

Investigating the dyadic relationships of a health organisation in the mining industry

E. Annandale B.Pharm
12092045

Mini-dissertation submitted for the degree *Masters in Business Administration* at the Potchefstroom Campus of the North-West University

Promoter: Mrs.M.M.Heyns

November 2012

ACKNOWLEDGEMENTS

- These words in Ecclesiastes 12:12-14 were my guide: “My child, there is something else to watch out for. There is no end to the writing of books, and too much study will wear you out. After all this, there is only one thing to say: Have reference for God, and obey his commands, because this is all that we were created for. God is going to judge everything we do, whether good or bad, even things done in secret.”
- To my study leader, Mrs Marita Heyns, for her patience, guidance, motivation and exceptional advise
- To my husband to be, for years of waiting, understanding and giving the support that I needed to spend time on my research and throughout my whole course
- To my mom and dad, who always emphasise the importance of education and who inspire me to be anything I want to be
- To my immediate supervisors, especially Dr Fourie who always understood when I needed time off
- All the respondents for the completion of the survey questionnaires
- To Corna Nel for the language editing
- To Lusilda Boshoff from the North West University for statistical analysis and quality editing

KEYWORDS

Interpersonal trust, trustworthiness, performance appraisal system, trust in leadership

ABSTRACT

There is a single thing that is universal to every human being, connection, unit, organisation, population, financial system and civilisation throughout the globe. If disconnected it might devastate the most authoritative government, the most flourishing business, most prosperous economy and the most powerful leadership. On the other hand if developed and influenced, that one thing has the potential to generate incomparable accomplishment and prosperity in every measurement of life. Yet, it is the least understood, largely ignored and most underestimated opportunity of our time. That one factor is trust.

The intent of this study is to explore the nature of interpersonal trust relationships by investigating the factors of disposition trust, the domains of trust behaviour, cognition based trust and affect based trust as well as the accuracy of the performance appraisal. Factors that influence trust levels are pre-requisite to further investigate trustworthiness by means of other three factors: the employees' ability, integrity and benevolence.

If trust exists within an organisation, it influences the following factors positively: communication, organisational citizen behaviour, learning inside the organisation, turnover team performance as well as the organisation's performance.

An empirical study was done through a survey consisting of recognized questionnaires to establish the trust levels, as well as the accuracy of the performance appraisal system. This summarised the importance of the trust levels, as well as the accuracy of the performance appraisal system. The survey results were analysed in detail in order to conclude which construct and areas necessitate consideration from management. The trust foundations were understood differently by the employees as indicated by the results of the survey. Another indication from the survey was that there are important dissimilarities on how certain groups understand the leadership's actions with respect to trust within the organisation. The possibilities for these differences were mentioned.

Recommendations were also made to improve the three trustworthy factors along with the other constructs measured in this survey to identify the dissimilarities between the different language groups, different genders, the permanent and the part-time group.

TABLE OF CONTENTS

TITLE PAGE

ACKNOWLEDGEMENTS	i
KEY WORDS	ii
ABSTRACT	ii
LIST OF CONTENTS	iv
LIST OF FIGURES	vii
LIST OF TABLES	vii
LIST OF ABBREVIATIONS	viii

LIST OF CONTENTS

CHAPTER 1: ORIENTATION AND PROBLEM STATEMENT	1
1.1 Introduction	1
1.2 Problem statement	4
1.3 Research objectives	4
1.3.1 Primary objectives	4
1.3.2 Secondary objectives	5
1.4 Scope	5
1.5 Research methodology	6
1.5.1 Empirical study	6
1.5.2 Participants	8
1.5.3 Measuring instrument	8
1.5.4 Statistical analysis	8
1.6 Limitations of the study	8
1.7 Layout of the study	9
1.8 Conclusion	10
1.9 Chapter summary	10
CHAPTER 2: LITERATURE STUDY	11
2.1 Introduction	11
2.2 Need for trust	11
2.3 Definitions	13
2.4 Constructs that differentiate from trust	15
2.4.1 Cooperation	15
2.4.2 Confidence	15

2.4.3	Predictability	16
2.5	Trustor characteristics: Propensity to trust	17
2.6	Factors that influenced trust levels	17
2.6.1	Disposition based trust: characteristic of the trustee	17
2.6.1.1	The concept of trustworthiness	17
2.6.2	Cognition based trust	19
2.6.2.1	Antecedents of cognition based trust	19
2.6.3	Ability	21
2.6.3.1	Setting compelling direction	22
2.6.3.2	Creation of enabling structure	22
2.6.4	Benevolence	23
2.6.5	Integrity	24
2.6.6	Interrelationship of the three factors	26
2.6.7	Risk taking in relationships	28
2.6.8	Affective based trust	31
2.6.8.1	Antecedents of affect based trust	31
2.6.9	Relationship between cognition based and affect based trust	32
2.7	Outcomes of trust	33
2.8	Foundations of the analysis	34
2.8.1	Main effect	35
2.8.1.1	Main effects on workplace behaviours and performance Outcomes	35
2.8.1.2	Main effects on workplace attitudes and cognitive/perceptual constructs	36
2.8.1.3	Summary of evidence for the main effect model.....	37
2.8.2	Moderating effect	38
2.9	Cooperative behaviour in a mixed motive context	41
2.10	Organisational citizenship behaviour	43
2.11	Trust in leadership	45
2.11.1	Primary relationships with other variables	45
2.11.2	Relationships with behavioural, performance, and attitudinal outcomes	46
2.11.2.1	Behavioural and performance outcomes	46
2.11.2.2	Attitudes and intentions	47
2.12	Relationships with leader actions and other potential	48

