

Effect of Organizational Politics on Job Commitment Leading to Job Performance: Evidence from Private Banking Sector in Lahore

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Abstract: This research seeks to investigate the mediating role of commitment level of employees in an organization in the association between organizational politics and job performance. A total of 400 structured questionnaires were distributed among various private bank employees out of which 306 valid responses were included in the analysis. Hypotheses were tested employing data gathered from banking sector of Lahore. The results of this study indicated that politics is negatively influencing commitment and performance. The mediation has changed the direction of relationship from positive significant to negative insignificant between politics and performance; therefore, full mediation exists in this research model. The findings recommend that in banking sector of Lahore a significant portion of employees is affected by organizational politics. Employees perceive level of commitment to have a significant impact on job performance. This relationship is moderated by Organizational politics as this association becomes stronger under a low level of politics. The paper findings suggest that managerial responsiveness of organizational politics is useful, for the effective reduction in politics through the efficient implementation of strategies.

Keywords: *Organizational politics; performance; Commitment; job satisfaction; path analysis*

Introduction

With only a few exceptions politics is present in most organizations in one or another form Brouer et al. (2011) for managers it is vital to recognize and address it because of its omnipresent nature. Commonly, organizational politics lessens the productivity of an organization and possibly weaken its ability to function efficiently; managers can avoid these harmful effects by executing specific measures (Dutton Jane and Glynn Mary, 2008).

One of the description of organizational politics is the placement of members' own self-interests before the overall wellbeing of the institution (Chang Rosen and Levy, 2009). Self-interest ,being a part of organizational politics is characterized by employees interest in retaining one's career Vigoda Eran (2000) in addition to their career advancement Randall et al. (1999), the overall organizational goals can be adversely affected by organizational politics which includes picking favourite employees Malik et al .(2009) the rise job stress and deterioration of job satisfaction among workers Miller et al. (2008) an apathetic employee approach and hence reduced job productivity Witt et al. (2000) the return on employee investment also got disturb Hochwarter et al. (2003) moreover lesser resolve Chang et al. (2009) involving employees participation in decision making process, nurturing cooperation among team members, constructing faith, conviction and social support, appointing politically under-skilled human resources, and grounding employees and plan choices on impartial standards can help reduce organizational politics. Politics' must be regularly focused upon if organizational outcomes are to be accomplished and boosted Randall et al. (1999). This act of placing self-interests ahead of the wellbeing of the organization is bargaining efficiency.

In the workplace organizational politics displays an indescribable power relationship Erkutlu & Chafra (2016). A unique sphere of interpersonal relations is represented by it. Politics is differentiated by direct and indirect involvement of people in struggle of power and influence tactics. The basic endeavour of these activities is securing or capitalizing on personal interests or otherwise; evade within organization the negative outcomes Vigoda-Gadot & Talmut (2010). A negative fact of life in every organization is most frequently caused by highly political organizational environment Miller et al. (2008) and they are accountable for range of destructive work consequence along with higher stress and turnover intentions of employees and lesser job satisfaction and commitment and job performance as proposed by past researchers. Employees are most likely to take politics as a threat in situation where there is high perception of organizational politics Chang et al. (2012). Habitually, in such situation employees react with more reactive, protective, and proactive manner to avoid fault, change or else action Bandura Albert, (1999). Past researches have also revealed negative attitude towards organization such as lower level of commitment and satisfaction (Blau Gary and Boal Kimberly, 1987), (Ostroff, 1992).

Personal schemes such as a drive for power, personal rewards, career advancements, and other areas of self-interest, are damaging to the health of organizational outcomes as they hinder the main objectives of an organization Tabassi Amin and Bakar Abu (2009), Heskett Jim (2007). Intensifying energies into private plans such as to achieve greater power are quite usual and predictable; regrettably though, it leaves those who could not gain positions of power impartial in making any contribution to the institute Vigoda-Gadot & Talmut (2010). Given the fact that politics can be used to further one's personal motives, politics is there for frequently executed to ensure that structures are maintained, allowing the rank to also stay. Hence defending one's self-interest, e.g., power Schneider Robert (2016).

Politics is considered mainly a western issue and is ignored in developing countries like Pakistan. Previous research has been done in the public banking sector of Pakistan considering the misconception of public sector being the uneducated sector and existence of politics there. In Pakistani culture according to Abbas & Awan (2017) power and politics are used by individuals and groups to take hold of others and at the expense of others develop and materialize their personal interest. Most commonly in highly political banks employees create rumours and mistakes of other colleagues are highlighted and team members very conveniently will hide their own errors and weaknesses.

