

**THE MEDIATING AND MODERATING EFFECT ON  
THE RELATIONSHIP BETWEEN PERFORMANCE  
APPRAISAL, LEADER-MEMBER EXCHANGE AND  
JOB PERFORMANCE IN PUBLIC HIGHER  
EDUCATIONAL INSTITUTIONS  
IN PAKISTAN**

**MUHAMMAD AAMIR**

**ASIA e UNIVERSITY  
2023**

THE MEDIATING AND MODERATING EFFECT ON THE  
RELATIONSHIP BETWEEN PERFORMANCE APPRAISAL,  
LEADER-MEMBER EXCHANGE AND JOB  
PERFORMANCE IN PUBLIC HIGHER  
EDUCATIONAL INSTITUTIONS  
IN PAKISTAN

MUHAMMAD AAMIR

A Thesis Submitted to Asia e University in  
Fulfilment of the Requirements for the  
Degree of Doctor of Philosophy

March 2023

## **ABSTRACT**

The current study was aimed to investigate the impact of performance appraisal on job performance of employees working in public sector educational institutions of Pakistan with a mediation moderation mechanism. The previous literature highlighted the gaps relevant to performance appraisal and its impact on job performance of employees in different sectors. The current study incorporated organizational commitment as a moderator and LMX as a mediator to further strengthen the positive relationship between these two variables. Structural equation modeling (SEM) with maximum likelihood estimation was applied with a sample of 332 employees working in 12 public sector higher educational institutions located in Islamabad, Pakistan. The results further explored the role of performance appraisal and its direct and positive impact on job performance of employees. In addition, LMX have a direct and positive impact on job performance, while it also mediates the positive relationship of performance appraisal and job performance of employees in these selected public sector educational organizations. The study concludes that, in light of the preceding analysis and discussion regarding the influence of performance appraisals on employee job performance in educational institutions in Pakistan, organizations must pay adequate attention to their human resources in order to improve organizational performance. The research emphasizes the importance of recognition and feedback in an employee's performance and how they impact employee job performance in a public sector university. Surprisingly, however, training, development, and promotion had little influence on staff productivity and performance. It is therefore critical that staff performance may be increased by timely feedback and appreciation via tangible benefits. Based on the foregoing results, it is suggested that, in order to boost employee performance, training and promotion should focus on strengthening employees'

commitment and be performance-based. Performance appraisal has a significant and an important role in improving employee performance within an educational organization. As a result, university administration should develop and implement the finest performance assessment techniques to increase employee competency while also meeting organizational goals. Furthermore, university administration should ensure that job descriptions for each staff member are clear, specific, and well defined in order to prevent employee confusion and dissatisfaction in cases where they do not know what is required of them, which may result in failure to meet their set targets. Future research should look into the performance appraisal system and its secondary outcomes, such as corporate innovation, financial performance, quality performance, and so on, while taking the mediation role of internal communication, employee motivation, and employee training and development into account.

**Key Words:** Performance Appraisal, Organizational Commitment, Leader-Member Exchange, Job Performance, Higher Educational Institutions, Islamabad, Pakistan

## **APPROVAL**

This is to certify that this thesis conforms to acceptable standards of scholarly presentation and is fully adequate, in quality and scope, for the fulfilment of the requirements for the degree of Doctor of Philosophy

The student has been supervised by: **Professor Dr. Juhary Ali**

The thesis has been examined and endorsed by:

**Professor Dato' Dr. Mohamad Nasir Hj Saludin**  
**Professor,**  
**Kolej Universiti Islam Melaka**  
Examiner 1

**Associate Professor Dr. Oo Yu Hock**  
**Associate Professor,**  
**Asia e University**  
Examiner 2

This thesis was submitted to Asia e University and is accepted as fulfilment of the requirements for the degree of Doctor of Philosophy.



