

ORIGINAL CONTRIBUTION

Impact of Personal Biases and Organizational Politics on Performance Appraisal Systems- A Case Study of the Service Sector of Pakistan

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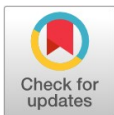
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Abstract— The performance of the appraisal system is investigated in this article concerning to personal bias and Organizational Politics (OP). This article focuses on the problems with the evaluation processes that are impacted by bias, internal politics, and incorrect assessments of employees' performance. Data collection using the practical sampling technique. Additionally selected for this article are five public service organizations: WAPDA, PIA, MDA, NADRA, and WASA. Twenty managers and 250 middle-level employees make up the sample size for the analysis. To evaluate the hypothesis, regression analysis technique was used, along with Process modeling for mediation and moderation. The research in this paper demonstrates the considerable effects of individual prejudice, workplace politics, and performance evaluation systems. Previous literature is limited in examining the relationship that such biasness and political exploitation of the organization contributes to employee discontent, impacting the company's norms and Employee Perception (EP) that they are not correctly paying (Ayegi, 2019 & Guo 2019). To contribute to the formation of public companies, managers must foster and value a positive culture. Organizational Culture (OC) does not significantly affect performance evaluation methods, but the moderation and mediation of the variables produced significant results. Employees form the strong impression that the organization has a biased culture. Long-term commendation must make employees feel valued by their bosses to be effective in positive attitudes.

Index Terms— Employee perception, Organizational politics, Organizational culture, Personal biasness, Performance appraisal systems, Public sectors of Pakistan

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Introduction

The process of adopting the evaluation procedure for the recognition, evaluation, and improvement of results is known as performance management. The framework for evaluating people's and organizations performance as the integration of that performance, can be useful for advancing the organization's goals. The performance management process often has several problems. The Anchoring effect, partiality, Leniency effect, Halo effect are examples of personal bias. The company uses a performance appraisal system to give employees incentives, identify growth opportunities, and make observations and fair judgments about their work, teams, management, and businesses (Dawson et al., 2020). Rewards will continue to diminish rather than boost the positive attitudes and performance of employees if performance evaluations are perceived as being unjust (Walden, 2019). Employees express irritation with the implementation of PAS and have a poor opinion of the PA systems (Khan et al., 2020). Prior literature has witnessed the link between an individual perceiving the workplace as

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political, but it does not offer a specific path for OP to reign in the enterprise. Both of these terms have a positive and negative influence on corporate culture (Landells & Albrecht, 2019). If the performance review process is implemented right, it will encourage a positive OC, encourage employees to gain knowledge, and focus their efforts on achieving the company's objectives. In Pakistani workplaces, an encouraging manager acts as a deterrent to the pressure that employees experience due to politics. Similarly teamwork between a supervisor and an employee lessens the negative effects of OP on the assessment of work performance (Dawson et al., 2020). It has been shown that OP are reactions to and consequences of OC. Culture plays a significant role in Pakistani institutions. One of the most crucial ways that culture is passed on to employees is through human resource activities like performance evaluations (Armah, 2020). Employee recognition and satisfaction with performance reviews are significantly influenced by employees' perceptions of fair performance evaluation (Landells & Albrecht's, 2019). Performance management programs are viewed as unnecessary within many public organizations especially the service sector, because of PB. The relation between the organization politics and performance appraisals systems has also gained little attention in past studies (Landells & Albrecht, 2019). This article focuses on the problems with employee assessment systems that are impacted by bias and inaccurate employee evaluations. This study contributes to depict the current state of degradation and improper conduct in performance assessment due to personal bias and politics in public service sector, as well as to provide some corrective solutions for dealing with the current skewed attitude toward performance measurement (Landells & Albrecht, 2019). The reliability may be affected by the evaluator's propensity to introduce personal bias into the performance evaluation process. The improvement of Pakistan's public sector's appraisal system, which is impacted by political scheming and personal bias, is also addressed in this study.