Between 15 and 24 years of age, the employment rate for females rounded up to 18% while that for males stood at 58% in Pakistan Bureau of Statistics' 2013 report¹. Such gender politics are prevalent in Pakistan, and hence are exhibited in the country's banking sector as well. A study (Javed, Gulzar, & Hussain, 2015) concentrated on the private banks of Islamabad (the capital city of Pakistan) concluded that organizational politics cannot be disregarded as a contributing factor to employee and subsequently institutional performance. Scrutinizing into the workings of the city's private banks they also probed into how mediating role is played by work engagement in politics and commitment level of employee. Using their regression results as evidence, they asserted that the existence of such power struggles dampens the work engagement and job outcomes. Additionally, Gull & Zaidi (2012) researched the health sector of Pakistan to conclude that organizational politics are inversely related with employee productivity. After having investigation into the educational sector of Pakistan, Faiz & Latif, (2016) also found out that workplace spirituality - shaped by both, the establishment's vision and the individual perceptions of workers – affects office politics negatively.

¹ Pakistan Bureau of Statistics (2013). *Pakistan Employment Trend*. (pp. 9)

The current research has examined the effect of organizational politics on job performance and the mediating role, if any, of commitment in private banks of Pakistan. After testing the above mentioned relationship in case of the private banks of Pakistan, the organizational politics as a moderator was examined on the relationship between commitment and job performance. There is a rising interest in inspecting the impact of organisational politics on job satisfaction. The moderating role of politics has been empirically tested (Shrestha and Mishra (2015); Shrestha and Baniya (2016); Shrestha (2017) However, there is a dearth of research that investigates the moderating effect of organisational politics on the relationship between organizational commitment and job performance. therefore making this our main contribution and addition to the current research.

Research questions

- Is there a relationship between organizational politics and job performance?
- Does organizational commitment play a mediating role between organizational politics and job performance?
- Does organizational politics moderate the relationship between commitment and job performance?

Literature Review

We live in a world where organizational politics is looked at as an unfortunate consequence of capitalistic cooperation and often the positive aspects of it are ignored. Organizational Politics is a process of using an informal arrangement as means of gaining power and accomplishing personal needs (Kacmar & Ferris, 1991). Usually, researches look into its negative aspect where it is seen as a convenient way for people to promote self-interest, however, if positively practiced, it can be used for the greater good of the company. Even though, the management has worked diligently to eradicate the existence of Organizational Politics, it remains in abundance due to the continual participation of the members of the organization that engage in it. (Nelson Debra and Quick, James Campbell, 2013).

This is because it's less probable for a member of a certain organization engaging in Organizational Politics to lose their job which clearly shows that the job security of an employee could be at risk if they do not partake in organizational politics Vigoda (2000) Participation in organization politics, thus, serves as a support base for employees, avoiding the unpropitious effects of it. If an employee does not take part in organizational politics, their ability to shine and prosper may be undervalued and their work ethic may be manipulated. Organizational politics serves as an easy way out for some who are proven incompetent at their workplace (Davis Walter and Gardner, William, 2004). Workers utilize their understanding of organization politics to create logic of the setting they work in Ladebo (2006), however, many people claim that the prosperity of an individual as well as the organization he is working for may be assured if all the members of the organization are completely proficient at the work that they do, and ease the adjustment of an organization change to the environment. (Ladebo, 2006), (Shea Van-Fossen & Vredenburg, 2010) and (Vigoda-Gadot & Drory, 2006) focus on the positive attributes of organizational politics where it is seen as a way to accomplish the organization's aims and objects and promotes confidence and cooperation between the members of a particular workplace Ongori Henry (2009), (Biggio Gianluca and Cortese Claudia, 2013).

If maneuvered responsibly and pragmatically, the use of organizational politics can promote unity among the members of the organization as it is imperative to assemble the diverse requirements of fellow owners, power dependence to place in equilibrium the competitiveness brought by contenders and the vision of the members of a particular organization (Berger, 2008). Mintzberg (1985) states the identification of games to the favorable characteristics of organizational politics, as it can be useful in obtaining desired goals. It can

be used to eradicate incompetence and promote proficiency. For example, in Young Turks games. Mintzberg (1985) Also, organizational politics gives rise to a healthy competitive environment, where the members strive to do a better job when the sponsors of the game favor the member who's more skilled than the other Martin (2005). In this case, political games ignite the potential for headship in the members.

Despite being seen as favorable and beneficial by many, research indicates that organizational politics is largely recognized for its negative aspects (Vigoda-Gadot & Drory, 2006), (Othman, 2008),(Poon, 2003). Many members of a work place may disregard it as unjust and it may ignite inequality and unity in a work place. (Gotsis & Kortezi, 2010), (Harris et al.

2009). This sense of inequality may result in dishonesty at the hands of the members and they may give away important information to rivals. Furthermore, organizational politics have a tendency to stifle innovation and reduce creativity. It encourages people to become more prudent about the way they behave in the workplace. (Vince, 2001)

Political settings ignite insecurity, a sense of insignificance and self-interest in the members. (Shea Van-Fossen & Vredenburg, 2010) State that dominance and control are genetic inclinations that require rank rivalry and self-importance, emerge in response to common organizational situations of doubt, shortage of resources and dissimilarity. Therefore, following hypothesis was generated.

