

**Factors Affecting Perceived College Performance:  
Mediating Role of Faculty Commitment**

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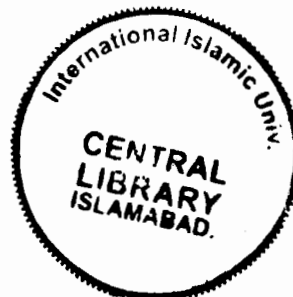
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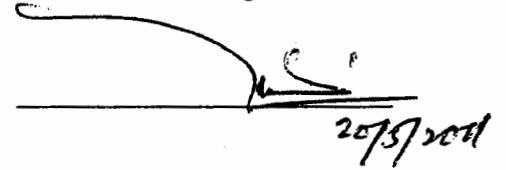
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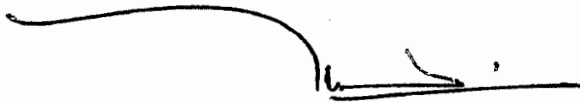
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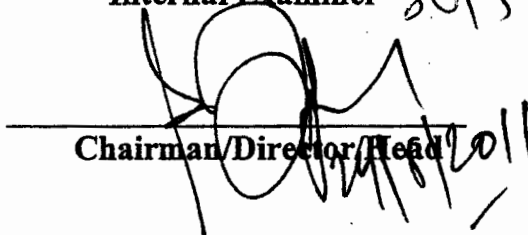
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# Dedication

This research thesis is dedicated to my beloved parents who always encouraged me to accept challenges and guided me in every walk of life with kindness and affection, motivated me to work hard and always prayed for my success.



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Last, but not the least, I want to thank my parents and all the teachers for their encouragement. I would never have been able to do it without their support.

I think if any of us honestly reflects on who we are, how we got here, what we think we might do well, and so forth, we discover a debt to others that spans written history. The work of some unknown person makes our lives easier every day. I believe it's appropriate to acknowledge all of these unknown persons; but it is also necessary to acknowledge those people I know who have directly shaped my life and my work.

Hafsah Zahur

## ABSTRACT

This study explores the impact of different attitudinal, motivational and fairness factors (i.e. job involvement, recognition, compensation system, distributive justice, procedural justice, interactional justice) on perceived college performance (PCP). The study also analyzed the mediating role of faculty commitment between job involvement, recognition, compensation system, distributive justice, procedural justice, interactional justice and perceived college performance. As many as 250 responses from faculty members of different commerce colleges from twin cities of Islamabad and Rawalpindi were collected by using questionnaire method.

Gender, number of students and number of employees significantly and positively correlated with perceived college performance (PCP). Only gender and number of students were used as control variables for the regression analysis. Job involvement, recognition, intrinsic rewards, extrinsic rewards, distributive justice, procedural justice and interactional justice were significantly and positively correlated with perceived college performance (PCP).

All independent variables (i.e. job involvement, recognition, intrinsic rewards, extrinsic rewards, distributive justice, procedural justice, interactional justice) proved significant impact on perceived college performance (PCP). The results of this study showed no mediation of faculty commitment (FC) between job involvement, recognition, distributive justice, procedural justice, interactional justice and perceived college performance (PCP).

**Keywords:** Perceived College Performance, Organizational Justice, Job Involvement, Recognition, Compensation System, Faculty Commitment.

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## ABBREVIATIONS

OC	Organizational Commitment
DJ	Distributive Justice
PJ	Procedural Justice
IJ	Interactional Justice
JI	Job Involvement
Recog	Recognition
IR	Intrinsic Rewards
ER	Extrinsic Rewards
FC	Faculty Commitment
PCP	Perceived College Performance
LOF	Life of College
NOE	No of Employees
NOS	No of Students
NOCD	No of College Disciplines



# CHAPTER 1

## INTRODUCTION

### 1.1 Introduction and Background

Motivation, employee attitude and justice are exceedingly important research areas in an organization setup. Education industry is keenly interested in enhancing fairness perceptions and employee motivation after realizing the fact that faculty can make educational institutions successful by shaping the minds of students and by producing useful products in the world of work. The need to motivate, shape up the attitudes and create fairness perceptions among faculty members is very important to ensure that faculty is competent to contribute significantly towards success of the institution. The key objective of this study is to ascertain the success of colleges through motivated employees.

Work related attitudes such as commitment and job involvement have been studied in consideration to their association and impact on employee behaviors (Schriesheim, & Carson, 2002; Judge, Bano, & Patton, 2001). Surveys of job involvement can be used to determine the job responsibilities, knowledge and abilities

required for performing successfully on the job, high job performance enhances the perceived organizational performance (Campbell, McCloy, Oppler, & Sager, 1993). Job involvement emphasis on the perception that on the job performance creates a sense of worth in employees, this type of job involvement function in management by objectives programs is possible by gaining employee commitment towards the goals which are self established.

Recognition is soft behavioral discipline. Employees who are recognized and appreciated at work are confident about their work and contribute efficiently towards organizational tasks. Setting goals for employees and recognition of their accomplishments leads to commitment and success of the organization (Graham, 2008). Survey of 12 different countries showed that compensation is very important for achieving competitive advantage (Milkovich & Newman, 1996). Literature indicates that even though the extrinsic rewards are low but if the individuals are committed towards the organization then their attitudes will be positive towards that organization (Pfeffer & Lawler, 1980). Organization performance significantly and positively correlates with compensation (Budhwar & Katou, 2010).

Organizational justice is an important area in organizational research. Research on justice showed that perceptions of justice were related to outcomes that could affect the individual behaviors which include job satisfaction, organizational commitment and performance (Simons & Roberson, 2003). Consequently if employees have fair perceptions of procedures, then they may visualize the institute in a positive manner.

Positive image leads to better institutional performance (McFarlin & Sweeney, 1992). Balance between organization and employees can be maintained through justice. If fair environment is provided by the companies then it will be helpful in creating employee commitment (Kim & Mauborgne, 1993; Konovsky & Cropanzano, 1991).

Prior studies used organizational commitment as mediator by taking commitment antecedents and outcomes (Mathieu, 1988). Organizational performance can be achieved by enhancing employee commitment. The only difference between high performing and low performing organizations is the level of employee commitment (Katzenbach, 2000). Employees who are committed to their work and to the organization deliver services which maintain competitive advantage. The organizations that want to survive should emphasize on workplace commitment (Katzenbach, 2000; Buchanan, 1974).

The focus of this research is to check the effect of job involvement, employee recognition, compensation system and organizational fairness (distributive, procedural and interactional) on perceived college performance in education sector. The study also analyzes the mediating role of faculty commitment in determining the relation of job involvement, recognition, compensation system, distributive fairness, procedural fairness, interactional fairness and perceived college performance.

## **1.2 Problem Statement**

Organizational psychology has concerns with individuals' behavior in work environments, which is defined as "The scientific study of the relation between human and the work world" (Guion, 1965, p. 817). Organizational psychology utilizes the knowledge collected from scientific investigation to solve work problems (Muchinsky, 2002). Firstly, there are few empirical studies in educational settings which guide that how different attitudes, motivational and fairness factors (i.e. recognition, intrinsic rewards, extrinsic rewards, job involvement and organizational justice) can affect perceived college performance. Secondly, prior empirical studies do not provide much knowledge about the extent to which the faculty commitment can mediate the relation between attitudinal, motivational and fairness factors with perceived college performance. Most of the studies have focused on organizational and university settings, therefore little attention has been paid to investigate the above mentioned constructs at college level, so the aim of this study is to fill out the gap that exists in understanding the influence of motivational and fairness factors on perceived performance of Pakistani commerce colleges.

### 1.3 Research Questions

This study investigates the following research questions:

- What is the relationship between demographics and perceived college performance, and to what extent demographics will impact the perceived college performance?
- What is the relationship between recognition, job involvement, compensation system, organizational justice and perceived college performance?
- How recognition, job involvement, compensation system and justice will affect the perceived college performance?
- How faculty commitment mediates the relationship of different factors (i.e. recognition, job involvement, compensation system and justice) with perceived college performance?

## **1.4 Objectives of the Study**

Literature highlights the importance of different motivational and fairness factors in enhancing perceived college performance. This research focuses on different factors related to workplace which includes job involvement, recognition, intrinsic rewards, extrinsic rewards, justice and their impact on perceived college performance. The mediation of faculty commitment is also been examined empirically with perceived college performance.

The main objectives of the study are:

- To find out the relationship of recognition, job involvement, compensation system, justice with perceived college performance.
- To investigate the impact of different factors (i.e. job involvement, recognition, compensation and justice) on perceived college performance.
- To determine the mediation role of faculty commitment between job involvement, recognition, compensation and justice with perceived college performance.
- To find out the relation between different demographics and perceived college performance and the extent to which demographics will affect perceived college performance.

## **1.5 Rationale of the Study**

This study is mainly focused on the impact of recognition, compensation system, job involvement and justice on perceived college performance, and the role of faculty commitment as mediator. There is a need to empirically investigate the above mentioned factors in college settings in Pakistan. The contributions of this study in the existing literature are as follows:

- Explore the relationship between recognition, job involvement, compensation system, justice and perceived college performance.
- Role of faculty commitment as mediator between different attitudinal, motivational and fairness factors (i.e. recognition, compensation, job involvement and justice) and perceived college performance.
- An empirical investigation on colleges' perceived performance is another important contribution of this study.
- The focus of this study is on non financial performance of colleges which makes it unique in this regard.