Research objectives

Finding the effects of individual prejudice and OP on Pakistan's performance evaluation systems is the main contribution of this article. Consequently, the following is the study's goal:

1. To determine how OP and personal bias affect performance evaluation methods.
2. To determine how OC influences the interactions between individual bias, group politics, and evaluation systems.
3. To determine how employee perspective affects corporate culture, the politics inside the organization, and individual prejudice.
4. Supporting the culture would help Pakistan's service industries deal with the political and racial bias in the evaluation system.

Literature Review

Personal Biases

Personal biases have been defined in a wide variety of ways by numerous studies. Javidmehr, 2015, for instance, described it as "Prejudice and hostile biases are examples of personal biases. Both of these biases draw the rater's focus away from reality or the behavioral intention of the rater. According to Pulakos et al. (2015), "Even when the feedback is fair, giving negative criticism can damage relationships with colleagues or coworkers. Rater reports is experiencing great pain when doing so. Personal bias can result from several things, including knowledge acquired from coworkers, philosophical and religious beliefs (Javidmehr, 2015). Thus, it is necessary to create a method of evaluation that is inclusive and focused on culture with operational structures and priorities (Buckingham & Goodall, 2015). Bias in employee performance appraisal based on racial inequalities is growing in importance as the workplace culture changes (Tomlinson & Carnes, 2015). According to Wessenlink (2017), the manager is responsible for each employee's performance and effectively addressing any shortcomings. According to Christensen et al. (2018), the exploitation of biased information is made possible by the conflict that biased information generates within an organization. Pegulescu (2018) makes the assumption that a large number of employees concur that their performance is extraordinary and that they deserve to be recognized for it. Biases in the evaluation process will engender animosity.

According to Wei (2019), the impact of personal bias on employees' opportunities for growth and promotion has been established over the last three years in performance reviews, and it has to be assessed outside of performance evaluations. However, current research in Pakistan only considers factors relevant to the sector, neglecting the influence of performance appraisal biases that limit employees' opportunities for personal growth, financial gain, and job advancement (Wei, 2019). Various biases that are prevalent in organizations and affect the performance evaluation process. For instance, it can be difficult to detect how unconscious bias in performance reviews affects the company's culture (Murray, 2016). Bias against others affects hiring, training, promotion, and termination processes and creates injustice and disparity in the workplace (Filut & Carnes, 2017). Halo bias can occur when assessors focus on one particularly excellent area of performance rather than considering all of it, or when they base their evaluations on possible results rather than actual results (Wolf, 2015). One idea state that halo error occurs when a rater's overall impression of a ratee affects how they rate specific traits (Sirabian, 2017). A common psychological error seen at work during performance reviews is called a halo error (Dykstra, 2018).

HR managers select candidates who concur with their opinions and disregard evidence to the contrary (Scileppi, 2018). Confirmation bias affects how that people find, assess, and recall content. To beat out promotional offers for their subordinates, supervisors may rate their coworkers leniently, implicitly increasing the supervisor's perception of the subordinates' authority by gaining notoriety as a superior with power above them. Alternatively, supervisors may rate leniently because the culture promotes authorization rather than disapproval (Cheng, 2017). By definition, anchoring gives a cognitive pivot point, making it challenging to assess alternative concepts (Nagtegaal, 2020).

Organizational politics

According to a study, OP has been connected to various detrimental work consequences, such as emotion dysregulation (Cho & Yang, 2018). OP, according to Mansbridge (2018), is a concept that "depicts the workplace's political arena and employees' efforts to acquire a personal benefit". Every workplace's OP are described as having an impact on employee satisfaction (Dappa et al, 2019). The top management uses the assessment systems for political purposes to support their favorite employees, and they accomplish this by falsifying the ratings or scores (Chaudhry et al., 2016). However, political participation can help people gain power and money (Harris et al, 2016). According to Haque et al. (2017), a different researcher, it is crucial to examine the impact of OP on performance management systems when they are prevalent. Performance reviews are perceived as highly political processes that managers and employees may bargain in their favor (Rosen et al., 2017).