H1: There is a significant relationship between Organizational politics and job performance of the employees.

Commitment and How It Affects Job Performance

(Kanter & Moss, 1968) defined commitment as “the phenomena when social actors are being loyal and give their effort to the social system decades earlier”. Organizational commitment is traditionally defined by organizational psychology research as an approach distinguishing the employee and the organization relationship Thompson et al. (2017). Mowday et al. (1997) defined organizational commitment as comparative strength of employee’s recognition and contribution and participation in an organization. According to (Allen & Meyer, 1990), (Robinson, 1996) there are three types of organizational commitment: Affective commitment, normative commitment and continuance commitment. Affective commitment is defined as the progressive emotional addition of employee's to the organization. (Allen & Meyer, 1990) defined Affective Commitment as the most desired constituent of organizational commitment. An employee with strong affiliation with organizational goals intends to remain in the organization is said to have affective commitment. Research indicates that the higher the person believes political behavior in her or his organization occurred, the lower the commitment they require. (Vince, 2001), (Innes & Pamela, 2004), (Indartono & Hsi-Vivian, 2011). This is because members that see Organizational Politics for its negative aspects may assume that the political environment of their workplace may house unfair and unpredictability. Because of the employee's negative assumption of Organizational Political being unjust and uncertain, they do not work towards their full potential and ability and have no loyalty to their workplace (Vigoda, 2000). Similarly, (Mathieu & Zajac, 1990) state that research indicates that employees with the negative perception of Organizational Political tend to be disloyal to their organization. Therefore, Organizational Political negatively affects Organizational Commitment. Workers generally do not see politics in a workplace as something that’s favorable (Gandz Jeffrey and Murray Victor, 1980).

If you refer to age factor, younger employees are more committed to politically compelled organization than older ones Miller et al. (2008) .Younger employees follow directions and rules given to them by their bosses and are not bothered by how political their organization may be because they do not entirely understand how Organizational Politics works until they have worked there for a while. However, older employees tend to detect politics in their workplace and resent injustice and the lack of coherence and productivity. Because of similar

reasons, international employees are less bothered by organizational politics compared to domestic employees Miller et al. (2008). International employees avoid having a problem with organizational politics or pointing injustice out because of uncertainty of the security of the environment. For example, visa, citizenship and language concerns.

It is crucial in today's competitive world and unstable economic conditions for employers to look for new methods and ideas to increase the productivity of their employees Zivnuska et al. (2004). These consequences have an impact on employee's attitude and behavior towards the work and it also has a negative impact on performance. Many organizations have accepted and understood the need to change policies for betterment of the employees. Adaptability plays very significant role in bringing out a change in performance of employees and society as well. Goals can be accomplished with flexibility of work coordinated by individuals.

The importance of organizational Commitment as a mediating variable cannot be denied and is tested in the following studies:

- Mediation Role of Organizational Commitment in the Relationships of Organizational Politics and Job Involvement and Employee Performance (Awan et al., 2014)
- Organizational Commitment as a mediator of counterproductive work behaviour and organizational culture (Ramshida and Manikandan, 2013).
- Organizational Commitment: a mediator of the relationship between job satisfaction and job performance in the commercial banks in Srilanka (Kappagoda Sampath, 2012).
- Organizational commitment: a mediator of the relationships of leadership behaviour with job satisfaction and performance in a non-western country DarwishYousef, (2000)
- Organizational Commitment, Job Satisfaction and Job Performance as a mediator between Role Stressors and Turnover Intentions .A Study from an Egyptian cultural perspective. (Rageb et al. 2013)
- The Role of Organizational Commitment as Mediator of Organizational Culture and Employees' Competencies on Employees' Performances (A Study on Irrigation Area Management in Southeast Sulawesi) (Patulak et al. 2013)
- Organizational change and job satisfaction: the mediating role of organizational commitment (Gomes Daniel, 2009)

Hence following hypothesis was developed:

H2: Organizational Commitment plays a mediating role between organizational politics and job performance.

H3: The Organizational Commitment is related with Job performance.

Table 1: Theoretical Justification

Variables	Expected signs	Theoretical justifications
Politics → Performance	Positive	<ul style="list-style-type: none"> • Ladebo • Ladebo, Vredenburg, & SheaVanFassen, Miller, 2006 • Kortezi, 2010 • Mintzberg, 1985
	Negative	<ul style="list-style-type: none"> • Vigoda-Godot, Othman, & Poon, 2010, 2008, 2003 • Gotsis, Kartezi, & Harris et al, 1986 • Vince, 2001 • Harris et al, Vredenburg, & Shea-VanFassen, 2010

Commitment → Performance	Positive	<ul style="list-style-type: none"> • Miller et al • Harris et al, 1985 • Vigoda, 2000 • Ferris et al, 2002 • Valle and Witt, 2001
Politics → Commitment	Negative	<ul style="list-style-type: none"> • Allen, Meyer and Robin et al 1996,2008 • Mathieu and Zajac, 1990 • Vince, 2001 • Innes, 2004 • Indartano and Hsi Chen, 2011 • Randall et al, 1999