**Professor Dr Siow Heng Loke**  
Asia e University  
Chairman, Examination Committee  
(21 March 2023)

## DECLARATION

I hereby declare that the thesis submitted in fulfilment of the PhD degree is my own work and that all contributions from any other persons or sources are properly and duly cited. I further declare that the material has not been submitted either in whole or in part, for a degree at this or any other university. In making this declaration, I understand and acknowledge any breaches in this declaration constitute academic misconduct, which may result in my expulsion from the programme and/or exclusion from the award of the degree.

**Name:** Muhammad Aamir

A handwritten signature in black ink, appearing to read 'Muhammad Aamir', written over a horizontal line. The signature is stylized with a vertical line through the middle and some flourishes.

**Signature of Candidate:**

**Date:** 30<sup>th</sup> January, 2023



## **ACKNOWLEDGEMENTS**

The completion of my thesis could not have been possible without the expertise of Professor Dr. Juhary Ali, my beloved thesis supervisor. I would also like to thank Associate Professor. Dr. Sheila Cheng Chuen Sheila, Professor Dr. Siow Heng Loke and Professor Dr. Teik Kheong Tan which helped me a lot in completion of my thesis. Last but not least, I would like to thank my parents Mr. Tajawal Khan and Mrs. Zaitoon without you none of this would indeed be possible.



## TABLE OF CONTENT

<b>ABSTRACT</b>	<b>ii</b>
<b>APPROVAL</b>	<b>iv</b>
<b>DECLARATION</b>	<b>v</b>
<b>ACKNOWLEDGEMENTS</b>	<b>vii</b>
<b>TABLE OF CONTENT</b>	<b>viii</b>
<b>LIST OF TABLE</b>	<b>x</b>
<b>LIST OF FIGURE</b>	<b>xi</b>
<b>LIST OF ABBREVIATION</b>	<b>xii</b>
<b>CHAPTER 1 INTRODUCTION</b>	<b>1</b>
1.1 Background of the study	1
1.2 Gap Analysis	6
1.3 Problem Statement	12
1.4 Objectives	19
1.5 Research questions	19
1.6 Research hypothesis	20
1.7 Justification and significance of the study	20
1.7.1 Theoretical significance	20
1.7.2 Managerial justification	23
1.7.3 Contextual justification	23
1.8 Chapter Summary	25
<b>CHAPTER 2 REVIEW OF LITERATURE</b>	<b>26</b>
2.1 Introduction	26
2.2 Job Performance	26
2.3 Performance Appraisal	36
2.4 Organizational Commitment	50
2.5 Leader Member Exchange	65
2.6 Hypothesis development	75
2.6.1 Performance appraisal and Job Performance	75
2.6.2 Performance appraisal and leader-member exchange	82
2.6.3 Leader member exchange and job performance	84
2.6.4 Organizational Commitment as Moderator	91
2.6.5 Performance appraisal, LMX, job performance (mediation)	96
2.7 Chapter Summary	105
<b>CHAPTER 3 METHODOLOGY</b>	<b>106</b>
3.1 Operational definitions of variables	106
3.2 Theoretical framework	107
3.2.1 Organizational Justice Theory	107
3.3 Research framework	110
3.4 Research design	110
3.5 Dimensions of variables and measurement	111
3.6 Population and Sampling	112

3.6.1	Determination of Sample size	112
3.6.2	Sample size and sampling technique	113
3.7	Data Collection	114
3.8	Data Analysis	114
3.9	Validity	115
3.9.1	Validity	115
3.9.2	Construct Validity	118
3.10	Reliability	119
3.11	Ethical Considerations	121
3.12	Chapter Summary	123
<b>CHAPTER 4 RESULTS AND DISCUSSIONS</b>		<b>124</b>
4.1	Introduction	124
4.2	Descriptive Statistics	124
4.3	Confirmatory Factor Analysis	127
4.4	Structural Model	132
4.5	Mediation	133
4.6	Hypothesis testing the moderating role of organizational commitment	134
4.7	Discussion of the Results	136
4.8	Research question 1	137
4.9	Research question 2	138
4.10	Research question 3	139
4.11	Research question 4	141
4.12	Research question 5	142
4.13	Chapter summary	143
<b>CHAPTER 5 CONCLUSION AND RECOMMENDATIONS</b>		<b>144</b>
5.1	Introduction	144
5.2	Conclusion	144
5.3	Limitations	148
5.4	Implications of the Study	150
5.4.1	Implications for theory	151
5.4.2	Implications for research	152
5.4.3	Implications for business practice	154
5.5	Recommendations	157
5.6	Chapter Summary	159
	<b>REFERENCES</b>	160
	<b>APPENDICES</b>	192
	<b>QUESTIONNAIRE</b>	192