## CHAPTER 2

### LITERATURE REVIEW

#### 2.1 Prior Researches on Study Model

Reinforcement theory builds on the behaviorism. Reinforcement theory ignores the internal state of the employee and focuses on what goes on to an employee when he/she takes some action. This theory debates that the behavior of individual is the outcome of different behaviors. The best manner in order to get work done is to provide reward and recognition to employee when they do work according to our wishes (Kohn, 1993). It has been proved empirically that performance increases when reinforcement theory is followed by organizations. Fifteen hundred employees in different work situations were surveyed about what they believed was the powerful workplace motivator. Their answer was “recognition”. On the other hand equity theory plays a vital role in employee motivation. Equity theory focuses on the justice by creating perceptions that the amount and allocation of rewards among employees are fair, the process is also just in distribution of rewards. Justice affects the commitment of employees towards their organizations. By increasing the fairness perceptions in employees, they will view the organization in a positive manner (Robbins, 2003).



### **2.1.1 Job Involvement, Commitment and Organizational Performance**

The term job involvement has been repeatedly used in both field studies and experimental studies. Experimental work emphasis on perception and field studies relates job involvement to quality and quantity of performance (Saleh & Hosek, 1976). French and Kahn (1962) envision job involvement as the level to which performance of the employee affects his inner self. Job involvement is the internal realization about the goodness of work in the value of the individual or job involvement may determine the ease with which an employee can be mingled in an organization (Lodahl and Kejner, 1965)

Dubin (1956, 1968) defines job involvement as the central focus of life interest i.e., the extent to which employees perceive job involvement as the major source of satisfaction for important needs. Guion (1958) proposed that employees with high job involvement perceived their jobs as being of great importance.

The two attitudes organizational commitment and job involvement are different but both are related to each other (Morrow, 1983). Job has a lot of importance to self-worth of those employees who have high level of job involvement (Kanungo, 1982). The individuals psychologically really care regarding the work they do on their jobs. Employees with high commitment level relate with the organizational goals and wish to be the member of the organization (Potter et al., 1976). Job involvement and OC are positively correlated with each other (Blau, 1986).

Recent studies have shown decline in the commitment of salaried employees. Low intensity of commitment is dysfunctional for both the employees and organization (Kiechel, 1985; Nussbaum, 1986; Randall, 1987). Uncommitted employees consume less time, energy and their talents to the organization. Employees who are committed have high levels of individual performance which ultimately leads to overall institution performance (Darden et al., 1989). Many researchers have linked organization commitment and job involvement to different organizational factors (Jans, 1985). Knoop (1995) in his studies proved significant correlation between job involvement and commitment. Everyone in the organization needs to have an involvement in the services which they provide to customers. Employees must feel a sense of ownership and responsibility towards the company (Ebel, 1991).

Morrow (1983, p. 488) described the difference between organization commitment and job involvement and define involvement as “the degree to which an individual is psychologically acknowledged by his/her work”. The basic difference in job involvement and organization commitment is that involvement describes an employee attachment towards the job, and commitment depicts an attachment between an employee and the institution. Organizations give jobs to employees according to their desires so that they become involved with their work. Involvement is significantly correlated with attitudinal commitment instead of calculative commitment (Mathieu & Zajac, 1990).

By using regression analysis Zwick (2004) proved significant impact of employee involvement on organizational productivity. Past researches showed positive relation

between employee job involvement, employee performance and organizational level performance (Pfeffer, 1994; Wagner, 1994). Companies can achieve competitive advantage by involving employees in work, so that they achieve higher output (Zwick, 2004).

Job involvement and OC are two interactive constructs. Individuals can meet their intrinsic needs by getting themselves involved in their jobs and organizations help individuals meet their social/extrinsic needs (Kanungo, 1982; Bruning & Snyder, 1983). Morrow (1983) differentiates between OC and job involvement by defining job involvement as the psychological identification of individuals with their work. The difference between the two ideas is that job involvement focuses on employees' attachment with their work and OC depicts the attachment between employees and organization. Job involvement positively correlates with OC, organizations provide jobs to employees according to their wants. Job involvement is highly correlated with affective commitment rather than calculative commitment, even though the employees are not psychologically attached with the work but they remain committed towards the organization due to side bets offered to them. Job involvement correlated ( $r = .432$ ) with commitment (Mathieu & Zajac, 1990).

### **2.1.2 Recognition, Commitment and Organizational Performance**

Employee recognition is a soft behavioral discipline. It is substantial and can't be measured (Nelson, 2009). Numerous studies suggested that employee recognition is important motivational factor. Motivational research is not just limited to accomplish

work related performance; it is developing to answer new management issues related to employee commitment and recognition (Vroom, 1964; Poter & Lawler, 1968; Meyer & Herscovitch, 2001; Browne, 2000; Saunderson, 2004).

Good performance and employees contributions need to be acknowledged and valued. Recognition motivates individuals to work even harder. Commitment also needs recognition on the individual part, without the recognition there will be no commitment.

*“The element of recognition of the interest created by one’s prior action is a necessary component of commitment because, even though one has such an interest, he will not act to implement it unless he realizes it is necessary”*  
(Becker, 1960, p. 36).

Pay has slight to do with employee retention. No matter what employees are being paid, the important is that how they feel about their work and how their work can be appreciated and valued. Appreciation and motivation is basic human need, if employees are motivated and appreciated then they believe that whatever they are doing is important for the successful performance of the organization which will help them to excel in their jobs (Nelson, 2001).

Respect and recognition of teachers are very important because they are in direct contact with students. If head of the institute recognizes the good performance of his faculty members then it is vital in increasing their morale. Open communication and recognition of the employee good work by management can improve their commitment level on job. Employee motivation will help authorities understand how employees can

be involved in work in order to achieve better performance in the institution (Mathieu & Zajac, 1990).

A spirit of gratitude makes a difference in employees' perceptions of business thank you and can impact corporate productivity in a big way. Many head of the institutes recognizes their employees extra effort on job through recognition programs. Recognition programs are institutionalized ways to say "thank you" to those employees who do their job well done. Recognition efforts help in gaining employee commitment. Employees are human beings not the commodities. They want to contribute their talents in a significant way and want to be acknowledged for their contribution (Perle & Ann, 1997). Recognition strengthens the employee commitment, by bringing individuals and the organization closer and by motivating people to perform effectively (Savoie, 1993).

According to Brun and Biron et al. (2003) the second largest psychological suffering is due to lack of employee recognition programs. Recognition contributes to employee satisfaction and positively influences the organizational performance and productivity (Applebaum & Kamal, 2000). No matter what type of job the employee has, he/she needs to be recognized by clients, coworkers and supervisors (Brun, 2000).

Recognizing employees for their good work is very important for organization's overall success. There is a need to avoid some pitfalls while creating recognition program, individual employee recognition should always link individual performance to the overall good of the organization. Organizations that encourage a culture of

appreciation are very proud of their employees' achievements. These organizations are well aware of the strengths of their employees in fulfilling vision and mission of the organization. Recognizing employees who work in a way that help the organizations to realize its mission and vision can change the way employees interact with customers which in turn drives the organization to success (Urquhart, 2005).

Employee recognition has become the priority for organizations. A lot of studies support the idea of employee recognition regardless of the profession or the level of workers in the organization (Saunderson, 2004). Recognition is a motivational factor which gives meaning to the work of employees and promotes their efforts, which expands the organization performance (Dandeker, 1990). Research on motivation is no longer limited to work performance, it is responding to new management concerns related to employee commitment and recognition (Meyer and Herscovitch, 2001; Browne, 2000; Bennett, Kanfer and Stubblebine, 2004).

The growth and profits of the company depends on whether the employees can achieve their goals. According to Jacobe (2003) companies can achieve good performance by recognizing employees who meet their job targets. Recognition is a non monetary act; it is an inexpensive way to increase self-worth of employees in order to improve organization performance. Employee recognition activities and programs leads to significant organizational performance and strategic objectives (Nelson, 2009).

The most important gift that the head of the institute can give to its employees is recognition of their good work. Employment experts say that recognition decreases stress, turnover, organizational related costs and increases employee morale and organizational productivity. It is a key principal of management that managers will get the work done against the rewards they will give to their employees. Managers must adopt the ways to recognize those employees both individually and publically, who meet their expectations. According to a survey in U.S about 60% respondents said that they never heard their bosses saying “thank you” to them throughout their entire career (Nelson, 2001).

During the time of recession companies need more productive workforce on the contrary; employees also want strong association towards their company. Both the need of company and employees can be met through communication and employee recognition. Appreciation is oxygen for workers. It is important that companies must have a culture of appreciation and rewards for top performer employees (Farrel, 2001).

### **2.1.3 Compensation, Commitment and Organizational Performance**

Economic atmosphere is changing in many countries, concerns has been arising about enhancement of employees commitment to the work and towards the organization (Caldwell, Chatman & O’ Reilly, 1990). Link between employee perceptions and compensation (intrinsic and extrinsic rewards) has been explored practically and theoretically (Shore & Tetrick, 1991). It is necessary to differentiate between intrinsic

and extrinsic compensation. Intrinsic rewards are present in the job itself such as diversity in tasks, independence and challenge. Extrinsic compensation includes pay, fringe benefits and opportunities of promotions within the organization. Intrinsic rewards are significantly related to affective commitment and extrinsic rewards significantly relates towards the continuous commitment of organization (O'Reilly & Chatman, 1986; Caldwell et al., 1990).