Organizational Politics as Moderator

Employees may perhaps feel more vulnerable to others political activities, their sense of control diminish in a highly politicized work environment Hansen (1997). Further, in order to manage political environment employees feel obligated to employ in strategies of management that would divert them from their job relates tasks and hence the motivation level decreases and job satisfaction also weaken. Moreover, incapability to control and accomplishing their job related duties frustrates employees. Few of them detach themselves from their work to cope up with the political situation prevailing in an organization. This leads employees to tardiness, absenteeism, turnover intentions, pessimistic and decreased commitment towards the organization. Hence, individuals will perceive low level of politics in an organization will positively impact job performance and vice versa.

Past research has found perception of politics as a moderating variable in the following studies:

- Trust in supervisor and helping co-workers: moderating effect of perceived politics (Poon June , 2006)
- Perception of Organizational politics as a Moderator of the Relationship Between Conscientiousness and Job Performance (Hochwarter et al., 2000)
- Leader –member exchange differentiation and team member for performance: The moderating role of the perception of organizational politics (Yuan at al., 2016)
- Impact of behavioural integrity on organizational identification: The moderating roles of power distance and organizational politics (Erkutlu & Chafra, 2016)

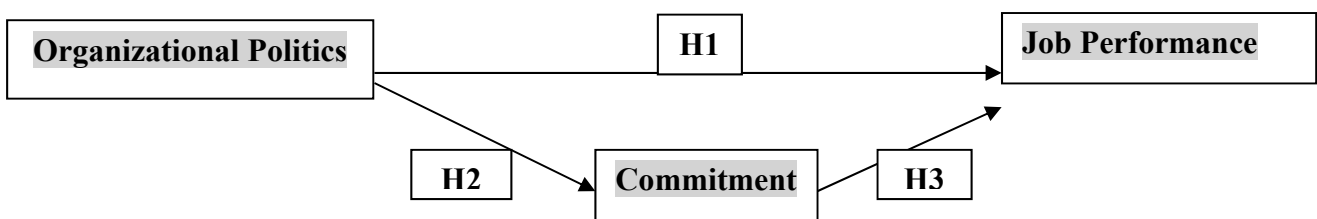
Thus the following hypothesis was formulated:

H4: Organizational politics moderates the relation between organizational commitment and job performance

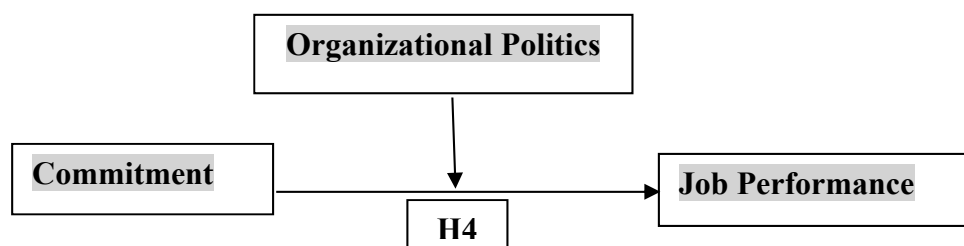
Theoretical Framework

In this Theoretical model perceived organization politics of employee is the sole predictor and directly impacting the job performance. Organizational Commitment is the mediating variable between organizational politics and job performance. Whereas, the job performance is dependent variable in the following stated model:

Figure 1: Theoretical model



The Organizational politics is the moderator variable between organizational commitment and job performance in the following.



Research Design and Methodology

The study is explanatory in nature as we depict a conclusion about private banking sector of Lahore. The cause and effect relationship between the variables is investigated by this study.

Instrumentation

An instrument containing total of 33 items have been distributed in private banking sector of Lahore through following convenience sampling techniques. The banks which were part of sample were as follows: Muslim commercial bank, Meezan Bank, Silk Bank, Askari bank, Alfalah bank, al- barqa bank, Habib Metro, Standard chartered, Soneri bank. The questionnaire constitutes of these following variables: demographics, perceived organizational politics, commitment and performance. A total of 400 well-organized and legitimate questionnaires were circulated among the various banks workers and 306 responded back appropriately. Hence the response rate was 77%, which was considered to be adequate with time and geographical limitations. Of the 306 sample, 211 (68.9 %) were male and 95 (31%) were female. The average age of employee were 34 years working for 6 years in banking industry. Of the respondents 69% had a master degree and 31% had a graduate degree.

A total of 14 items of Perceived organizational politics were implemented from the questionnaire originally developed by (Kacmar & Baron, 1999) .A 5 point Likert scale ranging from “strongly disagree” to “Strongly Agree” was used to assess the individual perceptions of organizational politics. A higher score level specified a greater level of POP.

Thirteen items of commitment were adopted from the study by (Chinen & Enomoto, 2004) Individual level of commitment towards organization were evaluated by a 5 point Likert scale ranging from “Strongly Disagree” to “Strongly Agree”. Greater level of commitment is indicated through a higher score.