2.12.1	Leader's actions and practices	48
2.12.2	An introduction to trust in context: assessment of leadership functions	50
2.13	Outcomes of trust in leadership	53
2.13.1	Communication	53
2.13.2	Organisational citizenship behaviour	54
2.13.3	Learning	55
2.14	Distal behavioural outcomes	56
2.14.1	Organisational and team performance	56
2.14.2	Turnover	57
2.15	Affective outcomes	58
2.15.1	Willingness to follow	58
2.16	Conclusion	58
2.17	Chapter summary	59
CHAPTER 3: EMPIRICAL STUDY		61
3.1	Introduction	61
3.2	Discussion of the health organisation in the mining industry	61
3.3	Sample and group size	62
3.4	Sample selection	63
3.5	Survey instruments	64
3.5.1	Research design	64
3.5.2	The questionnaire as research instrument	64
3.5.3	The measuring instrument	64
3.6	Ethical considerations	66
3.7	Statistical analysis	67
3.8	Descriptive statistics	67
3.9	Demographical information	67
3.9.1	Gender of the respondents	68
3.9.2	Educational qualifications	68
3.9.3	Languages of respondents	69
3.9.4	Languages differences	69
3.9.5	Permanent versus part-time employees	70
3.9.6	The employee's years in current position	70
3.9.7	Departments or unit of work	71
3.10	Internal consistency reliability of the survey	72

3.11	Descriptive statistics	74
3.12	Correlations between variables	76
3.13	Comparing aspects of trust-based on bibliographical variables .	78
3.13.1	Gender differences	80
3.13.2	Language differences	81
3.13.3	Difference between permanent and part-time employees ..	82
3.14	Conclusions	82
3.15	Chapter summary	84
CHAPTER 4: CONCLUSION AND RECOMMENDATIONS		86
4.1	Introduction	86
4.2	Levels of trust in the subsidiary company	87
4.3	Recommendations	89
4.4	Recommendations for further studies	91
4.5	Conclusion	93
4.6	Chapter summary	93
LIST OF REFERENCES		95
APPENDIX A	Oti shortform questionnaire	98
APPENDIX B	Descriptive statistics	102

LIST OF FIGURES

Figure 2.1	Proposed trust models	30
Figure 3.1	Organogram of management structure	62
Figure 3.2	Gender of respondents	68
Figure 3.3	Educational qualifications	68
Figure 3.4	Language of respondents	69
Figure 3.5	Language differences	70
Figure 3.6	The employee's current years in current position	71
Figure 3.7	Department or unit of work	71

LIST OF TABLES

Table 3.1	Section B Cronbach's alpha values	73
Table 3.2	Section C Cronbach's alpha values	73
Table 3.3	Section D Cronbach's alpha values	74
Table 3.4	Mean and Standard deviation	74
Table 3.5	Spearson's correlation coefficient	76

Table 3.6	Spearson’s correlation coefficient for this study	77
Table 3.7	Parametric test	79
Table 3.8	Non-Parametric test	79
Table 3.9	Differences in gender group	80
Table 3.10	Language differences	81
Table 3.11	Difference between Permanent and Part-time employees ..	82

LIST OF ABBREVIATIONS

RTR	Risk taking relationship
OCB	Organisational citizenship behaviours
PDM	Participative decision making
LMX	Leader member exchange
OPD	Outpatient department
OHC	Occupational health department

CHAPTER 1: ORIENTATION AND PROBLEM STATEMENT

1.1 INTRODUCTION

Organisations in South Africa operate under the Kings III Companies Act which forces companies to adhere to certain laws that were not enforced in past years. In America there is a similar law, called the Sarbanes-Oxley act, that was approved as the result of companies accounting scandals in the early 2000's and this produces an upsurge of curiosity in understanding this basic and ubiquitous construct.

Now the governments require supervising over these organisations to make sure that they adhere to all laws and that the chief executive officer (CEO) can be held accountable for his or her conduct. These many regulations signify an expression of distrust.

Leaders have been argued to play a key role in determining organisational effectiveness across all levels that exist within organisations. The key component in an organisation's ability to be effective within such environments is the degree to which his subordinates and co-workers trust this particular organisation.

This study will focus on interpersonal trust between the leadership in the organisation and its employees of a health organisation in the Rustenburg mining area. The subsidiary organisation which is part of this study is located in the mining industry in Rustenburg and forms part of a corporate company. This subsidiary organisation conveys medical services to one of the mine houses in this area. The company is confronted with various demands and uncertainties due to all the changes and unlawful labour actions in the Rustenburg mining community. Exploring this issue of trust inside this organisation can add value by bringing a better understanding of how the organisation is perceived by the employees.