Porter and Lawler (1968) proposed model of intrinsic and extrinsic motivation related to work setting which insists that intrinsic and extrinsic rewards are key determinants of organizational performance. This theory has been discussed in several studies, which refer motivation as organizational performance predictor (Deci and Ryan, 2000).

March and Simon (1958) suggest that due to low extrinsic rewards, employee's attitudes towards the organization become less encouraging and they start avoiding organizational tasks. There is also a possibility that individuals might not avoid organizational tasks or reduce the effort because of the contract with the firm (Staw, 1974). Moreover, the effect of extrinsic compensation on intrinsic compensation is stronger when commitment of individuals is higher. Increase in extrinsic rewards have positive or negative effect on commitment depends on whether the intrinsic rewards indirect effects are equal to, stronger or weaker than the direct effects of extrinsic rewards on commitment (Pfeffer & Lawler, 1980).



Extrinsic compensation system gives economic motivation to faculty members in order to engage in activities that will achieve institution's mission. The way faculty reward system structured has an impact on the level of institution success by accomplishing its mission (Neumann & Finaly-Neumann, 1990). The quality institutes not only set the goals but also effectively and efficiently achieve those goals. Institution quality depends on the fulfillment of its mission. Quality achievement will lead the institution towards an ongoing continuous performance improvement; quality could be accomplished by aligning institution's compensation system, policies and procedures with its mission (Green, 1994). Increase in extrinsic rewards increases favorable attitudes of employees towards the institution (Pfeffer & Lawler, 1980).

Disparities can be observed in compensation policies. Traditionally policies are unfair because they favor organizational goals instead of supporting employees' needs. This thing can only decrease satisfaction level of employees as well as organizational performance (Paik, Parboteeah & Shim, 2007).

If organizational rules strongly favor organizational objectives or individual needs, then there is a probability that organization performance will reduce. This difference could be due to compensation policies of organizations. Mostly organizations make compensation policies according to their goals instead of keeping in view the employee needs, which make them biased. This bias can increase employee dissatisfaction which could lead to low organizational performance. To take competitive

edge and be successful in the market, organizations must implement such policies which satisfy their employees and also enhance organization performance (Werther, 1976).

A survey conducted in 12 different countries on 1200 experts has showed that employee rewards and compensation are very important for gaining competitive edge in the market (Milkovich & Newman, 1996). A merit based compensation system results in enhancing employee performance (Delaney & Huselid, 1996), similarly profit sharing with employees also increase performance and productivity (Kaufman, 1992). Incentives helps to retain essential employees and attract capable employees for longer periods, compensation plays a major role in organization's performance (Mobley, 1982; Lawler & Jenkins, 1992). Incentive compensation is the main source for organizations to achieve competitive advantage (Gomez-Mejia & Wellbourne, 1988).

Institutions use money for motivating their employees. If employees pay will increase then they will perform better. In U.S from 1988 to 1995 huge increase has been observed in companies who offer high stakes to employees for extra ordinary performance (Gomez-Mejia, balkin, & Cardy, 1998). By relating pay with performance companies can line up the efforts of their employees to organizational goals which will enhance their organizational performance. A lot of studies proved that pay and performance of employees leads to financial achievement of the organization (Ettington, 1997).

Budhwar & Katou (2010) proved that compensation positively correlates with organizational performance. Compensation positively relates ( $r = .84$ ) with organizational performance (Katou, 2008). Research conducted by Singh (2008) found that compensation policies ( $r = .32$ ) positively relates with firm performance. However compensation policies ( $\beta = .41$ ) has a significant impact on firms perceived performance. Delany & Huselid (1996) used perceived organizational performance measures in his studies “the impact of HRM practices on perceptions of organizational performance”. Employees acquire emotional attachment by receiving rewards from the firm. Employees recommend that rewards leads to greater affective commitment (Gaertner & Nollen, 1989; Gregersen, 1992).

Compensation consists of both monetary and non monetary rewards given to employees for motivating them which in turn enhances organization efficiency. Rewards and bonuses motivate employees to work for organizational goals (Milkovich & Newman, 1996; Pfeffer, 1994). Several researches proved positive relationship between pay for performance and organization performance (Shaw, et al., 1998).

#### **2.1.4 Organizational Justice (Distributive, Procedural & Interactional)**

Organizational fairness is defined as the individual and group fairness perceptions regarding outcomes received from the organization and their behaviors towards such perceptions (James, 1993). Organization justice has three dimensions which includes procedural, distributive and interactional justice. Distributive dimension of justice refers

to the perceived fairness of the intrinsic and extrinsic outcomes that employees receive. The justice research was focused on distributive justice before 1975. A lot of research was drawn from the primary work of Adams (1965), who evaluated fairness by using social exchange theory which focuses on the employee concerns of fairness in outcomes.

Procedural fairness describes the perceived justice of the resources used to determine intrinsic and extrinsic outcomes (Folger & Konovsky, 1989, p. 115). The idea of procedural justice was first introduced by Thibaut and Walker (1975); their research was focused on disputes in legal procedures. The concept of procedural justice was extended in the firm's setting. Procedural justice theory focus on six criterion that should be met for procedural fairness perceptions which includes the application of rules across people, rules should be bias free, collection of accurate information while making decisions, use certain methods or means to correct the biased decisions, ethical standards must be maintained while making decision, make sure that employees opinions who are influenced by the decision making have been considered (Leventhal et al., 1980).

Bies and Moag (1986) introduced the advancement in justice literature by considering the interpersonal treatment of employees while implementing procedures. Interactional justice refers to the quality of interpersonal treatment received by the decision making authorities (Cropanzano & Greenberg, 1997; Colquitt et al., 2001).

## **2.1.5 Organizational Justice, Commitment and Organization**

### **Performance**

Employees' perception of organizational fair treatment is a concern of organizational justice (Shalhoop, 2003). Distributive justice emphasis on the fairness of outcomes such as promotion and salary, at the same time procedural justice focuses on fairness process through which the outcomes can be accomplished. The third dimension is interactional justice which concerns individuals' interpersonal treatment given to them during execution of procedures (Masterson et al., 2000; Cropanzano et al., 2001). There is a significant positive relation between justice and employees attitudes i.e., organizational commitment (Colquitt et al., 2001)

Scholars have been studying justice by believing that increased perceptions of employees regarding fairness can improve the organization outcomes which include organizational commitment and performance (Masterson, Lewis et al., 2000). While procedural justice forecast organizational related outcomes such as organizational commitment (Blau, 1964). Past researches proved that employees whose contributions are considered by their organizations are likely to be committed (Pearce and Porter, 1986; Steers, 1977). Robinson et al. (1994) recommends that commitment leads to consistency in work and good faith which is positively associated with justice.

Prior studies proved the relationship of procedural and distributive justice with organizational commitment (McFarlin & Sweeney, 1992). Distributive justice has a

significant influence on commitment because fair distribution of pay raise builds up employee loyalty towards the organization (Folger & Konovsky, 1989). If the organization procedures are being perceived fair by the individuals then they will have trust on the system. That trust will lead to stronger organizational commitment. It has been proved in prior literature that distributive and procedural justice are positively correlated with firms/institutional commitment (Sweeney & McFarlin, 1993).

Procedural justice is the fairness perceptions of the distribution of resources among individuals (Greenberg, 1990). Procedural justice consists of structural and social constructs. Structural constructs includes policies related to decision making, employee participation in the decision making and adequate information regarding decision process needs to be conveyed to employees. However social constructs includes treatment of employees with respect and pride and communicate the ways in order to achieve outcomes. Social justice also called interactional justice. Both procedural and interactional justice is related to affective commitment (Gellatly, 1995; Konovsky & Cropanzano, 1991).

Employees' emotional attachment towards the organization (i.e., affective commitment) is the important factor in enhancing loyalty. Employee affiliation and identification increase their level of involvement in the organization's activities; their readiness to achieve firm goals and their need to keep working with the organization (Meyer & Allen, 1991; Mowday, Porter & Steers, 1982). Justice is considered an

antecedent of affective commitment and it is strongly associated with affective commitment than structural attributes of the organization (Meyer & Allen, 1991).

If the institutes' procedures are fair then it will have more positive influence on faculty commitment than the personal outcomes. It might be because procedures of any educational institute reflect its capability to treat employees in a fair manner.

Organizational commitment is the reaction that employees have towards the organization. Organizational commitment constructs review affective commitment, employee identification towards the company and the degree to which they make company's goals their own (Allen & Meyer, 1990). Tyler (1990) suggests that procedural justice strongly relates to employee support for institution than distributive justice. However, Lowe and Vodanovich (1995) argue that distributive justice strongly relates with organizational commitment than procedural justice. There is also a support for agent-system model in prior researches, in which interactional justice is weaker predictor of organizational commitment as compared to procedural justice (Masterson, Lewis et al., 2000).

Extensive research has been conducted on organizational fairness, focusing especially on distributive and procedural justice. Distributive and procedural justices are two separate constructs (Colquitt et al., 2001). Tang and Sarsfield-Baldwin (1996) suggested that distributive justice relates to organizational efficiency. Effective organizations ultimately are good performers. If employees have negative perceptions

regarding distributive and procedural justice then their performance and commitment level will be affected (Cowherd & Levine, 1992; Barling & Phillips, 1993).