A total of 5 items of performance were adopted from the role base performance scale (Tom Welbourn et al.,1998) and was also evaluated by a by a 5 point Likert scale ranging from “Strongly Disagree” to “Strongly Agree”.

Constructs in this study have been adopted and validated through prior research. Moreover meditating effect have also been developed through extensive literature research.

Table 2 below represents the (Cronbach Alpha) reliability coefficients for each items that created each factor were computed. The reliability coefficients for the factor: organizational politics, commitment and job performance were 0.715, 0.774 and 0.792 respectively. As exhibited in the table all of the items Cronbach value is greater than 0.6 which, assures that it is reliable to measure accurately variable of research.

Table 2: Reliability coefficients

Measures	Observations	Number of Items	Cronbach’s Alpha
Organizational Politics	306	14	0.715
Commitment	306	13	0.774

Job Performance	306	5	0.792
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Structural Equation Modelling

This study used the Structural Equation Model (SEM) technique to analyse the impact of independent variable on dependent variable and the role of mediator. Once all the items have been confirmed then in order to confirm the relationships between the variables SEM will be performed.

This technique is a two-step procedure. In the first step Confirmatory Factor Analysis was analyzed by using SPSS 15.0 software in order to confirm if each item correctly measures the intended construct and was capable to be a part of further analysis. The cut-off point was considered to be appropriate when items had a factor loading of above 0.4. In order to pursue for further analysis the items below the cut-off points were deleted and results analyzed. Moreover, the study also calculated the co-variance of each variable relationship. Further, factor loading of each item is used to calculate Average Variance Extracted for respective constructs in order to compare them with square of co-variances of each construct. To prove the Discriminant Validity the AVE must be greater than the square of the co-variance. Moreover, AVE values must lie in range of 0.5- 0.7 in order to hold Construct Validity.

The second step in SEM technique is to conduct Path Analysis. Path analysis will only be including those items of construct that had a factor loading above 0.4. Since this study has a mediating variable commitment therefore first path analysis will be run between dependent and independent variable & then the relationship among independent, mediator and dependent variable. Both tests results will be analyzed separately.

Construct validity and reliability

This study adequately measures the constructs with specific scale used in research thus ensuring construct validity. It also follows the Straub's (1989) procedure to validate instruments in order to examine construct validity in terms of convergent and discriminant validity. Discriminant validity measures the degree to which different concepts were distinct from one another. It means there are no overlapping items; any item measuring one variable will certainly not be measuring any other variable in the framework. On the other hand convergent validity refers to theoretically items of the constructs should be linked to one another. Confirmatory factor analysis assesses the Discriminant validity of each construct. The factors for a set of observed and unobserved variables are validated through CFA. Further CFA assessed in testing existence of the relationship between observed/ unobserved variables and their core latent constructs.

Path analysis

Analysis revealed an overall good fit of model as GFI, AGFI, TLI, NFI, CFI are according to (Marcoulides & Schumacker, 1996) standard of fitting : (GFI= 0.875 , AGFI= 0.851 , TLI = 0.939 , NFI= 0.875, CFI= 0.947. Moreover, (RMSEA = 0.067, RMR = 0.069) RMSEA value is not less than 0.05 as it is sufficient. $\chi^2/df = 3.755$ falls between the acceptable range of 3 and 5.

This analysis is based on formation of regression equation between dependent and independent variable only; therefore mediating variable commitment will not be included in the regression equation. Hence the regression equation of perceived organizational politics and performance will be as follows:

$$\text{Perceived organizational politics POP} = \alpha + \beta * (\text{performance})$$

$$\text{Perceived organizational politics POP} = \alpha + 3.085 * \text{Performance} \quad (\text{Equation 1})$$