## LIST OF TABLE

<b>Table</b>		<b>Page</b>
3.1	Theoretical Frame work	107
3.2	Dimensions of Variables and Measurement	111
3.3	Selected Organizations for the Study	113
4.1	Demographics of the respondents	125
4.2	Descriptive Statistics	126
4.3	Confirmatory Factor Analysis	129
4.4	Comparison of measurement models	129
4.5	Factor Loadings for PA, OC, LMX, JP	130
4.6	Validity and Reliability of Measurement Model	132
4.7	Structural Relationship between variables in the Model	133
4.8	Mediation Analysis	134
4.9	Moderation of PA, OC, LMX	135

## LIST OF FIGURE

<b>Figure</b>		<b>Page</b>
3.1	Research Framework	110
4.1	Structural Equation Modelling	131
4.2	Mediation	134
4.3	Moderation	135

## LIST OF ABBREVIATION

<b>PA</b>	Performance Appraisal
<b>LMX</b>	Leader Member Exchange
<b>JP</b>	Job Performance
<b>OC</b>	Organizational Commitment
<b>OJ</b>	Organizational Justice
<b>HRM</b>	Human Resource Management
<b>PM</b>	Performance Management
<b>JS</b>	Job Satisfaction
<b>SET</b>	Social Exchange Theory
<b>SEM</b>	Structural Equation Modelling
<b>OP</b>	Organizational Performance
<b>OG</b>	Organizational Goal
<b>HEi</b>	Higher Education Institution
<b>PSO</b>	Public Sector Organization
<b>CFA</b>	Confirmatory Factor Analysis
<b>CMB</b>	Common Method Bias
<b>SD</b>	Standard Deviation
<b>AeU</b>	Asia e University

## CHAPTER 1

### INTRODUCTION

#### 1.1 Background of the study

Competition among all higher education institutions has risen over the last several decades all over the world in terms of delivering the greatest possible educational facilities to a country's young population. Human resources play a vital part in providing the greatest educational experiences available at these schools. Academic staff is regarded as one of the most important and precious human resource components influencing and determining the quality of a higher educational institution's performance in this regard (Yildiz, 2016). Academic staff members' principal responsibilities include teaching, research, and scholarly activities for the students. These activities are also regarded as critical performance indicators for such higher education institutions globally (see Graham, 2015). Because the efficacy of institutions of higher learning is mostly decided by the extraordinary performance of its university staff, several research have lately been done to understand what factors influence academic staff performance. These characteristics particularly include psychological environment (Biswas & Varma, 2013), job satisfaction (see also Judge et al., 2001), and commitment (Wallace & De Chernatony, 2009). Furthermore, the quality of the relationship between the administrator of an organization (i.e., leader) and the university staff (i.e., subordinates) may also positively influence academic staff performance. The leader-member exchange (LMX) hypothesis explains the quality of connections as a phenomenon (Winkler, 2010). Such study has been performed in both rich and developing nations, but it is still in its infancy in Pakistan. Furthermore, prior research indicates a lack of consistent and compelling data about the influence of performance assessments on job performance in public sector higher educational