People reaction towards the organization they work for is the symbol of organizational commitment. A good number of OC measures evaluate affective commitment, the identification of individuals towards the firm in order to make firms goals their own (Allen & Meyer, 1990). Procedural justice has a significant positive relationship with organizational support than the distributive justice. This is also proved in two factor model and also in several other studies (Tyler, 1990; Folger & Konovsky, 1989; Sweeney & McFarlin, 1993). Lowe & Vodanovich (1995) proved that distributive fairness significantly and positively relates with organization/firm commitment than procedural justice. Agent-system model predicts stronger relation between procedural justice and OC than interactional justice (Masterson et al., 2000). Many studies by using equity theory relate distributive justice to performance (Ball et al., 1994). Similarly system referenced theory suggests that procedural fairness best interprets the employee contributions towards the organizational goals (Borman, 1991).

### **2.1.6 Commitment and Organizational Performance**

Organizational commitment is used in several studies as a mediator to examine causal relationship of employee behaviors (Mathieu & Zajac, 1990). Mathieu (1988) used commitment as mediator in the model by taking commitment antecedents and outcomes. He took military cadets under training and found positive mediation of commitment



between training and satisfaction. Organizational commitment is often used as mediator in calculating other employees responses. Organization commitment mediates the relationship of organizational recognition, role ambiguity on employee distant behavior among nonprofessional and professional workers (Podsakoff, Williams & Todor, 1986).

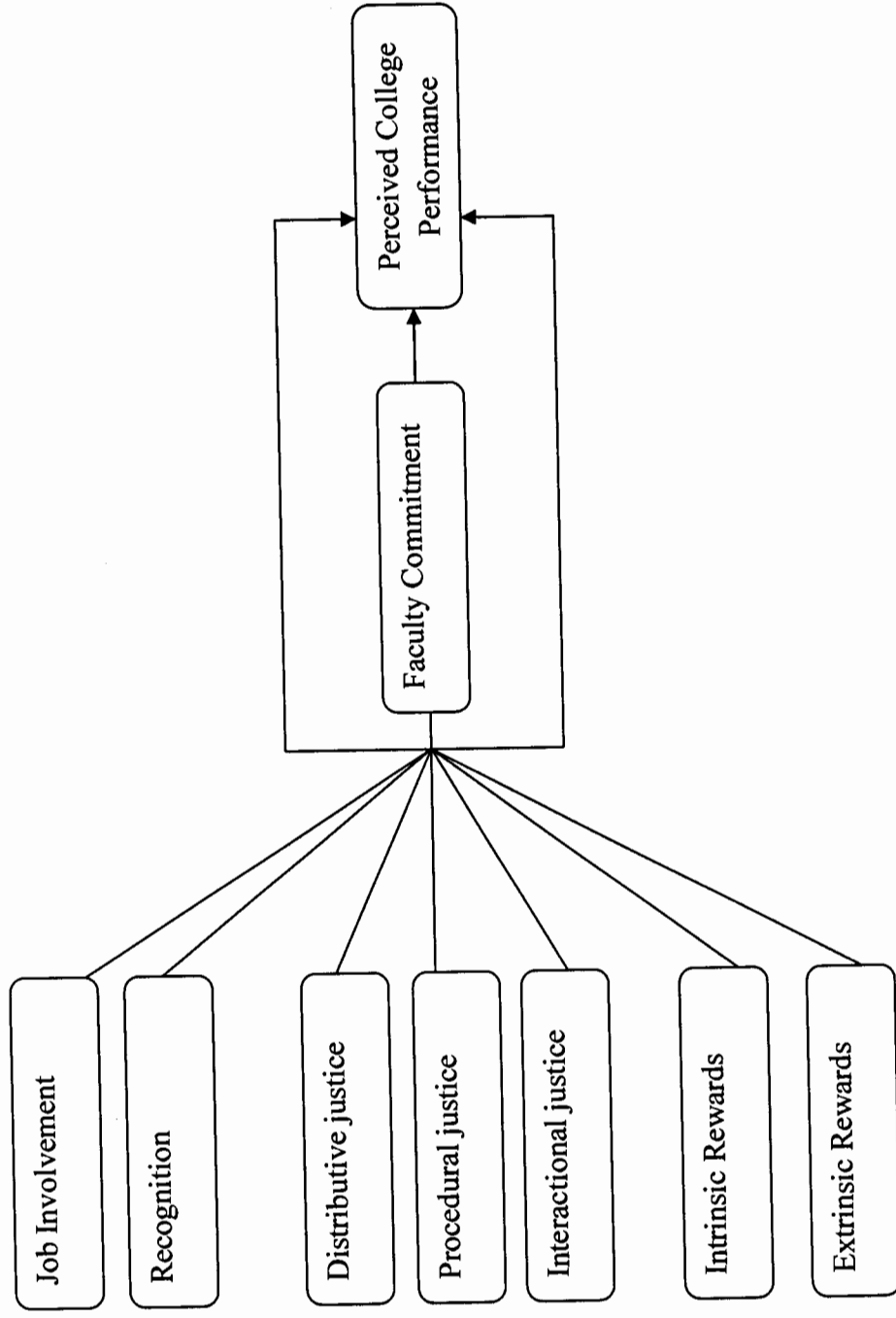
Organizational commitment gained popularity in organizational psychology and behavior literatures. OC has been empirically tested with work related variables and also been researched with job related roles and work environment (Mathieu & Zajac, 1990). Mowday, Steers & Poter (1979) defined organizational commitment as the individual identification and participation in an organization. Identification is the employee belief in organizational values and acceptance of its goals and involvement is defined as the eagerness to use extensive efforts in order to achieve organizational goals. Committed employees are loyal and have desire to be part of the organization.

Now a day's colleges are dependent on their faculty who are committed towards college mission, willing to put extra effort in achieving college goals and eager to remain with the college (Somech & Bogler, 2002). There are few researches who addressed commitment among faculty (Billingsley & Cross, 1992; Grady, 1989). Recent research on commitment is focusing on its different constructs (Firestone & Rosenblum, 1988). Teachers' commitment has been examined as a broad construct (Reames & Spencer, 1998). Teachers with high level of commitment are expected to exert their expertise in achieving college goals and to be part of the college (Somech & Bogler, 2002). Teachers who have strong bond with their colleges are psychologically tied up with their students

or their subjects (Cohen, 2000; Firestone & Pennel, 1993). Teachers with low commitment level towards their schools become less involved in the school related tasks and perform only least amount of work, whereas highly committed teachers go further than is expected from them in work. The uncommitted teachers are the real concern to the educational institutions, so there is a need to shape up certain conditions in order to improve commitment level (Somech & Bogler, 2002).

By enhancing the employee commitment organizational performance can be improved. The only difference between high performing and low performing organizations is the level of employee commitment (Katzenbach, 2000). High employee commitment positively correlated with organizational performance by significant increase in profit margins (Watson Wyatt Global Consulting, 2003; Gallup Organizations Survey, 2002). Only one employee out of twelve is committed to their organizations. The cost of uncommitted employees beard by U.S economy is 350 billion dollars each year. However commitment positively affects the organizational productivity and performance (TNS Worldwide, 2002; Gallup, 2002). Research has proved that perceived organizational performance measures are positively correlated with objective organizational performance measures. Perceived measures can be used for the analysis of profit and nonprofit making organizations (Dollinger & Golden, 1992; Powell, 1992). Antecedents of OC such as equity and fairness, recognition and autonomy creates the positive perceptions in employees, related to the support they receive from the company, these perceptions creates a sense of attachment towards the organization (Fornes, Rocco & Wollard 2008).

## 2.2 Theoretical Framework



**Figure-1** 7 independent variables, 1 mediating variable and 1 outcome variable perceived college performance is shown in the model.

### 2.3 Hypotheses Statements

**H1a:** There is positive impact of job involvement on perceived college performance.

**H1b:** Faculty commitment mediates the relationship between job involvement and perceived college performance.

**H2a:** There is positive impact of recognition on perceived college performance.

**H2b:** Faculty commitment mediates the relationship between recognition and perceived college performance.

**H3a:** There is positive impact of procedural justice on perceived college performance.

**H3b:** Faculty commitment mediates the relationship between procedural justice and perceived college performance.

**H4a:** There is positive impact of distributive justice on perceived college performance.

**H4b:** Faculty commitment mediates the relationship between distributive justice and perceived college performance.

**H5a:** There is positive impact of interactional justice on perceived college performance.

**H5b:** Faculty commitment mediates the relationship between interactional justice and perceived college performance.

**H6a:** There is positive impact of intrinsic rewards on perceived college performance.

**H6b:** Faculty commitment mediates the relationship between intrinsic rewards and perceived college performance.

**H7a:** There is positive impact of extrinsic rewards on perceived college performance.

**H7b:** Faculty commitment mediates the relationship between extrinsic rewards and perceived college performance.

## CHAPTER 3

### RESEARCH METHODOLOGY

#### 3.1 Study Sample

Convenient sampling technique was used for data collection due to time constraints and resources. The respondents of the study were teachers from different commerce colleges. For primary data collection questionnaires were distributed among 300 faculty members of different commerce colleges in Rawalpindi and Islamabad. Respondents ages ranged from 22-61 years (SD= 7.7). This research incorporated a sample of 177 males and 73 females who are either private commerce college or government commerce college employees. The life of college varies from 3 years to 50 years. The range of the total number of students a college has is from 150 to 3050 (SD= 5.4). The total number of faculty members in the colleges' ranges from 11 to 100 teachers.