Employee views of OP and their possible effect on performance were examined by Haroon et al. (2017). This suggests that politics alone harms workers' performance. Previous studies concentrated on how OP is perceived. In particular, even while the company's policy is thought to be robust, some employees may engage in political activities like self-promotion and incorporation to further their own interests rather than the company's overall benefit (Yongxing et al., 2019).

Organizational culture

According to Demir (2015), OC is "A grouping of a company's shared ideals and principles for its employees. According to Naranjo-Valencia et al. (2016), OC is "A group of shared presumptions that every member of an organisation accepts and applies while making decisions and adjusting to their environment. Investigating OC will help identify the variables influencing a company's strengths or weaknesses (Mojibi et al., 2015). Cultural pressure forces people to behave by cultural ideals. The organization's culture serves as a point of reference for its personnel and directs business operations (Gurlek & Tuna, 2018). The establishment and management of a positive workplace culture, according to Schein (2018), is where executives at all levels of a firm provide value. Long-term, this will result in better organizational performance. It relates to creating a favorable environment which affects productivity both inside and externally (Cadden et al., 2020).

Employee performance

Using the mind, emotions, judgment, and instinctual recognition, Norman (2015) defined perception as "the capacity, action, or process to become aware of the capacity to comprehend." According to Omar, a different researcher from 2017, perception is a "complex process via which people select, combine, and assess visual stimulation to produce a meaningful and coherent vision of the world. Employees don't think the situation is unfair; according to Colquitt and Zipp (2015), they believe it is unfair. Employee conduct and attitude are key contributors to the fundamental nature of change, which results employees' responses to change (Shweta, 2015). The rater's priorities have an impact on how fairly and unfairly employees perceive their performance reviews. Positive EPs of assessments are considerably more important for their effectiveness than their nature, and these perceptions are linked to awareness of the objectives, frequency of the assessment, and the supervisor's knowledge of the supervisor's duties (Gurchiek, 2017). Previous research has shown that employee attitudes are influenced by their perceptions of the workplace, according to Johnson et al. (2017). The PA impact on how committed employees achieving business objectives, which will affect how they share knowledge and innovate (Aktharsha & Sengottuvel, 2016). EPs of the organization's leaders are based on outward manifestations of the culture, claim Powers et al. (2016). Persistent prejudices, unfair promotions, and prizes can give employees the idea that great politics are at work (Abubakar, 2017). Kanwal (2020) looked into employees' impressions of luxury hotel employees' opinions of their organization's numerous contradictory images to learn more about how they confront and deal with these conflicting images. He recommended that scientists investigate the relationship between workers' perceptions of inconsistency and the consequences for workers and businesses in other service industries. We must fill this gap in Pakistan's government service sectors.

Performance appraisal system

According to Ciobanu and Ristea (2015), "The fundamental purpose of conducting a performance assessment is to increase the effectiveness or performance of employees." PAS is described as "Actions by which firms strive to assess workers, develop their competency, improve performance, and allocate resources" by another researcher, Malik (2016). Employee growth, punishment, the interchange and distribution of cash rewards, career planning, and employee analysis depend on PAS in firms (Kwaku, 2015). According to Wilkie (2015), one of the biggest issues with getting rid of traditional performance evaluations is that ratings don't correspond to actual performance and, as a result, have little bearing on actual business outcomes. The gap between when evaluations are typically given and when performance occurs, according to a different researcher (Grote, 2016), is another criticism of standard performance assessment systems. According to Dipboye (2018), time resources are being wasted, employee growth is hindered, and negative attitudes are fostered. This results in demoralized and disgruntled employees and supervisors. But leniency is a common problem in performance reviews, and most research has focused on creating instruments that are less prone to this tendency. To ensure the efficacy of appraisal system, management must prioritize establishing and tracking staff performance goals, performing continuing performance analysis to ensure progress toward specified goals, and achieving the objectives of appraisal system (Malik, 2016). Systems for performance reviews must be fair and just across the board, with input from all organizational levels, and training and development are essential for enhancing effectiveness (Champ, 2017). OC can be viewed as a crucially important resource and a replication barrier, which have considerable effects on performance (Joseph, 2019). When most workers in an organisation reject senior management's values and behaviors, the culture deteriorates, which has a detrimental impact on performance evaluation systems (Joseph, 2019).