The study explores the nature of interpersonal trust relationships inside an organisation among the leadership, other professionals in management positions and the individuals in this organisation. The factors influencing trust and the implications of trust on the performance of the organisation will be the focus of this study.

Trust in organisations plays an influential role in the effectiveness of organisations across all levels in the organisations, meaning the individual, team and the leadership within the organisations.

Current developments in organisational behavioural science reflect the importance of interpersonal trust relationships for sustaining individual and organisational effectiveness and competence. It has been recognised by researchers that trust has an influence on coordination and control at both institutional and interpersonal levels of organisations. The efficiency within this complex system of coordinated action is only possible when interdependent actors work together effectively. A non-trusted employee or leader can prove to be very costly and disruptive to an organisation.

According to Colquitt *et al.* (2002:243) the lower the trust inside an organisation, the lower the speed or effectiveness with which the work gets done and the higher the cost to the organisation. Colquitt *et al.* (2002:243) states that trust directly affects the commitment towards the organisation, its leadership and the employee's job performance.

Trust is then seen as the dominant factor between all these players in the organisations and this inquisitiveness is fuelled in part by accumulating corroboration that trust has a number of significant benefits for organisations and their members. These possible benefits of trust provide the perspectives that trust are conveyed in a moderately straightforward manner that ends up with certain effects. The most imperative effects are more positive attitudes, a higher level of cooperation and other forms of behaviour in the workplace which also leads to superior levels in performance (Dirks & Ferrin, 2001:450).

The idea is also reflected in Mayer *et al.* (1995:709) that for the most part of the theoretical treatment of trust and its effects on work place attitudes, behaviours and performances are built on trust. In view of the fact that an increase in trust leads to enhanced team processes and performances, the momentum for numerous interventions for managers and consultants has been provided. The perspective does not present a single way in which trust might have positive consequences. The literature suggests that trust is beneficial because it facilitates the effects of other determinants on desired outcomes.

Dirks and Ferrin (2001:450) propose that trust provides the conditions under which certain outcomes, such as cooperation and higher performance, are likely to occur.

To achieve this better cooperation and higher performance in the workplace, there is interdependence involved and therefore people must depend on each other in various ways.

This interdependence can also be described as an interpersonal trust. How it develops and functions in a trust relationship can be distinguished between two principal forms of interpersonal trust.

According to Dirks and Ferrin (2001:450) the principal forms of interpersonal trust have cognitive and affective foundations. Trust is cognitive based in the fact that people will choose who they will trust, in which respect and under what circumstances. It is people based in the choices they make – which are based on good reasons - constituting evidence of trustworthiness. Affect based trust is grounded in the dyadic interpersonal care and concern of a person.

The amount of knowledge necessary for trust is somewhere between total knowledge and total ignorance. Given total knowledge, there is no need for trust and given total ignorance, there is no basis upon which to rationalise trust. The person's available knowledge and good reason serve as foundations for trust decisions. This is the base on which people make decisions or take a leap of faith (McAllister,1995:25-26).

Precedent methods of trust in organisational settings propose that competence and responsibility are key elements. According to McAllister (1995:26) the two factors of reliability and dependability have also been included in measures of interpersonal trust in close relations. These two factor expectations must usually be met for trust relationships to exist and develop. Evidence to the contrary provides a rational basis for withholding trust.

Affective foundations for trust also consist of emotional bonds between individuals. People make emotional investments in trust relationships and then state authentic concern and care for the welfare of partners.

As cited by Mayer *et al.* (1995:710) they believe in essential virtue of such relationships and there are believes that these sentiments are common. A diverse workforce is less able to rely on interpersonal similarity and common background and experience to contribute to mutual attraction and enhanced willingness to work together. Ultimately the emotional ties linking individuals can provide the basis for trust.

1.2 PROBLEM STATEMENT

The studies of methods are to answer the questions that arise from the need for trust in any organisation and the effect it has on the increasing effect it has on performance and effectiveness. These are directly linked to the job performance of the employee and the commitment to the organisations and its leadership.

This study investigates the current trust relationships inside the organisations by concentrating on dyadic interpersonal relationships inside the organisation. The study will thus focus more closely on the employees' perceptions of their leadership in the organisation.

I intend to explore the nature of interpersonal trust relationships by investigating the factors of disposition trust, the domains of trust behaviour, cognition based trust and affect based trust, as well as the accuracy of the performance appraisal. Factors that influence trust levels are pre-requisite to further investigate trustworthiness by means of the other three factors: the employees' ability, integrity and benevolence.

The research will attempt to further knowledge on the interpersonal trust relationship between the leadership and its employees in this part of the organisation.

In particular this research addresses the influence trust and interpersonal trust relationships have on the outcome of the organisations' performance and employees' commitment.

1.3 RESEARCH OBJECTIVES

The research objectives are divided into general and specific objectives.