institutions of Pakistan. The empirical data indicates that research in this area is still ambiguous. The goal of this study was to gather empirical evidence and obtain insights into the influence of performance appraisal on job performance in Pakistan's public sector higher education. Performance appraisals are typically applied in organizations to achieve a variety of goals, including administrative means (i.e. promotions, pay raises,), developmental, feedback, and personnel research (see also Abu-doleh & Weir, 2007; Cawley, keeping, & levy, 1998), improving employee performance and work efficiency (Murphy & Cleveland, 1991, 2003), and employee development to improve skills (Murphy & Cleveland, 1991, 2003). (Young court, leiva & jones, 2007; Boswell& boudreau, 2002). According to Boswell and colleagues (2000), “pay raises are intended to influence administrative decisions (salary, termination, retention, promotion, and layoffs) as well as development decisions such as training employees, providing regular performance feedback, employee transfer, and influencing employee strengths and weaknesses”.

Battaglia (2015), Kellough (2012), and Armstrong (2010) examined the causes of appraisal failure at the top of the organization, such as ineffective rating tools, poor performance standards, poor relations with superiors, irregular performance feedback, desperate negative thinking in subordinates' perceptions, low accuracy of performance indicators at the senior level, and political performance reviews. Tee, Ramis, Frnandez, and Paulsen (2017) utilized a cross-sectional survey to collect the responses of 112 Malaysians and observed that followers' assessments of leadership were adversely related to their anger, which involved collective action intentions. Strong leadership is one of the most important jobs in organizational management because it may help organizations compete in the medium to long term by aligning people, time, and resources to achieve organizational goals (see also Keskes, Sallan, Simo, & Fernandez,

2018; Avolio, 1999). Leadership is defined as the connection that develops between a person (the leader) and a group (the followers) in which collective behavior is controlled or dictated by the leader (e.g. Keskes, Sallan, Simo, & Fernandez, 2018; Shastri et al., 2010). Leaders can use a variety of strategies to persuade their followers, including the leader-member exchange relationship. On a professional level, ties between leaders and members are exchanged (see Uhl-Bien, Graen, & Scandura, 2000, p.19). Individuals who are engaged in a quality exchange connection, according to studies, can communicate honestly, comprehend each other's situations, and have a stronger capacity to engage in producing ideas for organizations, therefore contributing to the attainment of their goals (Hsiung, 2018). Significant research has shown that the influence of LMX on workplace outcomes, particularly those linked to performance is crucial in motivating workers throughout the previous few decades (e.g., Martin et al., 2019). However, only a few studies have shown that LMX is a good predictor of organizational commitment, particularly in HEI situations (Settoon, Bennett, & Liden, 1996). As a result, more research into this concept is needed in many organizational contexts, such as higher academic institutions working in Pakistan. Employee organizational commitment is especially crucial in university settings, where human resources are responsible for developing and training a nation's intellects owing to their critical role in organizational performance (Adil, M. S., & Qaiser, F., 2020; Ahmad, Zafar, & Shahzad, 2015). As a result, little research in the literature examines the relationship between LMX and employee commitment in a university setting particularly in Pakistan's HEIs.

Employees' organizational commitment has grown in importance internationally as a result of the competitive business climate, where firms' attention has shifted to their people resources in order to achieve a competitive edge (Rashid et



al, 2018; Kleinman, Siegel, & Eckstein, 2001, p.11). Organizational commitment is a subjective concept that may be improved via training and development programs (see for info, Asrar-ul-Haq, Kuchinke, & Iqbal, 2017). Scholars are divided, with some claiming that such programs may or may not maximize commitment. As a result, various efforts, such as supervisory rewards and recognition, an individual-organization fit, and a leader member exchange connection, among others, must be adopted since such schemes are strong predictors of organizational commitment (Chew & Chan, 2008). “Employees with a high LMX for example are anticipated to receive more assistance, rewards, and positive feedback from their superiors outside of the scope of their employment contracts” (Graen & Uhl-Bien, 1995). Employees with high LMX are more likely to have a sense of belonging and to reciprocate by exhibiting commitment (see also Tordera, González-Romá, & Peiró, 2008; Yousaf, Sanders, Torka, and Ardts, 2011).

