations who are involved in the work and can achieve better results. In this case understanding of employees' motivation in terms of organizational development appears to be one of the key elements of work effectiveness. Performance appraisal, in its turn, works as a motivating mechanism. It is considered to be one of the most important HRM functions and an integral part of organizations' HRM effectiveness. Thus, if motivation itself can be presented as "the drive of the people's psychological state that moves their behavior and direction", performance appraisal would serve as a tool of addressing those behaviors in a desired way. In this context in order to understand the relationship between these elements it was decided to examine the effect of performance appraisal and its constituent elements (perceived accuracy, procedural, distributive, and interactional fairness) on employees' motivation. That was the primary objective of this study. In addition, the relationships in between these elements have been investigated as well.

The study includes more male respondents than females which in line with the total population of the study. In addition, most of them are master's degree holders and few have a bachelor and some have a doctorate degree. Regarding the work experience of the academic staff, most of them have less than twenty years of experience and their age is below 35.

The study revealed that performance appraisal system can be an effective instrument not only in employees' motivation but also in understanding of this process. The five objectives of the research have been achieved. It was found that perceived accuracy in performance appraisal gives a significant effect towards the employees' motivation together with all the elements of perceived fairness.

From the findings of the study, one may also conclude that employees are more motivated when their apprehension of procedural fairness is higher rather than when they perceive that performance appraisal is fair in terms of interactional or distributive justice. This may have occurred because of the presence of cultural aspect in this study, or because employees' consideration of the procedure-based fairness was more important for respondents rather than the equal distribution justice, or because of any other factors.

5.3. Recommendations

The study provides major insights on how performance Appraisal is being exercised in the organization. The following recommendations are drawn based on the findings of this study:

For the stakeholders: the majority of the workers in the higher education institutions are male. Thus it is advised to encourage and give the chance for female academicians. There are also less number of PhD holders in the higher educational institutions like Debre Berhan University. It is recommended to give more chance to individuals who already had their master's degree to continue their education to the higher level.

In general, the study contributes to the field of understanding of employees' motivation. The findings may be used in organizations so as to improve the overall motivation of the staff or to understand the areas of concern that might negatively affect employees' motivation. It should be mentioned that this work to some degree can be considered a unique study, because it was based on the information received from Higher education academic staffs. For that matter the findings are likely to describe and explain the situation with performance appraisal and its effect on employees' motivation in Ethiopian Universities. All in all, this research and other research to follow will contribute to knowledge of employees' motivation and its interrelations with performance appraisal and its elements. This topic will never lose it relevance since motivated employees will always be a target of companies that want to be successful and to survive in the modern competitive world.

Debre Berhan and other fellow universities have the powerful working staff which in most cases has less than twenty years of experience. Therefore, it is highly recommended for the academic staff to stay and keep motivated in order to reduce the brain drain concept.

Further research into the factors that have an effect on employee's performance is recommended to be conducted, as this research is found out 32.2 % contribution of the performance Appraisal

factor for the variation in employee's motivation. This means, there are other remaining 67.8 % factors that contribute for the variation in employees' motivation.

The researcher would like also to recommend, longitudinal and in-depth research designs that are essential with additional focus should be given on other factors that contribute for the variation in employees' motivation. Thus, to avoid the limitations based on cultural or age factors it is recommended to obtain a more representative and diverse population for future researches.

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6. Annex
Questionnaire

Dear participant,

I am Ibrahim Zerga, graduate student of St Mary's University Addis Ababa. I am pursuing the research on performance management and employees' motivation as a part of Master's Degree program in Business Administration.

Participants of this survey will NOT be identified. The data collected will be analyzed and used to determine any educational needs which can then be implemented as appropriate. Respondents agree to take part in this survey by completing it.

If you have any questions, you may contact:

Ibrahim Zerga

E-mail: ibrohadra@gmail.com

Phone no: - +251944171314

Thank you very much for your assistance!

1. What is your gender?   Male ◯   Female ◯

2. What is the Highest level of education you have completed

    Degree ◯   MSc (MA) ◯   Doctorate ◯   Above doctorate ◯

3. What is your age range?

Below 25 ◯   25 – 30 ◯   30 – 35 ◯   35 – 40 ◯   40 – 45 ◯

45 – 50 ◯   above 50 ◯

4. How many years do you serve in your position?
    Less than 1 year ◯   2 – 5 years ◯   6 – 10 years ◯   11 – 15years ◯

        16– 20 years ◯   above 21 years ◯

Instructions: using the scale below, please indicate to what extent each of the following items corresponds. Thus, if the statement does not correspond at all choose 1; if it corresponds exactly choose 5; if the statement corresponds as somewhere in the middle, please rate it accordingly.