1.3.1 PRIMARY OBJECTIVE

The primary objective of this research is to investigate the dyadic interpersonal trust relationship in an organisation in the health sector of the mining industry.

1.3.2 SECONDARY OBJECTIVES

The specific objectives of this research are:

- An in-depth exploration of interpersonal trust relationships in a health organisation
- Investigating factors influencing the interpersonal relationships by looking into the different types of trust, namely: affect based, cognition based and dispositions based trust
- To explain trustworthiness, trust propensity and feelings towards the trustee and the effect these have on trust
- To explore the perception of the accurateness of the performance appraisal system
- To indicate shortcomings of current strategies and emphasise the practical benefits to be derived from the definitions

1.4 SCOPE

The discipline of this study is an organisational behavioural study regarding the effect trust and interpersonal trusts have on the performance of the employees of an organisation in the medical services of the mine industry in the Rustenburg area.

The data will be retrospectively obtained from employees within the health organisation. The population, considered for this study, will consist of all employees in the Rustenburg area.

Respondents should provide information on a variety of issues regarding trust in the organisation. This information will be invaluable in assessing trust between the employees and the leadership of the organisation, as well as the effect it has on the performance of the employees and commitment to the organisation. The data gathered will then be sent for statistical analysis and interpretations. Recommendations will also be made in the conclusion.

The empirical research will be based on a survey constituted of a questionnaire that will be distributed to each participant.

1.5 RESEARCH METHODOLOGY

The research will consist of two phases, i.e. a literature study followed by an empirical investigation. The literature review serves the purpose of reviewing the necessary information to give the foundational knowledge needed to understand trust and interpersonal trust in a dyadic relationship in a health organisation in the mining industry. In the discussion an overview of the definitions, characteristics, basic information, relevant significance and requirements are presented.

1.5.1 EMPIRICAL STUDY

Here the focus will be placed on the analysis of the data obtained from the distributed questionnaires which were subsequently collected during the research.

The empirical study consists of four phases, namely:

- The selection of measuring instruments
- Data analysis
- The report and discussion of the results of the empirical investigation
- Conclusions and recommendations based on the results of the empirical investigations

This research project utilises descriptive research for data gathering. Descriptive research is the collection of data in order to state the current status of the subject or topic of study. The goal of descriptive research is to predict behaviour and to explain a phenomenon such as human behaviour in an organisation and administrative sciences. This will indicate how variables are related to another and in what manner one variable affects another in order to get a better understanding of the organisation's behaviour (Welman *et al.* 2005:23).

The positivist approach is based on a philosophical approach known as logical positivism. The positivist approach holds that research must be constrained to what can be observed and measured objectively. This is what exists apart from the feelings and opinions of individuals. The natural scientific approach strives to formulate laws that apply to populations universally and that explain the causes of objectively observable and measurable behaviour. The term

“objective” implies that people other than the researcher should agree on what is being observed (Welman *et al.* 2005:6).

The positivist approach is also known as the quantitative approach. This is defined by Welman *et al.* (2005:6) as the study of observable human behaviours, and is to uncover general laws of relationships or causality that apply to all people and at all times. This is more about the description of a phenomenon than the experience of it.

The motive of quantitative research is to assess objective data consisting of numbers. This is also not to deal with on a daily basis of existence but rather with an abstraction of reality. The research is done from an outsider’s perspective. An objective observation must be kept at all times while the procedure must be kept as stable as possible.

The researcher controls the investigation and structure of the research situation in order to identify and separate variables. Precise measurement instruments are used to assemble data and can accommodate large numbers of cases. The analysis of results is based on statistical significance (Welman *et al.* 2005:10).

Primary data will be used in this research project. This is original data collected by the researcher for the purpose of the study on hand. A survey questionnaire will be used to gather the typical behavioural information.

The ethical considerations are important in research as it is in any field of human activity. Ethical research comes into consideration in a research project when participants are recruited, the intervention and measurement procedure to which they are subjected are obtained and the results are released (Welman *et al.* 2005:201).

The research questionnaire will be distributed only to those employees willing to participate and will be based on an informed consent. The participant would be fully informed about the reasons of the research being done. The respondents will be assured of their right to privacy. The respondents will be assured of his or her protection from any emotional harm. There should also be no manipulations from the researcher towards the respondents and the respondents will not be treated as objects, but rather as individual human beings (Welman *et al.* 2005:201).

1.5.2 PARTICIPANTS

- The empirical research will be based on a survey constituted of a questionnaire that will be given to each participant who is a targeted respondent and will include all employees in a Health organisation in the Rustenburg mine section. The information will prove invaluable in assessing trust in the subsidiary health organisation, its leadership and employees working in this section of the organisation. The researcher will contact the relevant participants to confirm their willingness to participate before proceeding with data collection. Each participant will thereafter fill in a unique, but random, code to ensure confidentiality of information given.

1.5.3 MEASURING INSTRUMENT

Trust will be measured with a structured questionnaire containing questions to be answered on a Likert scale. The instrument is based on previously standardised and validated questionnaires developed by other researchers, mainly based on Mayer and Davis's (1999) research. The detail will be discussed in Chapter 3.