Research gap

There are several difficulties and factual issues, from causation issues to how to gauge the effectiveness of performance evaluations. The literature analysis demonstrates that the performance appraisal method is one of the most important tools for assessing how well employees perform their tasks, still it has flaws that make it less efficient and less successful. The problem arises when the parameters of the assessment are established. They are ambiguous, and politics and personal prejudice work better (Amit, 2020). There is limited research on how political exploitation and bias inside an organisation affect employee satisfaction, business norms, and employees' views that they are not being fairly compensated (Ayege, 2019 & Guo, 2019). Literature also suggests that the analysis of organizational strategy is less reliant on performance management methods. Politics is inherent in the organizational context, which has a big impact on performance rating processes and their results.

Theoretical framework and hypothesis development

- H1. PB has a significant relationship with PAS.
- H2. OP has a significant relation with PAS.
- H3. OC has a significant relationship with PAS.
- H4. OC significantly mediates between PB and PAS.
- H5. OC significantly mediates between OP and PAS.
- H6. EP significantly moderates the relationship between PB and OC.
- H7. EP significantly moderates the relationship between OP and OC

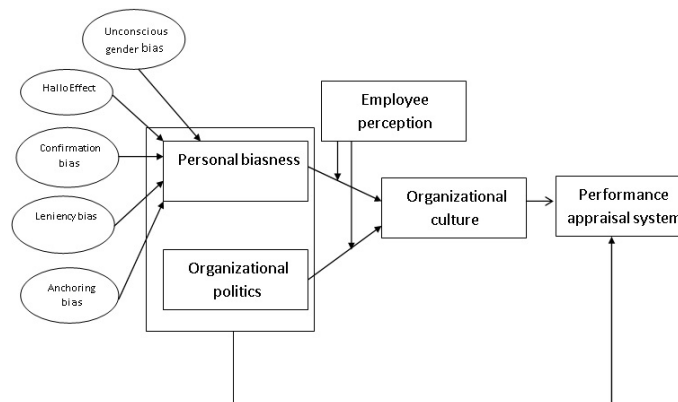


Fig. 1. Theoretical framework

Research Methodology

Research design

Regarding the data used in this work, computational methods that service elements of quantitative data sets are tested in this study's methodology. The quantitative and qualitative techniques are the two types of research methods (André, 2017). A study method known as quantitative research has strong emphasis on the objectivity of data collection and interpretation (Martin & Bridgmon, 2012). It is based on a logical technique that prioritizes theory testing and is motivated by realist and rationalist philosophies. Take a survey, for instance, where questions are asked to elicit replies that disclose demographics, interests, behaviours, viewpoints, and another quantifiable characteristic. At the same time, the researcher collects data for qualitative research through questionnaires (Polit & Beck, 2014). Because it allows us to ask closed-ended questions to the more trustworthy respondent, the quantitative method was utilized by the researcher in this work (Rahi, 2017). Deductive reasoning was used to examine the relationship between the variables of the assumptions given in the analysis above and test the created hypothesis (Nisbet, 2018). The correlation between the variables in this study was also tested using correlation designs. The magnitude and direction of a link are two characteristics that are highlighted by a correlational study (André, 2017).

Data collection

The collection of data is crucial to statistical procedures. There are numerous methods for gathering data for research, and they all belong to one of two categories: primary data or secondary data. Primary data collection is the most reliable and real method of data gathering. The data collection stage is very important. Nearly all types of data-gathering techniques are used in qualitative and quantitative research (Champ, 2017). Because primary sources provide information based on direct experience with a subject, whereas secondary sources do so indirectly, the researcher chose this strategy for gathering data (Bjardianto, 2020). According to this basic rule, a sample size of 250–450 is adequate, according to Sekaran (2016). Therefore, the Sample $n=250$ was chosen. The practice of using questionnaires is fairly common today. It has a high response rate and is accessible to various of respondents (Champ, 2017), but we have gathered data by visiting the company and distributing the questionnaire.