“LMX represents the quality of the exchange relationships between employees and their supervisors, and the quality of these relationships depends on both parties’ mutual trust, respect and obligation” (see for info Graen and Uhl-Bien, 1995). “This phenomenon can be explained by the social exchange theory” (Blau, 1964). Employees are thus more inclined to respond by putting out effort in a variety of job-related attitudes and actions (Teng et. al., 2020). This might explain why several previous research revealed that LMX leads to a variety of favorable positive and relevant job outcomes, including increased job effectiveness, job satisfaction, and commitment (Teng et. al., 2020; Kim and Koo, 2017; Cha and Borchgrevink, 2018; Wanget al., 2017). Typically, the perceived quality of the obvious and unseen advantages transferred between employees and leaders raises the quality of a LMX relationship. Employees that have excellent quality LMX connections with their leaders, on the other

hand, tend to obtain more help and resources from their leaders, and therefore tend to be more successful workers. People who are treated generously by others, according to this belief, feel obligated to reciprocate the favor in the form of a favorable reaction or treatment. According to this reasoning, when employees with high-quality LMX receive more aid and services from their managers, they will feel obligated to offer some good responses or treatments to their supervisors (Teng et al., 2020). Based on the findings of these studies, which show that LMX is important in shaping employees' job-related attitudes and behaviors such as job performance and commitment, the most recent research hypothesizes that LMX may also serve an essential mediating role among both performance appraisal and job performance, as well as function as a boundary condition affecting the indirect relationship between the two constructs (Teng et al. 2020).

In the light of above, discussion the study proposed that performance appraisal may influence the leader-member exchange relationship of managers and their subordinates. “In the LMX literature, it has been claimed that leaders may be able to manage teams (particularly big ones) more successfully by building solid LMX connections with a select few workers, who may then function as the leader's 'lieutenant' or 'trusted assistant' in his/her absence” (e.g., Dansereau, Graen & Haga, 1975, 19). Even though this assertion has not been tested empirically, such an approach is thought to result in a more optimal use of the leader's limited amount of resources. Research also evident that organizational commitment might mitigate the effects of performance appraisal failure on job performance through the mediation of leader-member exchange relationship (Kim, Liu, & Diefendorff, 2015). (Grotein, 1996) discussed that generally, individuals support the basic concept behind performance appraisal and despite of having concerns for the procedures and applicability of performance appraisal results

by supervisors therefore, this research is aimed to investigate the relationship between performance appraisal and performance with the mediating effects of leader-member exchange. The research also introduced organizational commitment as a potential moderator in the relationship of performance appraisal and the relationship of leader members in an organizational context of performance appraisal in public sector educational organizations of Pakistan.

## **1.2 Gap Analysis**

Employee satisfaction with a performance appraisal system, in particular, is critical for achieving a range of attitudinal and behavioral outcomes, including intrinsic motivation (Memon et al., 2019), commitment and loyalty (Salau et al., 2014), creative behavior and career development (Ismail and Rishani, 2018), and low turnover intention (Memon et al., 2019). One of the most important components of an organizational performance management system for achieving individual and corporate goals is performance evaluation (e.g., Gozukara et al., 2017; Memon et al., 2019; Ismail and Gali, 2016). Employee discontent with performance assessments, on the other hand, develops negative attitudes and opinions, culminating in the collapse of the corporate performance appraisal system and severe workplace consequences (Memon et al., 2019; Ismail and Gali, 2016). "Organizations capable of building performance assessment systems that workers regard rewarding gain numerous crucial employee outcomes at the workplace," (Ismail and Rishani, 2018, p. 111).