1.5.4. STATISTICAL ANALYSIS

The data collected will be statistically analysed by the North West University (NWU) statistics department, using two different programs, namely SPSS Statistics 20 (2009) and Statistica 10 (2001).

1.6 LIMITATIONS OF THE STUDY

There are a number of limitations imposed on the study. Most importantly, not all the distributed questionnaires might be retrieved or fully completed or not all employees would be willing to participate. This might affect the validity of the data resulting.

Secondly, the perception of the employees will differ because of human nature. There is a wide variety of people working for this organisation. All the employees come from different backgrounds and will have formed their perceptions differently.

Trust takes different forms in different relationships. It varies from a calculated weighing of perceived gains and losses to an emotional response based on interpersonal attachment and identification. These all vary depending on the employee's history towards the organisation and time spent in the organisation.

1.7 LAYOUT OF THE STUDY

The layout of the study will progress in the following order:

Chapter 1: Introduction and problem statement

The topic is introduced and the problem is defined. The objectives of the study are highlighted. A description of the research methodology and the sampling procedure used in this study will also be provided.

Chapter 2: Literature Review

A literature overview on various topics in organisational behaviour will be examined. There will be a specific focus on interpersonal trust relationships in the organisation. The theoretical view on factors influencing trust levels in the organisation and the effect it has on performance of the employee as well as the employee's commitment towards the organisation.

Chapter 3: Empirical study

The introduction of the research design and the instruments used during the research will be explained. The chapter will also contain the data analysis acquired from the data provided by the questionnaires.

Chapter 4: Conclusions and Recommendations

This chapter provides discussions and interpretations relating to the answers received from the participants. Recommendations will be made.

1.8 CONCLUSION

Chapter one brings to a close that to investigate the current trust relationships in the organisation by concentrating on dyadic interpersonal relationships in the organisation, is to give insight in the employees' perceptions of trust towards their leadership in the organisation. This is an effort to further knowledge on the interpersonal trust relationship between the leadership and its employees to enhance effectiveness, cooperation and employees' performance. In order to accomplish these requirements to building trust, there needs to be a focus on all levels of the organisation. The requirements must be a sustainable attempt which will be held in place by the organisation's set of principles.

1.9 CHAPTER SUMMARY

Chapter 1 gives a general idea of what the objective of this mini-dissertation will examine and reasons why there is a need to carry out a trust measurement in this organisation. The data gathering methods are also discussed as well as the reasons why the quantitative method was chosen. The sample is identified that will be measured as well as a short general background overview of the related literature introduced. In addition a breakdown of each chapter is given to notify the reader about its contents.

CHAPTER 2: LITERATURE STUDY

2.1 INTRODUCTION

The theme of trust is generating amplified attention in organisational studies. The significance of trust has been cited in such areas as communication, leadership, management objectives, negotiation, labour management relations, performance appraisals and implementation of self-management work teams.

Leaders were urged to play a key role in influential organisational effectiveness across all levels, in the individual or in the group existing in the organisation. A key component in a leader's capabilities to be effective in such an environment is the degree to which subordinates and co-workers trust the leader. With the recognitions of the importance of trust in a leadership in an organisational environment, it is apparent that investigations into its antecedents as well as the proximal and distal outcomes interpersonal trust are examined.

Given trust's role within organisations, it is not surprising that researcher and practitioners alike are interested in identifying mechanisms through which trust can be developed as well as those factors which moderate the interpersonal relationship (Burke *et al.* 2007:609).

2.2. NEED FOR TRUST

An organisation protects itself against self-serving behaviours as well as potential legal action through utilising control mechanisms and contracts. Organisations modify its decision making processes, in-house processes, rewards systems and structures to control the achievement of personal and organisational goals. These needs of achievement are established in people from an involvement by working together and will result in interdependence on one another. The control mechanism of legalistic remedies may bring organisational legitimacy but is an unsuccessful, feeble and impersonal substitute for trust and appears to be unproductive (Mayer *et al.* 1995:710).

According to Mayer *et al.* (1995:710) a suggested solution lies in the current trend of an increase in a trust relationship in both the workforce compositions and organisations of the workplace. The trust relationship can be increased by the enlargement of diversity in an

organisation's workforce to ensure that people from different backgrounds come into contact with one another and relate to one another on a more individual level. The willingness of working together is enhanced by a diverse workforce due to the fact that they are unable to rely on interpersonal comparison, common background as well as experience to contribute to shared attractions. The growth of reciprocated trust enables employees further to work together more efficiently and successfully.

Trust also increases through introducing self-directed teams to work together and manages to have a better leadership approach, meaning to be more participative in the workplace to ensure a continuous change. To certify teams to work together more effectively, organisations empower its employees and implement self-directed teams to guarantee that the control mechanisms are reduced and that the concept of trust increases as interaction amplifies (Mayer *et al.*1995:710).