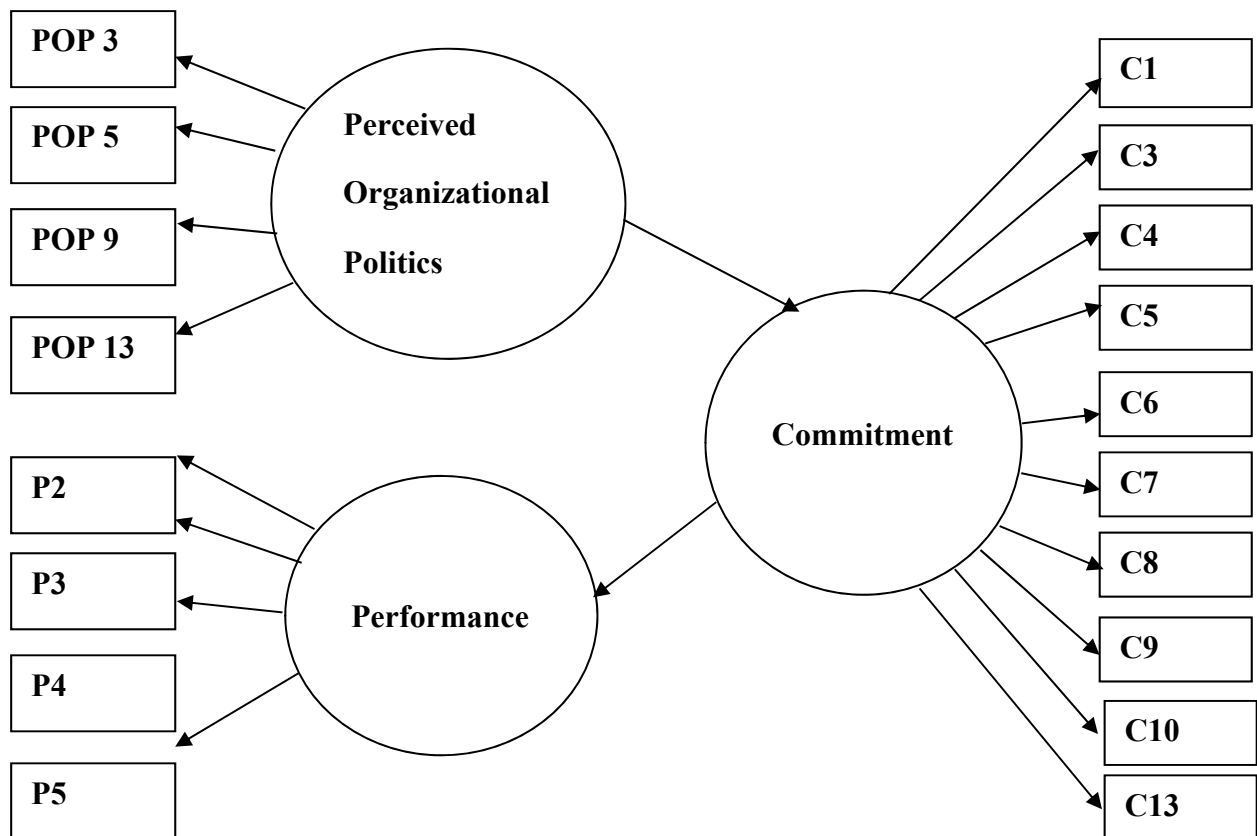
There is a significant positive relationship between dependent and independent variable as p-value 0.043 is less than significance level 0.05. Hence null hypothesis H1 for POP would be rejected. It suggests that there is positive impact of existence of politics for employees in banking sector as they will be motivated to perform better in a competitive environment. In power struggle the employee's actions are often aimed at protecting their position and capitalizing individual interest. When employees are politically skilled they successfully

manage those stressful organizational environments. Moreover, it reassures that an individual knows how to use positive influence behaviour and tactics in order to avoid negative conduct and actions. Hence there is a direct significant relationship between perceived organizational politics and performance.

Table 3: Regression weights without mediation

			Estimate	S.E.	C.R.	P	
Performance	<---	Politics	3.085	1.523	2.025	.043	
POP3	<---	Politics	1.000				
POP5	<---	Politics	.894	.648	1.379	.168	
POP9	<---	Politics	1.674	.911	1.837	.066	
P2	<---	Performance	.786	.201	3.906	***	
P3	<---	Performance	1.001	.231	4.336	***	
P4	<---	Performance	1.089	.251	4.335	***	
POP13	<---	Politics	1.449	.798	1.815	.069	
C1	<---	commitment	1.000				
C3	<---	commitment	1.125	.217	5.195	***	
C4	<---	commitment	1.010	.212	4.764	***	
C5	<---	commitment	1.560	.278	5.620	***	
C6	<---	commitment	1.390	.255	5.458	***	
C7	<---	commitment	1.610	.289	5.567	***	
C8	<---	commitment	1.254	.244	5.137	***	
C9	<---	commitment	1.068	.222	4.819	***	
C10	<---	commitment	1.219	.252	4.841	***	
C13	<---	commitment	.978	.211	4.624	***	
P5	<---	Performance	1.000				

Figure 3: Path diagram



Mediator relationship with dependent and independent variable:

To analyse the path developed between mediator and dependent and independent variable separate regression equations are formed which are as follows:

$$\text{Perceived organizational politics POP} = \text{Alpha } (\alpha) + \beta * (\text{commitment})$$

$$\text{Perceived organizational politics POP} = \alpha + 0.586 * (\text{commitment}) \quad (\text{Equation 2})$$

$$\text{Commitment} = \text{Alpha } (\alpha) + \beta * (\text{performance})$$

$$\text{Commitment} = \alpha + 0.454 * (\text{performance}) \quad (\text{Equation 3})$$

First regression equation is depicting a significant positive relationship between POP and the commitment level of employees in banks. The p- value is less than 0.05 for each relationship developed between dependent & independent, mediator and dependent and mediator & independent which would be rejecting the null hypothesis H2 and accepting the alternate hypothesis. It suggests that employees specially in banking sector are motivated and committed to their jobs despite the prevalence politics in banks. Politics has inevitably become the part of an organization's culture. Employees over the years have enhanced their coping capabilities and feel more strong dealing with different forms of organizational politics. Hence, their commitment towards their organization is strong. Second regression model is also depicting a strong positive relationship with the mediator and dependent variable. The positive significant relationship suggests that employees have trust and commitment in their respective managers and jobs which leads to better performance. Banking sector of Pakistan is very aggressive and rewarding at the same time, a lot of commissions, perks, cash prizes and other rewards are given to employees who meet their monthly and quarterly base targets. This ongoing motivation and struggle to achieve more in less time keeps them achieving their tasks. So overall the mediating variable commitment has a significant positive impact on performance.