Population and sampling techniques

The public service firms, including five companies in Pakistan, such as WAPDA, PIA, MDA, NADRA, and WASA, are the chosen target demographic for this study. It is quite challenging to visit every company in Pakistan's public sector due to the sheer number of them. This study used the non-probability sampling technique. Another method is convenience sampling, in which study participants from the target population are included if they can fulfill certain practical requirements, such as accessibility, location, or participant readiness (Etikan, 2017). Both managerial-level employees and middle-level employees of those publicly traded organizations provide the data. By distributing the questionnaires, cross-sectional primary data is gathered. The questionnaire was adapted from previous studies, performance appraisal system was adapted from (Bekele et al., 2014), PB from (Gürbüz et al., 2007), OP from (Landells & Albrecht, 2017), OC from (Cherchem et al., 2017) and EP from (Sharma, 2016). The theory is put to the test using SPSS software. Both survey administrators and respondents may easily understand and use the 5-point Likert scale.

Analyses of Data and Interpretation

Reliability and validity

Table I displays the reliability test results. Cronbach's alpha should be more than 0.07 (Hair et al., 2006). The performance appraisal instrument's dependability score, which is 0.733, is higher than the required alpha level. It indicates that the performance appraisal system's instrument is acceptable. EP's alpha value ($p>0.07$) is also substantial and trustworthy. OP is significant and reliable because it has an alpha value of ($p>0.07$). The OC variable is also important, outperforming the alpha 0.07 value. The personal bias Cronbach's Alpha value is also significant ($p>0.07$). One item (PB2 item) was removed to standardize the instrument and validate the results because it had an alpha value below the threshold (0.07). This suggests that the elimination of items that yields the greatest possible rise in (Raykov, 2007).

Analysis: Middle level employees

Table I
Cronbach's Alpha of each variable

	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items
Performance appraisals	.733	.733
Employee perception	.742	.746
Organization politics	.743	.744
Organization culture	.718	.717
Personal biasness	.718	.717

The simple linear regression approach is used to examine the proposed hypothesis. Although binary outcomes can also be employed, linear regression models are commonly used to study the relationship between a continuum outcome and independent causes (Schmidt, 2014).

H1. PB has a significant relationship with PAS.

PB is regarded as the independent variable, while performance evaluation is regarded as the dependent variable, as H1 illustrates. The significance level of $p=0.00$ ($p<0.05$) is significant, and beta ($B=0.30$) indicates that effectiveness of personal bias in deciding performance evaluation systems (Table II). So, we agree that hypothesis 1 is accurate.

Table II
Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					
					R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	.3014 ^a	.091	.087	.52217	.091	24.732	1	248	.000	1.655

a. Predictors: (Constant), PB
Dependent Variable: PAS

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	6.744	1	6.744	24.732	.000 ^b
	Residual	67.621	248	.273		
	Total	74.365	249			

a. Dependent Variable: PAS
b. Predictors: (Constant), PB

Coefficients

		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.902	.174		10.944	.000	1.559	2.244
	PB	.257	.052	.301	4.973	.000	.155	.358

a. Dependent Variable: PAS

H2. OP has a significant relationship with PAS Organization politics is treated as an independent variable, while performance evaluations are treated as the dependent variable, as shown in H2. Beta ($B=0.37$) and the significance level $p=0.00$, ($p<0.05$) is significant. It indicates that as politics become more prevalent in an organization, performance reviews also rise due to employees' use of political tactics to their advantage (Table III). So, we agree that hypothesis 2 is accurate.

Table III
Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.371 ^a	.138	.134	.50855	.138	39.548	1	248	.000	1.587

a. Predictors: (Constant), OP
b. Dependent Variable: PAS

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	10.228	1	10.228	39.548	.000 ^b
	Residual	64.137	248	.259		
	Total	74.365	249			

a. Dependent Variable: PAS
b. Predictors: (Constant), OP

Coefficients

		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.594	.187		8.545	.000	1.227	1.962
	OP	.354	.056	.371	6.289	.000	.243	.465

a. Dependent Variable: PAS

H3. OC has a significant relationship with PAS.