The understanding of trust and its causes can smooth the progress of unity and collaborations between employees by building trust through other means than interpersonal similarities. Direct control of employees is impractical. Trust will then take the place of the employees' supervision. The development of a model of trust in organisations is then both realistic and suitable (Mayer *et al.*1995:710).

Mayer *et al.* (1995:711) makes the statement that "the lack of clear differentiation among factors that contribute to trust, trust itself and the outcomes of trust are an obstacle. Without this clear distinction the difference between trust and similar contrast is blurred. It is agreed that risk or having something invested is a requisite to trust. The need for trust then only arises in a risky situation. The importance of risk to understanding trust is recognised but no consensus on its relationship with trust exists. It is not clear if risk is an antecedent of trust or outcome of trust."

The model that is developed in Mayer *et al.* (1995:711) clarifies the role interpersonal trust plays in risk taking. Each of the necessary trust issues that have been explained will be explored in the model as dyadic trust is develop. This model of Mayer *et al.* (1995:711) was developed to focus on trust in organisations' setting involving two parties: a trusting party - the trustor (employee) and the party to be trusted - the trustee (management in the organisation). This model explicitly encompasses factors about both the trustor and the trustee. This relationship-specific boundary condition, and it emphasises its importance to differ from it when trust is dealt with in a widespread manner or as a social phenomenon. These considerations do not clarify

the relationship between two specific individuals and the reason why the trustor would trust a trustee.

To specify clearly the trustor and trustee encourages the tendency to change referent and even levels of analysis, which obfuscates the nature of the trust relationship.

The following section is the definition mainly developed by Mayer *et al.* (1995:711) to present and differentiate between similar constructs.

2.3 DEFINITIONS

Although most definitions of trust seem to have a common conceptual core, Rousseau *et al.* (1998:395) states that individual researchers have used different operational definitions which have resulted in the measurement of potentially different definitions of trust. Researchers suggesting that trust comprises multiple dimensions (Dirks & Ferrin, 2001:450) have recognised this measurement of potential differentness.

Trust is defined according to Mayer *et al.* (1995:712) “as the willingness of a party to be vulnerable to the actions of another party based on the expectations that the other party will perform a particular action important to the trustor, irrespective of the ability to monitor control the other party.”

According to Whitener *et al.* (1998:513) It also states that trust involves a willingness to be vulnerable and risk that the other party may not fulfil the expectation and thirdly that trust involves some level of dependency on the other part so that the outcomes of one individual are influence by actions of other. They further state that a trust can be viewed as an attitude derived from the trustee’s perceptions, beliefs and attributions about the trustee based upon the trustee’s behaviour held by one individual towards one another.

Trust is defined by Burke *et al.* (1998:608) by two components: a trusting intention that is again defined when one is willing to depend on the other person in a given situation, and as a trusting belief that one believes the other person is benevolent, competent, honest or predictable in a situation. They also refer to dispositions to trust as the tendency to be willing to be dependent on others.

Interpersonal trust is described by Dirks and Ferrin (2002:616) with two dimensions. The first dimension is cognitive which reflects issues such as the reliability, integrity, honesty and fairness of a referent. The second dimension reflects a special relationship with the referent to demonstrate concern about one's welfare and is classified as affective based trust.

Other definitions have implicitly combined these two dimensions into an overall measurement of trust which Dirks and Ferrin, (2002:616) consider being a combination of affective and cognitive forms or it has been seen or implied or openly focused on one of the dimensions.

Several terms have been used synonymously to trust and have obfuscated the nature of trust. Among these terms are cooperation, confidence and predictability. Although the concept of trust has been defined in a number of ways, we use the term in a broad sense that reflects theoretical and empirical research in the organisational sciences.

With the following statement in Rousseau *et al.* (1998:395) it is proposed that trust is a cross disciplinary conceptual definition: "a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behaviour of another."

Individual researchers tend to use slight variations of this definition, operationalizing trust as an expectation or belief that one can rely upon another person's actions and words, and/or that the person has good intentions toward himself. The term is used in a manner reflecting these conceptual and empirical definitions (Rousseau *et al.* 1998:395).

However, it is recognised that trust is a complex psychological state that may consist of different dimensions. Because existing trust research is relatively diverse and multidisciplinary, note that it is important to focus on particular problems, and then use concepts, theories and methods appropriate for the problems. Based on delineations made by other trust researchers the focus will only be on trust as a psychological state, such as a belief or attitude, toward another known individual, as opposed to trust as a dispositional construct or among groups or firms, as well as the effects of trust on workplace relevant attitudes and behaviours of individuals as studied by micro-organisational behaviour researchers, rather than on the organisation of economic transactions and the concomitant reduction of opportunism within organisations or the dynamics of romantic relationships (Rousseau *et al.* 1998:395).

The sections that follow differentiate trust from these constructs.