Table 1 *Work Extrinsic and Intrinsic Motivation Questionnaire*

№	Statement	Scale				
1.	Because this is the type of work I chose to do to attain a certain lifestyle	1	2	3	4	5
2.	For the income it provides me	1	2	3	4	5
3.	I ask myself this question, I don't seem to be able to manage the important tasks related to this work.	1	2	3	4	5
4.	Because I derive much pleasure from learning new things	1	2	3	4	5
5.	Because it has become a fundamental part of who I am	1	2	3	4	5
6.	Because I want to succeed at this job, if not I would be very ashamed of myself	1	2	3	4	5
7.	Because I chose this type of work to attain my career goals	1	2	3	4	5
8.	For the satisfaction I experience from taking on interesting challenges	1	2	3	4	5
9.	Because it allows me to earn money	1	2	3	4	5
10.	Because it is part of the way in which I have chosen to live my life	1	2	3	4	5
11.	Because I want to be very good at this work, otherwise I would be very disappointed	1	2	3	4	5
12.	I don't know why, we are provided with unrealistic working conditions	1	2	3	4	5
13.	Because I want to be a "winner" in life	1	2	3	4	5
14.	Because it is the type of work I have chosen to attain certain important objectives	1	2	3	4	5
15.	For the satisfaction I experience when I am successful at doing difficult tasks	1	2	3	4	5
16.	Because this type of work provides me with security	1	2	3	4	5
17.	I don't know, too much is expected of us	1	2	3	4	5
18.	Because this job is a part of my life	1	2	3	4	5

Instructions: using the scale below, please indicate to what extent you agree or disagree with the following items. Thus, if you strongly disagree with the statement choose 1; if you strongly agree choose 5; if the statement corresponds as somewhere in the middle, please rate it accordingly.

* Your outcome refers to your base salary, bonus payment, promotion opportunities, etc.

Table 2 *Perceived Fairness Questionnaire*

№	Statement	Scale				
1.	I able to express my views and feelings during the performance appraisal.	1	2	3	4	5
2.	I have had influence over the outcome arrived by the performance appraisal.	1	2	3	4	5
3.	The performance appraisal is applied consistently.	1	2	3	4	5
4.	The performance appraisal is free of bias.	1	2	3	4	5
5.	The performance appraisal is based on accurate information.	1	2	3	4	5
6.	I have been able to appeal the outcome arrived at by the performance appraisal.	1	2	3	4	5
7.	The performance appraisal upheld ethical and moral standards.	1	2	3	4	5
8.	My outcome reflects the effort I have put into your work.	1	2	3	4	5
9.	My outcome is appropriate for the work you have completed.	1	2	3	4	5
10.	My outcome reflects what I have contributed to the organization.	1	2	3	4	5
11.	My outcome is justified, given my performance.	1	2	3	4	5
12.	My supervisor treated me in a polite manner.	1	2	3	4	5
13.	My supervisor treated me with dignity.	1	2	3	4	5
14.	My supervisor treated me with respect.	1	2	3	4	5
15.	My supervisor is refrained from improper remarks or comments.	1	2	3	4	5

Instructions: please think back to the last time your supervisor discussed your overall performance in a feedback interview or formal appraisal. Using the scale below, please indicate to what extent you agree or disagree with the following items. Thus, if you strongly disagree with the statement choose 1; if you strongly agree choose 5; if the statement corresponds as somewhere in the middle, please rate it accordingly.

Table 3 *Satisfaction with Performance Appraisal Questionnaire*

№	Statement	Scale				
1.	My last feedback interview (appraisal) increased my understanding of the job	1	2	3	4	5
2.	My last feedback interview (appraisal) gave me a good idea of how well I'm doing in my job	1	2	3	4	5
3.	My last feedback interview (appraisal) would have been improved if subordinate ratings were included	1	2	3	4	5
4.	I felt satisfied with the feedback interview (appraisal)	1	2	3	4	5
5.	I think the feedback interview helped me learn to do a better job	1	2	3	4	5

Instructions: using the scale below, please indicate to what extent you agree or disagree with the following items. Thus, if you strongly disagree with the statement choose 1; if you strongly agree choose 5; if the statement corresponds as somewhere in the middle, please rate it accordingly.

Table 4 *Perceived Accuracy Questionnaire*

№	Statement	Scale				
1.	My last performance appraisal was accurate	1	2	3	4	5
2.	My last performance appraisal accurately reflected my performance for the entire rating period	1	2	3	4	5
3.	My last performance appraisal accurately described my strengths and weaknesses	1	2	3	4	5
4.	My last performance appraisal rating accurately measured my true performance	1	2	3	4	5