H3 forecasts how the variable (OC) will affect the dependent variable (PAS). $P=0.40$ ($p>0.05$), which is not significant, is the significant value. Beta ($B=-0.05$) value. We reject this hypothesis and will accept the null assumption because the DW value is 1.4. (Table IV).

Table IV
Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.053 ^a	.003	-.001	.54681	.003	.707	1	248	.401	1.467

a. Predictors: (Constant), OC
b. Dependent Variable: PAS

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.211	1	.211	.707	.401 ^b
	Residual	74.154	248	.299		
	Total	74.365	249			

a. Dependent Variable: PAS
b. Predictors: (Constant), OC

Coefficients

	Unstandardized Coefficients		Standardized Coefficients	<i>t</i>	Sig.	95.0% Confidence Interval for B	
	<i>B</i>	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	2.839	.112		25.439	.000	2.619	3.059
OC	-.031	.036	-.053	-.841	.401	-.102	.041

a. Dependent Variable: PAS

Mediation analysis of variables

The mediation effect, which is represented by hypotheses H4 and H5, is shown in Table V as follows:

Regression analysis is used in process by AF Hayes to perform mediation analysis. We have examined the relationship between two methods—the direct effect technique and the indirect effect approach in Hypothesis 4. The Lower limit confidence interval and Upper limit confidence interval (LLCI =0.15 and ULCI = 0.3) for the indirect impact technique are as follows: $p=0.00$, P -value of the direct effect is ($p<0.01$), $t=4.9$. If the value does not lie between zero, these interval values are important. The significant value of the coefficient is 0.05. The value of LLCI and ULCI is significant in the indirect effect approach since it contains 0. We accept the hypothesis H4 due to the significant value of $p=0.1$ (p value of indirect effect: 0.05).

Hypothesis 5 states in the indirect effect, the significance value is $p=0.01$ ($p<0.05$), LLCI=0.006 and ULCI=0.01, these values are positive and do not include zero. The significant value direct effect is $p=0.00$, ($p<0.01$), $t=6.2$, LLCI =0.2 and ULCI =0.4, (Significant). Therefore, this hypothesis is valid and acceptable.

Table V

A mediation analysis (middle-level employees)

	Coefficient	<i>p</i> -value	<i>t</i> -value	LLCI/ULCI
Direct effect				
H4. PB-PAS	.0517	.0000	4.9551	.1542/.3578
H5. OP-PAS	.0567	.0000	6.2191	.2409/.4643
Indirect effect				
H4. PB-OC-PAS	.0007	0.01	-	.0046/.0072
H5. OP-OC-PAS	.0016	0.01	-	.0068/.0105

Moderation analysis of variables

Hypothesis 6 of the moderating impact between variables is illustrated in Table VI. EP is considered a moderator between individual bias and company culture. The interaction's significant p value is $p=0.03$ ($p<0.05$). Since there is no negative value between the variable's coefficient value=0.04, LLCI= 0.69, and ULCI=0.28, this hypothesis is valid.

The EP hypothesis, which is used as a mediator between OP and OC, is illustrated in Table VI. $p=0.04$ ($p<0.05$), $t>1.96$, $B=0.01$, LLCI=0.56, and ULCI=0.28 are significant values. We accept the hypothesis since the values are substantial and support it.

Table VI

Moderation of H6

Model coefficient	Coefficient	<i>t</i>	<i>p</i>	LLCI/ULCI
Constant	0.057	1.053	0.023	0.02/0.45
PB	0.016	2.053	0.030	0.76/0.21
EP	0.037	1.059	0.052	0.53/0.54
Int_1	0.04	3.017	0.038	0.69/0.28

Moderation of H7

Model Coeff	Coefficient	<i>t</i>	<i>p</i>	LLCI/ULCI
Constant	0.037	1.056	0.020	0.22/0.49
OP	0.020	3.022	0.033	0.33/0.01
EP	0.033	1.056	0.050	0.31/0.47
Int_1	0.011	2.020	0.047	0.56/0.28