Previous studies has indicated that workers positive perceptions of performance evaluation have a significant influence on their attitudes and behavior (Memon et al., 2019; Choi et al., 2013; Colquitt et al., 2001). "Trust and fairness views are vitally important" during performance assessments, "with the purpose of fostering participation" (according to (Memon et al., 2019; Gruman and Saks 2011p. 131). Saks

(2006) observed that procedural fairness boosted workers' levels of involvement in his pioneering work on a multi-dimensional model of engagement (Memon et al., 2019). According to (Attridge 2009, p. 387), “those employees who get yearly formal performance evaluations have substantially higher levels of employee engagement than those who do not receive”. Due to the lack of a fair and reasonable performance appraisal system, many employees are changing employment and relocating to other countries, resulting in poorer retention in countries like Pakistan. The push and pull variables are the most likely reasons of brain drain in developing countries (Najibet al., 2019). This emphasizes the importance of a well-defined performance rating system in public sector educational institutions in these nations in order to ensure staff retention. Pakistan is among the developing countries grappling with the issue of low staff retention (Ghulam et al., 2019).

Every year, a large number of highly trained individuals leave Pakistan to pursue jobs in other countries which ultimately affect the HEIs. Similarly, (Saeed et al. 2013) identified salary, career development, and work features as important predictors of employee retention, which assist firms raise the job performance level of their employees, as shown in Pakistan's education sector. The overall compensation system (monetary and non-monetary rewards) was identified by Akhtaret et al. (2015) as a major predictor of employment retention among university teachers. Furthermore, Iqbal and Hashmi (2015) discovered that perceived organizational support, as well as psychological empowerment, aid in the retention of personnel at educational institutions. When workers believe that their organizations support them, they feel psychologically empowered, forming a tie with their employers that eventually convert into longer partnerships. Tatlahet et al. (2017) discovered that HR policies impact employee retention in a study of university personnel. Bibiet et al. (2017) did a study

on workers at Pakistani educational institutions and discovered that salary, promotional possibilities, and work environment are major determinants of employee retention. Similarly, Nasir and Mahmood (2018) did a research on higher education personnel. They discovered that HR practises (supervisor support, reward and recognition, and work-life policies) influence employee retention. In the context of library administration, Warraichet al. (2019) found that quick promotions, attractive wage packages, good work conditions, learning opportunities, and growth chances are elements that motivate personnel to stay. Butt et al., (2020) discovered that internal marketing, such as the promotion of economic values, developmental values, social values, diversity, reputational values, and organizational citizenship behavior, assists organizations in bringing out positive employee attitudes, which ultimately aids in improving job performance.

Performance appraisal is one of the most important tools for the use of HR management, and its efficient implementation is one of the most challenging difficulties for HR professionals, especially its reliability and validity in the implementation phase (see also Gupta and Kumar, 2013; Ivaldi et al., 2015). Its ultimate purpose is to enable employees to continually improve their job performance (Dal Corso, L. et al., 2019; Selvarajan et al., 2018) and to educate staff on innovation (see also Benadusi and Giancola, 2016). Since the 1970s, several developments have affected European educational systems, including increased school autonomy and human resource management responsibilities (see also Benadusi and Giancola, 2016). A well-functioning performance appraisal system has a significant beneficial impact on an employee's professional growth.

Furthermore, instructors are critical for improved education and the development of future employees (e.g., Tripathi et al., 2018; Ripamonti et al., 2018). It

has the potential to become a valuable job resource for people working in educational institutions (Farndale, 2017). Performance evaluation also involves particular goals, such as accountability, professional development, and organizational progress (see Delvaux et al., 2013; Rubel and Kee, 2015). Educational institutions are burdened with civic duty and have a strong sense of meaning: the necessity of their excellence is obvious. It enables students, for example, to emancipate from their internalized norms and values, families, and be recognized for their accomplishments (see also Freddano, 2016). As a result, performance appraisal is a critical tool for improving not only teaching quality but also job performance in educational institutions. It detects teachers' growth and training requirements while improving a variety of outcomes such as job performance (Obasi and Ohia, 2014). Employees' reactions, beliefs, and attributions regarding the assessments they get – in perceptions of equality and satisfaction – impact their results. Based on the little research on performance appraisal, the study proposes to provide the following contributions (see also Rubel and Kee, 2015).