The mediation effect of this study construct supports the conditions elaborated by (Kenny, 2001). There should be a significant relationship between independent and dependent variables.

The mediator also requires having a significant relationship with independent variable. After evaluating the beta values, if it is identified that beta estimate for the direct relationship between the independent and the dependent is insignificant whereas the indirect relationship is significant through the mediator then there is full mediation.

It's very interesting to see that mediation has changed the direction of relationship from positive significant to negative insignificant between politics and performance, therefore full mediation exists in our model .

$$\text{Perceived organizational politics POP} = \alpha - 0.063 * \text{Performance} \quad (\text{Equation 4})$$

This above mention equation reveals a negative and insignificant impact of politics in organization and performance of employees. This suggests that organizational politics usually wrap and mute the opinions and voices of employees which in return makes employees to feel threatened by uncertainty, sense of deprivation, unfairness, inequality, ambiguity, and self-interest action with occur with individuals. This will leave them less motivated to perform well in an organization.

Table 4: Regression weights with mediation

			Estimate	S.E.	C.R.	P
Commitment	<---	Politics	.586	.149	3.940	***
Performance	<---	Politics	-.063	.166	-.377	.706
Performance	<---	commitment	.454	.179	2.530	.011
POP3	<---	Politics	1.000			
POP5	<---	Politics	1.355	.280	4.840	***
POP9	<---	Politics	.924	.220	4.200	***
P2	<---	Performance	.844	.205	4.119	***
P3	<---	Performance	.976	.221	4.416	***
P4	<---	Performance	1.280	.282	4.541	***
POP13	<---	Politics	.949	.211	4.489	***
C1	<---	commitment	1.000			
C3	<---	commitment	1.086	.200	5.432	***
C4	<---	commitment	.966	.196	4.931	***
C5	<---	commitment	1.466	.250	5.855	***
C6	<---	commitment	1.291	.229	5.638	***
C7	<---	commitment	1.553	.266	5.847	***
C8	<---	commitment	1.193	.224	5.328	***
C9	<---	commitment	1.045	.207	5.052	***
C10	<---	commitment	1.231	.238	5.161	***
C13	<---	commitment	.959	.198	4.850	***
P5	<---	Performance	1.000			

Moderating Results

The moderating role of organizational politics was examined using a simple slope test. Following previous research, the test of one standard deviation above and below the average was used to indicate high and low levels of the moderating variable.

In the first model organizational commitment had a significant relationship with job performance. The inclusion of the interaction term accounted for an added six percent of the variance ($\Delta R^2 = 0.06, p < 0.05$). The negative Beta sign showed a stronger positive association between commitment and job performance under a low level of organizational politics rather than a high level of organizational politics. Thus H4 was supported.

Table 5: Interaction effect table (* $P < 0.05$)

	<i>Co-efficient</i>	<i>SE</i>	<i>F-ratio</i>	<i>R²</i>
POP*commitment	-0.45*	0.17	5.98*	0.15
ΔR^2	0.06*			

Reliability and Validity

Table 6&7 indicates the AVE values for Politics, Commitment and Performance are greater than squared co-variances, Discriminant validity holds true. The convergent validity also holds true as the AVE values for all the constructs lie in acceptable range i.e. 0.5 – 0.7. It also assures that reliable items have been used to measure the constructs. Hence all constructs in this study are reliable and valid.

Table 6 & 7: Reliability and Validity

VARIABLE	AVE	DISCRIMINANT VALIDITY	CONVERGENT VALIDITY AND RELIABILITY
Politics	0.78	Holds	Reliable & Valid
Commitment	0.71	Holds	Reliable & Valid
Performance	0.70	Holds	Reliable & Valid

Conclusion and Discussion

In our current research conditions identified for mediation by (Baron & Kenny, 1986) were applied. First condition (Commitment has a significant relationship with Politics) was met, second condition (Politics has a significant effect performance) was also fulfilled. Third condition (after adding commitment in the direct relationship between politics and performance) the direct relationship becomes insignificant whereas due to the significant indirect relationship between politics and performance through commitment, there exists full mediation in our model.