#### 3.2 Data Collection

Data was collected through questionnaire method from Rawalpindi and Islamabad commerce colleges. 300 questionnaires were distributed among teachers in different

commerce colleges on a convenient basis for primary data collection and one week time was given to fill out the questionnaire. Questionnaires were delivered to the respondents by personally visiting the commerce colleges in Islamabad and Rawalpindi. 250 questionnaires were retrieved out of total sample size of 300. 35 questionnaires which were filled improperly were not included in the analysis and 15 responses were not returned by the respondents. Overall response rate is 83%. Secondary data was collected through published research papers, magazine articles and books.

### **3.3 Data Analysis**

SPSS 16 was used for data analysis. The study falls under the measure of association. Reliability of the measures was tested through Cronbach alpha test. Descriptive statistics was used to check the standard deviations and means of the variables. Correlation test was applied to check the association between variables. To check the impact of independent variables on a dependent variable regression analysis was used. In order to test the mediating hypothesis mediation regression was used.

### **3.4 Measures and Instruments**

#### ***3.4.1 Perceived college performance***

Delaney & Huselid (1996) three-item scale and Sheehan, Cooper, Holland & Decieri (2007) one-item scale of perceived performance has been used after modification to assess perceived college performance. The items include e.g. “college performance is very effective”, “college is providing quality education”, “and college has a promising

future” etc. Participant’s responses were evaluated on a 7-point scale ranging from 1= very false and 7= very true.

#### **3.4.2 Faculty commitment**

Meyer & Allen (1997) six-item measures were used after modification to assess faculty commitment. The items include “happy to spend the rest of my career with this college”, “feel a strong sense of belonging to my college”, “feel that these college problems are my own” etc. Participant’s responses were evaluated on a 7-point likert scale ranging from 1= strongly disagree and 7= strongly agree.

#### **3.4.3 Organizational justice**

Niehoff & Moorman (1993) four-item measures were used to assess distributive justice. The items include “my work schedule is fair”, “my work load is quite fair”, my job responsibilities are fair” etc. Moorman (1991) five-item measures were used to assess procedural justice and four-item measures were used to assess interactive justice. Responses were obtained on a 7-point scale from 1= strongly disagree to 7 = strongly agree.

#### **3.4.4 Job involvement**

Lodahl and Kejner (1965) four-item scale was used after modification to assess job involvement. The item includes “satisfaction in life comes from my job”, “the most important things that occur is to get involved in my work” etc. Responses was obtained on a 7-point scale ranging from 1= strongly disagree and 7 strongly agree.

### **3.4.5 Recognition**

Nelson (2009) three-item scale was used after modification to assess employee recognition. The items include “contributions are being recognized by college”, “I feel I am a valuable member of the college” etc. Responses was obtained on a 7-point scale from 1= strongly disagree to 7 = strongly agree.

### **3.4.6 Compensation System**

Driscoll & Randall (1999) six-item scale is used to assess intrinsic rewards and extrinsic rewards. The items include “job has too much amount of confront in it”, “job provides opportunities to use my talents and capabilities”, “my job provides me job security”, “and job has sufficient chances of promotion” etc. Responses was obtained on a 7-point scale ranging from 1 = strongly disagree to 7 = strongly agree.

### **3.4.7 Control Variables**

The control variables include gender, age, life of college (in years), total number of students, total number of employees and the number of disciplines the college is offering. Control variables can affect the results. Demographic variables were selected after gone through the studies of (Harel & Tzafrir, 1999; Delaney & Huselid, 1996; Karatepe et al., 2006). Only gender and number of students were having significant impact on perceived college performance so only gender and no of students were controlled in analysis.



## CHAPTER 4

### RESULTS AND ANALYSIS

#### 4.1 Reliability Analysis

Cronbach alpha test was used to check the reliability of the measures. Cronbach alpha values ranges from 0.5 to 0.9 are considered acceptable reliability (Cuieford, 1965).

**Table-1 Reliability analysis of independent, mediating and dependent variables**

	Cronbach alpha	No of items
1. Distributive Justice	.782	4
2. Procedural Justice	.784	5
3. Interactional Justice	.862	4
4. Job Involvement	.531	4
5. Recognition	.704	3
6. Intrinsic Rewards	.630	3
7. Extrinsic Rewards	.758	3
8. Faculty Commitment	.693	6
9. Perceived College Performance	.827	4

## 4.2 Correlation and Regression Analysis of Demographics

The relationship of demographic variables and perceived college performance were calculated by correlation and their impact was tested by performing regression analysis in order to answer the first research question.

**Table-2 Pearson correlation between perceived college performance and demographics**

<b>Correlations</b>						
	PCP	Gender	LOC	NOE	NOS	NOCD
PCP	1					
	250					
Gender	.260**	1				
	.000					
	250	250				
LOC	.059	.272**	1			
	.351	.000				
	250	250	250			
NOE	.149*	-.035	.554**	1		
	.019	.582	.000			
	250	250	250	250		
NOS	.317**	.030	.291**	.516**	1	
	.000	.642	.000	.000		
	250	250	250	250	250	
NOCD	-.033	.041	.311**	-.114	-.036	1
	.602	.518	.000	.073	.576	
	250	250	250	250	250	250

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

\* . Correlation is significant at the 0.05 level (2-tailed).

The above table 2 shows correlation of demographics and perceived college performance. Gender ( $r = .260$ ,  $p < .01$ ) and no of students ( $r = .317$ ,  $p < .01$ ) are significantly and positively correlated with perceived college performance. The correlation of gender and no of students was not higher than (.350). According to Sekaran, (1994) high correlation can challenge response validity.

**Table-3 Regression analysis of demographic variables with PCP**

<b>Dependent: PCP</b>				
	$\beta$	$R^2$	$\Delta R^2$	p-value
<b>Gender</b>	.251	.163	.156	.000
<b>No of Students</b>	.309	.163	.156	.000

Regression analysis was applied to investigate the effect of correlated demographic variables on perceived college performance. As table-3 shows that gender has significant impact on perceived college performance ( $\beta = .251$ ,  $p = .000$ ,  $R^2 = .163$ ) and no of students also has a significant effect on perceived college performance ( $\beta = .309$ ,  $p = .000$ ,  $R^2 = .163$ ).

### 4.3 Descriptive Analysis of Variables

**Table-4** Descriptive analysis of independent, mediating and dependent variables

<b>Descriptive Statistics</b>						
	N	Range	Minimum	Maximum	Mean	Std. Deviation
PCP	250	6.00	1.00	7.00	5.0040	1.19864
DJ	250	6.00	1.00	7.00	4.6050	1.16755
PJ	250	4.80	1.40	6.20	3.9656	1.04575
IJ	250	6.00	1.00	7.00	4.3890	1.27669
JI	250	5.00	2.00	7.00	4.6400	.92348
Recog	250	6.00	1.00	7.00	4.4147	1.12695
IR	250	6.00	1.00	7.00	4.8533	1.10000
ER	250	6.00	1.00	7.00	4.1573	1.47178
FC	250	4.67	2.33	7.00	4.4373	1.01344
Gender	250	3	1	4	1.44	.681
NOS	250	19	2	21	11.20	5.478
Valid N (listwise)	250					

Table 4 shows standard deviations and mean values of different independents, demographics and perceived college performance. For PCP (mean = 5.0, S.D = 1.19), for DJ (mean = 4.6, S.D = 1.16), for PJ (mean = 3.9, S.D = 1.04), for IJ (mean = 4.3, S.D = 1.27), for JI (mean = 4.6, S.D = .92), for Recognition (mean = 4.4, S.D = 1.12), for IR (mean = 4.8, S.D = 1.10), for ER (mean = 4.1, S.D = 1.47), for FC (mean = 4.4, S.D =

1.01), for gender (mean = 1.4, S.D = .68) and for NOS (mean = 11.2, S.D = 5.47). If standard deviation is smaller it means observations in the data set are closer to mean.

#### **4.4 Correlation and Regression Analysis**

Pearson correlation measures the strength and direction of the association between variables. Both variables should be approximately normally distributed i.e. scaled data. According to Franzblau (1985) if  $r$  is 0 to .20 then there is no correlation,  $r$  is .20 to .40 indicates positive correlation of low degree,  $r$  is .40 to .60 indicates positive moderate correlation,  $r$  is .60 to .80 indicates positive high degree of correlation,  $r$  is .80 to 1.00 indicates positive very high level of correlation.

## Correlations

	PCP	FC	DJ	PJ	IJ	JI	Recog	IR	ER	Gender	NOS
PCP	1										
	250										
FC	.138 *	1									
	.030										
	250	250									
DJ	.463 **	.119	1								
	.000	.060									
	250	250	250								
PJ	.369 **	.053	.424 **	1							
	.000	.400	.000								
	250	250	250	250							
IJ	.474 **	.151 *	.577 **	.559 **	1						
	.000	.017	.000	.000							
	250	250	250	250	250						
JI	.256 **	.295 **	.337 **	.126 *	.433 **	1					
	.000	.000	.000	.047	.000						
	250	250	250	250	250	250					
Recog	.369 **	.080	.337 **	.489 **	.619 **	.423 **	1				
	.000	.208	.000	.000	.000	.000					
	250	250	250	250	250	250	250				
IR	.295 **	.091	.373 **	.459 **	.483 **	.263 **	.563 **	1			
	.000	.151	.000	.000	.000	.000	.000				
	250	250	250	250	250	250	250	250			
ER	.485 **	.147 *	.546 **	.422 **	.569 **	.368 **	.488 **	.483 **	1		
	.000	.020	.000	.000	.000	.000	.000	.000			
	250	250	250	250	250	250	250	250	250		
Gender	.260 **	.114	.252 **	-.074	.103	.229 **	.101	.004	.130 *	1	
	.000	.073	.000	.241	.106	.000	.110	.946	.041		
	250	250	250	250	250	250	250	250	250	250	
NOS	.317 **	.070	.203 **	.018	-.025	.020	.087	.116	.230 **	.030	1
	.000	.270	.001	.774	.689	.756	.173	.068	.000	.642	
	250	250	250	250	250	250	250	250	250	250	250

\* . Correlation is significant at the 0.05 level (2-tailed).