2.4 CONSTRUCTS THAT DIFFERENTIATE FROM TRUST

2.4.1 COOPERATION

The dissimilarity of trust from cooperation is distorted due to the fact that trusting means the possibility that the employee will perform and the deed performed will be beneficial or at least not destructive to the organisation. These beliefs are enough evidence for the organisation to think about some cooperation with the employee, and in this the confusion between cooperation and trust. Trust is not necessary for cooperation to take place, but trust can lead to cooperative behaviour. What separates trust from cooperation is that cooperation does not put the other party at risk. There are different reasons for cooperation, for example a commanding manager who enforced punishment and evidently expected to discipline the other employee for any act that harms the main employee's interest. The main employee may cooperate with and appear to trust the other employee, but the employee's actions are due to a lack of perceived risk (Mayer *et al.*1995:712).

According to Mayer *et al.* (1995:713) trust and cooperation have at times been treated as one and the same but it is significant to differentiate between the two entities. The employee can cooperate with someone who he does not trust although there may exist exterior control mechanisms that will have power over the trustee for deceitful behaviour or if the question at hand doesn't involve vulnerability to the trustor over issues that matter. This can also occur when it differentiates clearly that the trustee's motive will lead the employee to behave in a way that coincides with the trustor's desires. In all mentioned there would be cooperation without trust and in all these scenarios vulnerability is minimal or not present (Mayer *et al.*1995:712).

2.4.2 CONFIDENCE

The relationship between confidence and trust is unstructured. It is defined in dissimilar ways in Mayer *et al.* (1995:713) that it is considered that one individual would only trust another if it leads to an advantageous event. The individual or employee must have assurance that the other individual has the capability and attention to produce it or that trust is the degree to which one is willing to attribute good intentions to and have confidence in the words and actions of other people.

Mayer *et al.* (1995:713) states that both concepts refer to opportunity that may lead to disappointment, but that trust differs from confidence because it requires a preceding engagement on a person's part, recognising and accepting that risk exists. Herein, lays the assumption that trust is different in the former risk that must be recognised and assumed.

2.4.3 PREDICTABILITY

Predictability and trust are both of indistinctness decrease and in that the relationship is uncertain. However, in Mayer *et al.* (1995:714) it is stated that trust includes the extent to which one person can anticipate predictability in the other's behaviour in terms of what is normally anticipated of a person acting in good faith. In research there is a definite overlapping in definitions where trust is intertwined with predictability. For trust to be significant it must go further than predictability.

To associate predictability and trust is to propose that an employee can be expected to constantly ignore needs of other employees and conduct himself in a self-interest manner and is therefore trusted, because of the predictability of the employee. If trust is the willingness to take a risk and to be vulnerable, then the assumption is made that one can believe such a trustee to be predictable in a situation in which the trustee influences resource distribution between the trustee and the trustor, but also be unwilling to be vulnerable to that trustee (Mayer *et al.* 1995:714).

As cited in Mayer *et al.* (1995:714) there is a gap in that predictability is inadequate due to the fact that other employees can make a different employee take a risk, for example if a manager uses the path of reprimanding the employee who delivered the negative news. In doing this the manager is predictable.

However, this predictability will not increase the likelihood that the employee will take a risk and deliver negative news. On the contrary, predictability can reduce the likelihood that the individual will trust and therefore take actions that will make him vulnerable to the manager.

Predictability might best be thought of as influencing cooperation. If one expects that an employee will predictably behave positively, one will be disposed to cooperate with the party. However, the reason for that predictability may be external to the party, such as strong control mechanisms. Without those mechanisms a person may be unwilling to be vulnerable to the

party. Thus, predictability is insufficient to trust. The previous section dealt with the nature of trust itself, differentiating it from similar constructs (Mayer *et al.*1995:714).

2.5 TRUSTOR CHARACTERISTICS: PROPENSITY TO TRUST

When there is trust between two or more individuals that trust is based on an interpersonal relationship. For this particular reason the decision for trust to occur in the presence of the individual's differences between each person in the interpersonal relationship. The two factors - propensity to trust and attribution processes - are influencing decisions to trust among two individuals. In both cases individual differences in cognitive processing of information influence what information and weight each piece of information is given in the decision to trust. Propensity to trust is specifically the universal willingness to place faith in others' reciprocity and good intentions (Burke *et al.* 2007:619).

Propensity to trust impacts the information that is most noteworthy, such as it reinforce one's belief in the trustworthiness of others and how the information is processed when choosing to trust. However, this mutual connection might contain more with the remembering of different events upon which the attributions are based which means for example that a person who trust easily will recollect positive events and a person who does not trust easily recollect negative events (Burke *et al.* 2007:619).

2.6. FACTORS THAT INFLUENCE TRUST LEVELS

2.6.1 DISPOSITION BASED TRUST: CHARACTERISTICS OF THE TRUSTEE

2.6.1.1 THE CONCEPT OF TRUSTWORTHINESS

Disposition based trust is largely the essential factor influencing trust. Disposition trust has less to do with an exacting ability and more to do with the trustor. Trust propensity is explained as a general expectation that the words, promises and statements of individuals or groups can be relied on. Trust propensity represent a sort of faith in human nature and in that trusting people view others in more favourable terms than do suspicious people (Colquitt *et al.* 2002:623).