To begin with, its mode of action—for example, mediation effects is unknown (see also Gupta and Kumar, 2013), because job performance is viewed as a positive attitude toward the task, job satisfaction and life satisfaction are commonly used as measures of it (see also Alonso et al., 2019). An employee performance assessment is intended to be an objective technique for assessing actual and projected performance based on a supervisor's analysis. Individual views of performance appraisal were the subject of this investigation. Although the entire process reflects environmental characteristics, it is critical to evaluate its subjective parts (Kim, 2016). As a result, we set out to investigate possible mediators and moderators in the relationship between performance assessment, LMX, organizational commitment, and job performance. Second, research on performance management demonstrates a gap in both corporate

and individual performance assessments with good effects (Van De Voorde et al., 2012, p.21). Finally, we hope to provide light on the relationships between performance appraisal and job performance. The quality of performance management is related with good results such as commitment and intention to stay, as well as negative consequences such as job stress (e.g., Falco et al., 2018; Su and Baird, 2017). It possesses the ability to shape people's attitudes and behavior toward the organization (Hong, 2018, p.11). Leadership is one of the most important tasks of organizational management because great leadership may assist businesses in their ongoing battle to be more competitive, as it helps to align people, time, and resources to accomplish organizational goals (see also Keskes et. al., 2018; Avolio, 1999). Leadership is described as the connection that develops between a person (the leader) and a group (the followers), in which collective behavior is guided or dictated by the leader (Keskes et al, 2018; Shastri et al., 2010).

A team of employees dedicated to the organization is one of the anticipated consequences of leadership. Organizational commitment is described as a psychological condition that ties an individual to a company (Keskes et al, 2018; Allen and Meyer, 1990). The present study assessed organizational commitment as moderator between the performance appraisal and leader-member exchange. With the increasing speed and volume of change in company, managers are always seeking for ways to increase employee commitment, which leads to a competitive advantage and increases employee attitudes such as work satisfaction, absenteeism, intentions to quit, performance, (Dysvik & Kuvaas, 2013; Lok and Crawford, 2001; Yousef, 2000).

Many firms have attempted in recent years to build a workforce that is not just deeply dedicated to its employers but also aspires for great performance (Deery and Iverson, 2005, Rousseau, 1998). The relationship between corporate commitment and

employee performance has also piqued academic researchers' interest (Jaramillo et al., 2005, Riketta, 2002). Although LMX theory is often applied to the leader-subordinate dyad, previous empirical research has shown that LMX may influence organizational-level values such as commitment and affiliation with the firm, as well as lower the tendency to leave the organization (Teng, Lu, Huang, & Fang, 2020; Kim et al., 2017; Wang et al., 2017, p.15). Employees usually see leaders as the organization's spokesman and the primary person in control of employment interactions; hence, the LMX can contribute to general opinions (e.g., Eisenberger et al., 2010). Leaders reflect the company's iconic characteristics and have a social effect on employees (Teng, Lu, Huang, & Fang, 2020; Hogg et al., 2005). Employees who have high LMX are more able to obtain organizational resources and support from their supervisors, however, because supervisors are the organization's ambassadors, employees with high LMX are more likely to perceive their organizations as trustworthy; thus, in response their proclivity to identify with them should be positively increase (Sparrowe and Liden, 1997; Teng, Lu, Huang, & Fang, 2020). To fill these research gaps, this study provides a theoretical justification and appropriate ground to incorporate LMX at work as a mediating variable in understanding the relationship between performance appraisal and job performance in public sector educational institutions operating in Pakistan.

In addition, organizational commitment has been taken as moderating variable in this relationship of performance appraisal and leader-member exchange in these organizations. Furthermore, organizational commitment to any given organization plays a critical role in determining an employee's work performance and happiness within the public sector HEIs of Pakistan. However, only a few studies, to the best of the researchers' knowledge, have explored the importance of performance appraisal and job performance in determining employee commitment, LMX, particularly in the