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

Table 5 shows correlations between all variables. There is positive but weak correlation between faculty commitment and perceived college performance ( $r = .138, p < .05$ ). Distributive justice positively correlates with perceived college performance ( $r = .433, p < .01$ ) but shows no correlation with faculty commitment. Procedural justice has a positive correlation with perceived college performance ( $r = .369, p < .01$ ) and distributive justice ( $r = .424, p < .01$ ). Procedural justice shows no correlation with faculty commitment. Interactional justice positively correlates with perceived college performance ( $r = .474, p < .01$ ), with distributive justice ( $r = .577, p < .01$ ) and also correlates with procedural justice ( $r = .559, p < .01$ ). Interactional justice shows negligible correlation with faculty commitment ( $r = .151, p < .05$ ). Job involvement positively correlates with perceived college performance ( $r = .256, p < .01$ ), with faculty commitment ( $r = .295, p < .01$ ) and with distributive justice ( $r = .337, p < .01$ ). Job involvement also shows moderate correlation with interactional justice ( $r = .433, p < .01$ ) and shows slight correlation with procedural justice ( $r = .126, p < .05$ ). Recognition positively correlates with perceived college performance ( $r = .369, p < .01$ ), distributive justice ( $r = .337, p < .01$ ) and procedural justice ( $r = .489, p < .01$ ) respectively. Recognition highly correlates with interactional justice ( $r = .619, p < .01$ ). Recognition shows no correlation with faculty commitment. Intrinsic rewards under compensation system positively correlates with perceived college performance ( $r = .295, p < .01$ ), distributive justice ( $r = .373, p < .01$ ), procedural justice ( $r = .459, p < .01$ ), interactional justice ( $r = .483, p < .01$ ), job involvement ( $r = .263, p < .01$ ) and recognition ( $r = .563, p < .01$ ) respectively. Intrinsic rewards do not correlate with faculty commitment. Extrinsic rewards has a positive correlation with perceived college performance ( $r = .485, p < .01$ ),

distributive justice ( $r = .546, p < .01$ ), procedural justice ( $r = .422, p < .01$ ), interactional justice ( $r = .569, p < .01$ ), job involvement ( $r = .368, p < .01$ ), recognition ( $r = .488, p < .01$ ) and intrinsic rewards ( $r = .483, p < .01$ ) respectively. Extrinsic rewards shows negligible correlation with faculty commitment ( $r = .147, p < .05$ ). Demographic variables which includes gender positively correlates with perceived college performance ( $r = .260, p < .01$ ), distributive justice ( $r = .252, p < .01$ ) and job involvement ( $r = .229, p < .01$ ) respectively. Gender shows negligible correlation with extrinsic rewards ( $r = .130, p < .05$ ). No of students positively correlates with perceived college performance ( $r = .317, p < .01$ ), with distributive justice ( $r = .203, p < .01$ ) and with extrinsic rewards ( $r = .230, p < .01$ ) respectively.

In order to investigate the impact of independent variables on a dependent variable multiple regression analysis was used which comes under the inferential statistics. Regression examines the immediate influence of several independent variables on a dependent variable based on interval scales. It tells the variance in the dependent variable explained by the independent variables.  $R^2$  tells the proportion of variance explained by independent variables towards the dependent variable. Beta tells the strength of independent variables towards the dependent variable on the basis of p value.



**Table-6** Regression analysis of PCP (dependent variable) and JI, Recog, DJ, PJ, IJ, IR and ER (independent variables)

<b>Dependent: Perceived College Performance</b>				
	$\beta$	$R^2$	$\Delta R^2$	p-value
<b>Step-1</b>				
<b>Control variables</b>				
<b>Gender</b>	.251	.414	.392	.000
<b>No of Students</b>	.309	.414	.392	.000
<b>Step-2</b>				
<b>Independent variables</b>				
<b>Job Involvement</b>	.142	.202	.193	.017
<b>Recognition</b>	.209	.265	.256	.003
<b>Distributive Justice</b>	.245	.268	.259	.000
<b>Procedural Justice</b>	.158	.310	.301	.017
<b>Interactional Justice</b>	.279	.374	.366	.001
<b>Intrinsic Rewards</b>	.224	.230	.221	.000
<b>Extrinsic Rewards</b>	.178	.319	.310	.010

The results of regression analysis in table-6 show that all the independent variables contributing significantly towards the dependent variable which is perceived college performance. Job involvement ( $\beta = .142$ ,  $R^2 = .202$ ,  $p = .01$ ), recognition ( $\beta = .209$ ,  $R^2 = .265$ ,  $p = .003$ ), distributive justice ( $\beta = .245$ ,  $R^2 = .268$ ,  $p = .000$ ), procedural

justice ( $\beta = .158, R^2 = .310, p = .017$ ), interactional justice ( $\beta = .279, R^2 = .374, p = .001$ ), intrinsic rewards ( $\beta = .224, R^2 = .230, p = .000$ ) and extrinsic rewards ( $\beta = .178, R^2 = .319, p = .010$ ) have a significant impact on perceived college performance. Gender ( $\beta = .251, R^2 = .414, p = .000$ ) and no of students ( $\beta = .309, R^2 = .414, p = .000$ ) which are control variables are also contributing significantly towards perceived college performance. Therefore hypothesis H1a, H2a, H3a, H4a, H5a, H6a and H7a are proved true as all independent variables has a significant positive impact on perceived college performance.

Mediation analysis was completed by following Barron and Kenny (1986) three steps. As per this method, three conditions establish mediation association. In the first place, the independent variable must behave as a major predictor of the dependent variable. Then, the independent variable must be active as an important predictor of mediator variable. Lastly, the mediating variable must be a significant predictor of the dependent variable when dependent variable is regressed on both the independent and mediating variable. In the first step the control variables gender and no of students were entered. In the second step the mediator variable faculty commitment was entered and in the final step which is step three, all independent variables were entered separately for the mediation analysis. This model by following three steps was regressed with perceived college performance (dependent variable) separately for each independent variable.

**Table-7** Mediation analysis of faculty commitment between PCP and JI

<b>Perceived college performance</b>		
	$\beta$	$\Delta R^2$
<b>JI</b>	.142*	.193
<b>Mediation Regression with Faculty Commitment</b>		
<b>JI</b>	.193**	.190

**Table-8** Mediation analysis of faculty commitment between PCP and Recog

<b>Perceived college performance</b>		
	$\beta$	$\Delta R^2$
<b>Recog</b>	.209**	.25
<b>Mediation Regression with Faculty Commitment</b>		
<b>Recog</b>	.318**	.25

Faculty commitment does not act as mediator in the relationship between job involvement and college performance as well as recognition and perceived college performance. The study fails to see the independent variables (job involvement and recognition) as non significant when mediating variable of faculty commitment is entered in the equation. Hence the results do not support H1b and H2b hypotheses.

**Table-9 Mediation analysis of faculty commitment between PCP and DJ**

<b>Perceived college performance</b>		
	$\beta$	$\Delta R^2$
<b>DJ</b>	.245**	.25
<b>Mediation Regression with Faculty Commitment</b>		
<b>DJ</b>	.337**	.26

**Table-10 Mediation analysis of faculty commitment between PCP and PJ**

<b>Perceived college performance</b>		
	$\beta$	$\Delta R^2$
<b>PJ</b>	.158*	.30
<b>Mediation Regression with Faculty Commitment</b>		
<b>PJ</b>	.380**	.30

**Table-11 Mediation analysis of faculty commitment between PCP and IJ**

<b>Perceived college performance</b>		
	$\beta$	$\Delta R^2$
<b>IJ</b>	.279**	.36
<b>Mediation Regression with Faculty Commitment</b>		
<b>IJ</b>	.459**	.36

In the mediating regression analysis faculty commitment does not show any mediation between justice three dimensions which includes distributive justice, procedural justice and interactional justice and perceived college performance. When

mediating variable faculty commitment entered in the equation, the study fails to see any non significant impact of independent variables. It might be due to contextual change or culture could be the reason of the non significance of mediator. Hence H3b, H4b and H5b have been proved false.

**Table-12 Mediation analysis of faculty commitment between PCP and IR**

<b>Perceived college performance</b>		
	$\beta$	$\Delta R^2$
<b>IR</b>	.224**	.22
<b>Mediation Regression with Faculty Commitment</b>		
<b>IR</b>	.256**	.22

**Table-13 Mediation analysis of faculty commitment between PCP and ER**

<b>Perceived college performance</b>		
	$\beta$	$\Delta R^2$
<b>ER</b>	.178*	.31
<b>Mediation Regression with Faculty Commitment</b>		
<b>ER</b>	.403**	.30

Faculty commitment does not act as mediator in the relationship between compensation which includes intrinsic and extrinsic compensation and college performance. The study fails to see the independent variables (intrinsic rewards and extrinsic rewards) as non significant when mediating variable of faculty commitment is entered in the equation. The reason could be difference in cultural context and different

values of commerce college teachers. Hence the results do not support H6b and H7b hypotheses.