The results extracted from this study recommend that in banking sector of Lahore a significant portion of employees is affected by organizational politics. Employees perceive level of commitment to have a significant impact on job performance. In a third world country like Pakistan, where unions don't have a lot of power in an institution most of employees are not politically well equipped and lack complete awareness regarding organizational politics and how it influences their job performance. Previous researches also support our findings that politics is negatively associated with job performance and commitment level of employees, whereas commitment is positively related with job performance.

Organizational politics must be constantly administered ethically and carefully, in order to ensure that it is beneficial to the company and its workers. This too, to avoid undesirable outcomes at the work place. A good management that will supervise the policies of an

organization is essential. (Chang et al., 2009), (Randall et al.,1999). Other alternatives for a manager that wants to decrease the negative aspects of politics in the work place may include a strict and strong management that will promote the efficiency and productivity of the organization and will be confident enough not succumb to the political urgings of the additional authoritative workers.

That's why a strong headship of an organization will be proficient in making a management whose work ethic will depend completely on fairness and honesty. And to achieve this, the headship must support the membership they have selected. If however, organizational politics hampers the work ethic of the management, the employees will adopt a political approach towards their work instead of performing to their full capability. Employees will act based on what criteria the headship rewards them with. If the employee sees profit in acting politically, he or she will and if the employee sees profit in performance-based behavior, they will work as such. To summarize this, organizational politics is and will be ever present in our contemporary work places (Brouer et al., 2011) . Therefore, it will be naive to think that politics can be completely eradicated from organizations because even if you employed workers based on their competence, it will be impossible to have a politics free environment. We must make the most of the current situation by focusing on competence of an employee over their political behavior. Politics must be avoided and organizations must focus on the management doing its job and the employees' efficiency and dedication to their work in order to succeed in the long run.

Built on the above outcomes, the established fact is that the employees' in the banking sector seem to be affected by the phenomenon of organizational politics. This research can aid managers to keep a check and balance in the organization for enhancing the performance of employees thus increasing the level of commitment leading to a reduction in the negative impact of politics in the organization. In addition to enhancing performance of the employees, it will lead to observing the direct and indirect effects of variables with commitment and the effect of commitment on job performance.

Employees in the private and public sector are not mindful about organizational politics and its negative influence on their organisational commitment and job performance in developing countries like Pakistan. Organizational commitment can give a boost to the creativity skills of employees, contentment of employees, their motivation levels and their perceived innovative abilities. It also decreases absenteeism, turnover intentions, burnout and employee stress etc. The top management should put emphasis to inaugurate creative atmosphere in organizations' and inspire employees to produce inventive work and eventually this perseverance would tend to increase individual and organizational performance, also involvement. These findings should be useful for Pakistani industry as well as for any developing nations firms.

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APPENDIX

Research Construct		Items
Perception Of Organizational Politics (POP)	POP 1	My co-workers help themselves, not others.
	POP 2	Sometimes it is easier to remain quiet than to fight the system
	POP 3	It is safer to think what you are told than to make up your own mind
	POP 4	When it comes to pay raise and promotion decisions, policies are irrelevant
	POP 5	When you need help at work, you can always rely on a co-worker to lend a hand
	POP 6	People in this organization attempt to build themselves by tearing others down
	POP 7	There has always been an influential group in this department that no one ever crosses
	POP 8	Employees are encouraged to speak out frankly even when they are critical of well-established ideas
	POP 9	Promotions around here are not valued much because how they are determined is political
	POP 10	The stated pay and promotion policies have nothing to do with how pay rises and promotions are determined
	POP 11	There is no pace for yes-men around here; good ideas are desired even if it means disagreeing with superiors
	POP 12	Since I have worked in this department, I have never seen pay and promotion policies applied politically
	POP 13	I have seen people deliberately distort information requested by others for purposes of personal gain, either by withholding it or by selectively reporting it
	POP 14	If a co-worker offers to lend some assistance, it is because they expect to get something out of it (e.g., makes them look good, you owe them a favor now, etc.), not because they really care
	OC 1	I feel "emotionally attached" to (company).
	OC 2	Company has a great deal of personal meaning for me.
	OC 3	I feel a strong sense of belonging to the company.
	OC 4	I feel as if company's problems are my own.

Organizational Commitment (OC)	OC 5	I would be happy to spend the rest of my career with the company.
	OC 6	I would be happy to spend the rest of my career with the company.
	OC 7	I would feel guilty if I left the company
	OC 8	Even if it were to my advantage, I do not feel it would be right to leave the company.
	OC 9	I feel obligation to remain (company).
	OC 10	I do not have many options to consider leaving (company).
	OC 11	I owe a great deal to the company.
	OC 12	Right now, staying with the company is matter of necessity
	OC 13	One of the negative consequences (company) would be difficulty of finding a comparable position elsewhere.
Job Performance	P 1	How often was your performance higher than most workers on your job?
	P 2	How often was your performance lower than most workers on your job?
	P 3	How often did you do no work at times when you were supposed to be working?
	P 4	How often did you find yourself not working as carefully as you should?
	P 5	How often was the quality of your work lower than it should have been?