Discussion

The finding of this analysis that is interpreted by the view points of the employee's shows significant results. The PB and OP have significant relationship with PAS (Landells & Albrecht, 2019). The *p*-value is significant so it indicates that employees believe that favoritism and biasness influence the performance assessments that managers and supervisors give to the employees (Amit, 2020). Employees also engage in OP to gain benefits from the bosses (Ayege, 2019). Organization culture does act as significant mediator between independent and dependent variables but it does not have significant relationship when analyze it with performance appraisal system. Employee opinions strengthens the relationship between PB, politics and organization culture (Guo, 2019). Employees perceive that there is a culture of favoritism and politics that employees use to gain benefits from their bosses. The favorable attitudes of the workers about the evaluations matter much more for their efficacy than their nature, these perceptions are associated with the understanding of the objectives, the frequency of the assessment, and the information of the supervisor about the supervisor's responsibilities. Employees' views of politics also impact on their behavior and opinions at work than objective factors. But organization culture does not influence performance appraisals. The *p*-value is not significant between OC and PAS, indicate that the there is no influence of culture in assigning the rewards to employee. It is because of the managers and bosses follow their own personal likings to assign appraisals to particular employees (Joseph, 2019).

Findings

This article's major objective was to investigate the relationships between OP, personal bias, and performance evaluation systems. Personal bias is described as having the potential to cause biased performance evaluations in public organizations in earlier studies. The connection with their subordinates determines how managers and supervisors rate their personnel rather than how well they perform. Current research in Pakistan ignores the impact of prejudices on performance reviews that limit employees' opportunities for personal growth and financial gain and only focuses on industry-oriented aspects. The study's findings show that personal bias affects performance review processes. As organizational bias levels rise, the number of biased performance appraisals also rises. In order to benefit their preferred individuals, top management tampers with assessment processes, which affects the norms and values of the businesses. It has a substantial connection to performance evaluation systems. Performance evaluation systems are impacted by OP. Bias can give the impression that politics is striking in enterprises through unjust awards and promotions. Performance evaluation systems and OC don't interact very much. A corrupt culture fosters corruption and hinders development; corruption can be eliminated by limiting it or changing corrupt cultural practices.

Favoritism is ingrained in Pakistani public institutions, especially in the service sector, when it comes to employee appraisal. Both managers and middle-level employees believe that as bias grows, so does the biased culture within public institutions. Perceptions among employees suggest a strong connection between company politics and culture. Non-members of the majority culture are commonly ignored and subjected to discrimination at work.

Future Directions

The most significant contemporary issues were covered in this article. Every public organization faces these problems, however there are some gaps that exist that can be investigated by more researchers. Firstly, this research evaluates political correctness and bias in Pakistani public institutions. It can also be assessed by looking at the impact of politics and bias in private organizations. Secondly, the data for this study were gathered over a lengthy period of time, future researchers can examine these associations by examining cross-sectional data to gauge the impact of these variables. Thirdly, this paper involves gathering information from government agencies. In light of the widespread usage of performance evaluation in private sector businesses, future research should examine how OP and individual bias interact with performance reviews. Last but not least, this study analyses the independent variable, PB, based on first constructs. Future directions can explore the relationship of second order constructs of PB with PAS because it will fully explicate how various types of bias affect performance appraisals.

Conclusion

This research investigates the relationship between variables that seem to be limited in earlier studies. To understand how personal prejudice and OP relate to one another and how they affect performance rating systems, this study explores their relationship. In this study, OC is assessed in order to examine the relationship between independent and dependent variables or as a mediator. EP, the moderator that indicates the strength of the association between factors, was also investigated. Due to the size of the population (GDP = 61.7% of the

service sector) and the significant number of politics and bias present in public enterprises, this study was tested in public organizations, especially service organizations.

This paper clarifies how management in public service organizations gets rid of politics and bias in the office. To prevent bias and politics in performance reviews, for instance, internal audits of managers and supervisors should be implemented. Employees should have access to tools and forums through which they may communicate with their bosses about their concerns. It is important to build a culture of feedback that will enable public organizations compete effectively.

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