When direct impact of all independent variables (i.e. job involvement, recognition, distributive justice, procedural justice, interactional justice, intrinsic rewards and extrinsic rewards) were checked, the results show that all independent variables have a significant impact on perceived college performance. But after performing the mediation of faculty commitment there was no change in main effect size of job involvement, recognition, distributive justice, procedural justice, interactional justice, intrinsic rewards, extrinsic rewards and perceived college performance. The change in variance was also not reduced which proved that faculty commitment does not mediate the relationship between job involvement, recognition, distributive justice, procedural justice, interactional justice, intrinsic rewards, extrinsic rewards and perceived college performance. Hence the results do not support the H1b, H2b, H3b, H4b, H5b, H6b and H7b hypothesis.

## CHAPTER 5

### DISCUSSION AND CONCLUSION

This chapter discusses the major findings with respect to the findings in the previous studies. Contributions of the study and finally the limitations are discussed.

#### 5.1 Discussion of the Study Findings

The first question was about the relationship of demographic variables (i.e. age, gender, life of college, no of students, no of college disciplines) with perceived college performance. Age does not significantly relate with perceived college performance. It is similar with the findings of Karatepe et al. (2006). Gender significantly and positively correlates with the perception of the college performance. Male gender type is significantly affecting the perceived college performance; it is opposite to the findings of Karatepe et al. (2006) who proved insignificant relationship of gender with organization performance. No of employees positively correlates with perceived college performance. The more the figure of employees the colleges has the better will be the perception of college performance, contrary with the findings of Harel and Tzafir (1999). Life of college does not show any significant positive relationship with perceived college

performance. These findings are contrary with Harel and Tzafrir (1999) study in which college life significantly related with organization performance perception. Similarly the no of disciplines which is been offered by the college is not significantly related with college performance. No of students significantly and positively relates with the perception of college performance, which means that if college has huge no of student body then the perceptual performance of college would be good.

The findings of this study suggests that only gender and no of students significantly impact the perceived college performance and also positively relates with college performance, which answers the first research question that is to find out whether the demographic variables does have an impact on perceived college performance and their relationship with college performance perception.

The second research question was about the relationship of independent variables (i.e. job involvement, recognition, distributive justice, procedural justice, interactional justice, compensation system) with perceived college performance. All independent variables were significantly and positively correlated with perceived college performance.

Job involvement is based on tasks assigned to employees according to their interests so that they keep themselves involved in the work. Involvement provides satisfaction in employees' life. Involvement in job has to be the most important thing that can happen to an employee in order to achieve institutional performance. It shows



significant positive correlation with perceived college performance. Results are similar to the findings of Conte et al. (2005) and Knoop (1995).

Recognition of employees work is based on the employees' contributions towards the work. Recognition makes employees feel a valuable member of the organization. Recognition shows significant positive correlation with perceived college performance similar to the findings of Harel and Tzafrir (1999).

The study shows significant relationship between distributive justice and perceived college performance. Distributive dimension of justice is based on fairness in assigned work, fairness of pay system and employee workload. Similarly there is significant relationship between perceived college performance and procedural justice which is based on collection of proper information for decision making, standards should be maintained in order to make decision with consistency and management must hear the concerns of employees who are affected by the decision. Interactional justice is based on management concerns for the rights of employees and treatment of faculty members with kindness are significantly and positively correlates with faculty commitment and perceived college performance. These findings are similar to Wang et al. (2010) study.

Compensation system includes intrinsic and extrinsic rewards, intrinsic rewards based on the opportunities provided by the job to use skills and abilities, provide freedom to decide how to do work are positively and significantly correlated with perceived college performance. There is significant positive correlation between faculty

commitment, perceived college performance and extrinsic rewards based on providing job security, promotion opportunities and fringe benefits. These findings are similar to Tseng et al. (2009) and Harel and Tzafrir (1999).

The third research question was used in order to determine the impact of independent variables (i.e. job involvement, recognition, distributive justice, procedural justice, interactional justice, intrinsic rewards, extrinsic rewards) on a perceived college performance by using multiple regression analysis. Job involvement has a significant impact on perceived college performance. Recognition has a significant impact on perceived college performance. Distributive justice has a significant and positive impact on perception of college performance. Procedural justice has significant effect on perceived college performance. The impact of interactional justice is significant and positive on perceived college performance. Intrinsic rewards have highly significant and positive impact on perceived college performance. Similarly extrinsic rewards have significant impact on perception of college performance.

The fourth research question was about mediating role of faculty commitment between recognition, job involvement, distributive justice, procedural justice, interactional justice, intrinsic rewards, extrinsic rewards and perceived college performance. Mediation regression analysis did not proved mediation of faculty commitment between all independent variables (i.e. job involvement, recognition, distributive justice, procedural justice, interactional justice, compensation system) and dependent variable which is perceived college performance. It might be due to strong impact of independent variables on a perceived college performance.

## 5.2 Contributions of the Study

This study contributes towards the literature in different ways. The question is that how do the employee attitudinal, motivational and fairness factors can contribute towards perceived performance of the colleges. This question has been answered by testing the correlation and impact of different attitudinal, motivational and fairness factors on perceived college performance. There are very few studies that tested the impact of teachers related attitudinal, motivational and fairness factors on perceived performance by taking commerce colleges as target sector. In prior studies motivational and fairness factors have been tested in organizational settings by taking employees as respondents. In this study perceived college performance, based on providing quality education, ability to retain important employees, promising future of college has been checked and investigated that which motivational and justice factor has strong influence on perceptual college performance. This study will help college authorities to ascertain how they can motivate their faculty and provide them justice in pay, promotion, workload, decision making, faculty treatment and feedback regarding decision implementation, which would be helpful in enhancing college performance.

This study adds value to the literature by understanding the relationship between job involvement, recognition, distributive fairness, procedural fairness, interactional fairness, compensation system faculty commitment and perceived college performance. Job involvement, distributive justice, procedural justice, interactional justice, recognition

and compensation system are significantly and positively influencing the perceived college performance.

### **5.3 Conclusion**

The study concludes that the colleges which motivate their employees by involving them in work, recognizing their efforts, providing justice in pay, promotion and decision making, providing adequate compensation are high performing institutes. In the light of reinforcement and equity theory, it has been proved true that college authorities, who gives recognition to the work of their employees and also involve them in their job, are considered high performing colleges. Moreover, if the procedures of employee compensation are fair and just, then college performance would be outmatched by its competitors. Colleges who are having good performance perceptions can attract and retain skilled faculty to provide quality education to students and to introduce good products in job market for promising future of college.

### **5.4 Study Limitations**

The limitations of the study are as follows:

- Respondents were having problems in understanding the questions due to English language issues.
- The reverse coded questions were not filled out properly by the respondents.

- The total sample size was 300 out of which 250 responses were received. This sample size is not enough to clearly predict the college performance in relation with different motivational and justice factors.

## **5.5 Future Research Directions**

The directions for future research are as follows:

- This study focuses on college settings therefore these findings may not apply to other sectors. In future perceived performance can be explored through motivational and justice factors in different sectors of Pakistan.
- In future longitudinal studies can be conducted to check the impact of motivational and fairness variables on perceived college performance.
- Commitment can be taken as moderator in future to check the combined impact on performance.
- To generalize the findings future research can be conducted by taking sample from different sectors.

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**APPENDIX A****Questionnaire****Factors Affecting Perceived College Performance: Mediating  
Role of Faculty Commitment**

Dear Respondents

I am MS student of Management Sciences at International Islamic University, conducting a research on “Factors affecting Perceived College Performance: Mediating role of Faculty Commitment”. The purpose of this questionnaire is to collect data from the faculty members of commerce colleges. The information collected through the questionnaire will be confidential.

It will take only 20 minutes to fill out the questionnaire. You are requested to fill out the questionnaire completely. Your cooperation and time is appreciated. If you want to know the findings of this study then kindly send a request on [hafsah@iqraisb.edu.pk](mailto:hafsah@iqraisb.edu.pk).

Age: \_\_\_\_\_

Life of College: \_\_\_\_\_

No of employees: \_\_\_\_\_

No of students: \_\_\_\_\_

No of disciplines college is offering: \_\_\_\_\_

Responses are obtained on a 7-point Likert-type scale where 1=strongly disagree and 7=strongly agree.

	1 = Strongly disagree	2 = Somewhat disagree	3 = Disagree	4 = neither disagree nor agree	5 = Agree	6 = Somewhat agree	7 = Strongly agree
<b>DJ1:</b> My work schedule is fair.	1	2	3	4	5	6	7
<b>DJ2:</b> I think that my level of pay is fair.	1	2	3	4	5	6	7
<b>DJ3:</b> I consider my workload to be quite fair.	1	2	3	4	5	6	7

<b>DJ4:</b> I feel that my job responsibilities are fair.	1	2	3	4	5	6	7
<b>PJ5:</b> My Principal/Chairman collects accurate information necessary for making decisions.	1	2	3	4	5	6	7
<b>PJ6:</b> My Principal/Chairman provides opportunities to challenge the decision.	1	2	3	4	5	6	7
<b>PJ7:</b> Have all sides affected by the decision represented.	1	2	3	4	5	6	7
<b>PJ8:</b> My Principal/Chairman generates standards so that decisions could be made with consistency.	1	2	3	4	5	6	7
<b>PJ9:</b> My Principal/Chairman hears the concerns of all those affected by the decision.	1	2	3	4	5	6	7
<b>IJ10:</b> Your Principal/Chairman considered your viewpoint.	1	2	3	4	5	6	7
<b>IJ11:</b> Your Principal/Chairman provided you with timely feedback about the decision and its implications.	1	2	3	4	5	6	7

<b>IJ12:</b> Your Principal/Chairman treated you with kindness and consideration.	1	2	3	4	5	6	7
<b>IJ13:</b> Your Principal/Chairman showed concern for your rights as an employee.	1	2	3	4	5	6	7
<b>JJ14:</b> The most important things that happen to me involve my work.	1	2	3	4	5	6	7
<b>JJ15:</b> The major satisfaction in my life comes from my job.	1	2	3	4	5	6	7
<b>JJ16:</b> I will stay overtime to finish a job, even if I am not paid for it.	1	2	3	4	5	6	7
<b>JJ17:</b> I have other activities more important than my work. (R)	1	2	3	4	5	6	7
<b>R18:</b> My contributions are being recognized by my college.	1	2	3	4	5	6	7

<b>R19:</b> My Principal/Chairman recognizes me when I do good work.	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>R20:</b> I feel I am a valuable member of the college.	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>IR21:</b> My job has excessive amount of challenge in it.	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>IR22:</b> My job provides opportunities to use my skills and abilities.	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>IR23:</b> My job provides the amount of freedom to decide how to perform my work.	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>ER24:</b> My job provides me financial rewards which includes pay and fringe benefits.	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>ER25:</b> My job provides me job security.	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>



<b>ER26:</b> My job has ample opportunities of promotion.	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>FC27:</b> I would feel guilty if I left my college now.	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>FC28:</b> Right now staying with my college is a matter of necessity as much as desire.	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>FC29:</b> I do not feel like “part of the family” at my college. (R)	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>FC30:</b> I do not feel “emotionally attached” to this college. (R)	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>FC31:</b> I do not feel a strong sense of belonging to my college.	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>FC32:</b> One of the few serious consequences of leaving this organization would be the scarcity of available alternatives.	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>

	1 = Very false	2 = Somewhat false	3 = False	4 = Neither false nor true	5 = True	6 = Somewhat true	7 = Very true
PCP32: College is providing quality education.	1	2	3	4	5	6	7
PCP33: College has the ability to retain essential employees.	1	2	3	4	5	6	7
PCP34: College performance is very effective.	1	2	3	4	5	6	7
PCP35: The college has a promising future.	1	2	3	4	5	6	7

DJ = Distributive justice, PJ = Procedural justice, IJ = Interactional justice, JI = Job involvement, R = Recognition, IR = Intrinsic rewards, ER = Extrinsic rewards, FC = Faculty commitment, PCP=Perceived College performance.

**THANK YOU FOR YOUR TIME AND SUPPORT**

## APPENDIX B

**Table-1 Age**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	21-30	153	61.2	61.2	61.2
	31-40	73	29.2	29.2	90.4
	41-50	22	8.8	8.8	99.2
	Above 60	2	.8	.8	100.0
	Total	250	100.0	100.0	

**Table-2 Gender**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	177	70.8	70.8	70.8
	female	73	29.2	29.2	100.0
	Total	250	100.0	100.0	

**Table-3 Life of College**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-5	133	53.2	53.2	53.2
	6-10	24	9.6	9.6	62.8
	11-15	2	.8	.8	63.6
	16-20	25	10.0	10.0	73.6
	21-25	34	13.6	13.6	87.2
	26-30	7	2.8	2.8	90.0
	36-40	15	6.0	6.0	96.0
	46-50	10	4.0	4.0	100.0
	Total	250	100.0	100.0	

**Table-4 No of Employees**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	11-20	16	6.4	6.4	6.4
	21-30	69	27.6	27.6	34.0
	31-40	50	20.0	20.0	54.0
	41-50	44	17.6	17.6	71.6
	51-60	30	12.0	12.0	83.6
	61-70	12	4.8	4.8	88.4
	71-80	8	3.2	3.2	91.6
	91-100	21	8.4	8.4	100.0
	Total	250	100.0	100.0	

**Table-5 No of Students**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	151-250	14	5.6	5.6	5.6
	251-350	7	2.8	2.8	8.4
	351-450	11	4.4	4.4	12.8
	451-550	16	6.4	6.4	19.2
	551-650	11	4.4	4.4	23.6
	651-750	22	8.8	8.8	32.4
	751-850	10	4.0	4.0	36.4
	951-1050	5	2.0	2.0	38.4
	1151-1250	71	28.4	28.4	66.8
	1251-1350	6	2.4	2.4	69.2
	1351-1450	27	10.8	10.8	80.0
	1451-1550	9	3.6	3.6	83.6
	1851-1950	6	2.4	2.4	86.0
	1951-2050	16	6.4	6.4	92.4
	2051-3050	19	7.6	7.6	100.0
	Total	250	100.0	100.0	

**Table-6 No of Disciplines College is Offering**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	19	7.6	7.6	7.6
	2	35	14.0	14.0	21.6
	3	52	20.8	20.8	42.4
	4	95	38.0	38.0	80.4
	5	2	.8	.8	81.2
	6	18	7.2	7.2	88.4
	7	1	.4	.4	88.8
	10	28	11.2	11.2	100.0
	Total	250	100.0	100.0	

**Table-7 Distributive Justice**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	9	3.6	3.6	3.6
	somewhat disagree	23	9.2	9.2	12.8
	disagree	23	9.2	9.2	22.0
	neither disagree nor agree	23	9.2	9.2	31.2
	agree	97	38.8	38.8	70.0
	somewhat agree	39	15.6	15.6	85.6
	strongly agree	36	14.4	14.4	100.0
	Total	250	100.0	100.0	

**Table-8 Procedural Justice**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	22	8.8	8.8	8.8
	somewhat disagree	33	13.2	13.2	22.0
	disagree	78	31.2	31.2	53.2
	neither disagree nor agree	24	9.6	9.6	62.8
	agree	47	18.8	18.8	81.6
	somewhat agree	31	12.4	12.4	94.0
	strongly agree	15	6.0	6.0	100.0
	Total	250	100.0	100.0	

**Table-9 Interactional Justice**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	8	3.2	3.2	3.2
	somewhat disagree	21	8.4	8.4	11.6
	disagree	43	17.2	17.2	28.8
	neither disagree nor agree	39	15.6	15.6	44.4
	agree	90	36.0	36.0	80.4
	somewhat agree	40	16.0	16.0	96.4
	strongly agree	9	3.6	3.6	100.0
	Total	250	100.0	100.0	

**Table-10 Job Involvement**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	7	2.8	2.8	2.8
	somewhat disagree	9	3.6	3.6	6.4
	disagree	4	1.6	1.6	8.0
	neither disagree nor agree	47	18.8	18.8	26.8
	agree	112	44.8	44.8	71.6
	somewhat agree	36	14.4	14.4	86.0
	strongly agree	35	14.0	14.0	100.0
	Total	250	100.0	100.0	

**Table-11 Recognition**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	18	7.2	7.2	7.2
	somewhat disagree	21	8.4	8.4	15.6
	disagree	35	14.0	14.0	29.6
	neither disagree nor agree	59	23.6	23.6	53.2
	agree	84	33.6	33.6	86.8
	somewhat agree	27	10.8	10.8	97.6
	strongly agree	6	2.4	2.4	100.0
	Total	250	100.0	100.0	

**Table-12 Intrinsic Rewards**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	6	2.4	2.4	2.4
	somewhat disagree	6	2.4	2.4	4.8
	disagree	16	6.4	6.4	11.2
	neither disagree nor agree	33	13.2	13.2	24.4
	agree	117	46.8	46.8	71.2
	somewhat agree	41	16.4	16.4	87.6
	strongly agree	31	12.4	12.4	100.0
	Total	250	100.0	100.0	

**Table-13 Extrinsic Rewards**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	24	9.6	9.6	9.6
	somewhat disagree	18	7.2	7.2	16.8
	disagree	50	20.0	20.0	36.8
	neither disagree nor agree	28	11.2	11.2	48.0
	agree	58	23.2	23.2	71.2
	somewhat agree	52	20.8	20.8	92.0
	strongly agree	20	8.0	8.0	100.0
	Total	250	100.0	100.0	

**Table-14 Faculty Commitment**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	11	4.4	4.4	4.4
	2.00	19	7.6	7.6	12.0
	3.00	52	20.8	20.8	32.8
	4.00	43	17.2	17.2	50.0
	5.00	57	22.8	22.8	72.8
	6.00	25	10.0	10.0	82.8
	7.00	43	17.2	17.2	100.0
	Total	250	100.0	100.0	

**Table-15 Perceived College Performance**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	very false	1	.4	.4	.4
	somewhat false	16	6.4	6.4	6.8
	false	17	6.8	6.8	13.6
	neither false nor true	29	11.6	11.6	25.2
	true	108	43.2	43.2	68.4
	somewhat true	36	14.4	14.4	82.8
	very true	43	17.2	17.2	100.0
	Total	250	100.0	100.0	