According to Colquitt *et al.* (2002:263) the approach to understand why a given party will have a better or slighter amount of trust for another party, is to regard the attributes of the trustee. Leaders must concern themselves with trustworthiness of the other party because of the risk that lies in the transactions. Communication and attitude are characteristics of the trustee and his credibility is affected by two factors, namely expertise and trustworthiness.

As explained by Colquitt *et al.* (2002:623) trustworthiness was measured as the inspiration or motivation or the lack thereof, to lie - explaining that if the trustee had something to gain by telling a lie, the trustee would be seen as less trustworthy. It is also suggested that trust is founded on expectations of how another person will conduct himself and this is based on that person's existing and preceding implicit and explicit claims. In a fiduciary relationship trust is influence by a professional's integrity and competence. The characteristics and actions of the trustee will lead that person to be more or less trusted (Colquitt *et al.* 2002:623).

The consequence of trust propensity comes to light in the exchanges with strangers in which any acceptance of vulnerability would amount to sightless human trust. The negative side of a high propensity in people is that a person would be trusted who is not worthy of the other person's trust. The other side is then when a person has a low trust propensity, he or she would not trust a person who may be worthy of their trust.

Trust propensity is one of the first human traits that we develop as children, according to Colquitt *et al.* (2002:623) - meaning that the more our needs are met, the more trusting we become. It continues to take shape later in life as we gain experience with acquaintances, relatives, education, religion and other applicable groups.

Disposition based trust directs one in situations when there is no information on a particular authority. However, eventually sufficient information is gained to measure the authorities' trustworthiness and this is defined as the characteristics or attributes of a trustee that inspire trust. At this point trust begins to be based on cognitions that have been developed about an authority, as opposed to our personalities or dispositions. In this manner, cognitions based trust is driven by the authority's track record. If it is shown that the employee is influenced to be trustworthy. Then vulnerability to the authority can be accepted (Colquitt *et al.* 2002:623).

2.6.2 COGNITION BASED TRUST

People take a leap of faith from the platforms of obtainable knowledge and good reason. The totality of knowledge required for trust is somewhere between total knowledge and total unawareness. Given total knowledge there is no trust and given total unawareness there is no basis upon which to reasonably trust. Cognition based trust is based in that the individual will choose whom he will trust in which respect, under what circumstances and will base his choice on what he take to be good reason, constituting evidence of trustworthiness (McAllister,1995:25).

As cited in McAlister (1995:26) the precedent measure of trust in an organisational setting suggests that competence, responsibility, reliability and dependability have been included in the measuring of interpersonal trust relationships. Reliability and dependability expectations must usually be met for trust relationships to be present and to develop, and evidence to the contrary provides a rational basis for withholding trust (McAlister, 1995:26).

2.6.2.1 ANTECEDENTS OF COGNITION BASED TRUST

According to McAllister (1995:28) the level of a leader's cognition based trust in an individual will be positively related to the degree of that individual's dependable role performance. The factors influencing the cognition based trust between the leader and its fellow employees are the organisational background in which the relationships are set, as well as the accomplishments of precedent interactions in conjunction with social and cultural comparison. Working associations are typically personal and expand over a certain period. When assessing trustworthiness in an employee or individual he or she will be looking back at past activities as to how to carry them out in role related duties. An employee's behaviour is constant with norms of reciprocity and equality and in that the employee follows through on commitments that are extremely important. Functioning relationships that involve elevated interdependence and peer performance can have an influential impact on personal efficiency, and evidence that the employees carry out role responsibilities and reliability, will enhance a leader's assessment of employees' trustworthiness (McAllister, 1995:28).

Social comparison between individuals can also influence trust development This means that an individual or a group of individuals with related elementary characteristics, such as the same

culture or racial background, have an advantage to generate and sustain an enhanced working relationship over a diverse group of individuals not from the same cultural or racial background. Further, internal categorisations take place on the basis of objective attributes such as age, race and gender and this leads to an additional grouping of individuals that influences attitudes and beliefs. If an individual does not fall into one of the categories, he or she will be more perceived as dishonest, obstinate and undependable (McAllister, 1995:28).

A leader will have a better cognition based trust in an employee when the two individuals have a racial or cultural comparison. Regardless of the belief that diversity enhances creativity and offer access to a more widespread set of environmental recourses in an organisation, trust will still be maintained further where there is an additional comparison between individuals' racial and cultural beliefs (McAllister, 1995:28).

Finally, as explained by McAllister, (1995:28) the formal organisations - through formal role specifications - specify boundaries for trust relationships and professional credentials that serve as clear signals of rolled preparedness. Educational institutions, professional associations and credentialing agencies manufacture trust, by providing guarantees to would be trustors through certification, that individuals meet standards for acceptability in a larger professional community. Professional standing can be maintained through continued memberships and participations in relevant professional associations; thus again it can be stated that that level of a manager's cognitions based trust in peers, will be greater for peers with higher professional credentials (McAllister,1995:28).

Conditions that lead to trust have been considered and by identifying a single trustee characteristic that is responsible for trust, is nearly impossible; therefore, it can sometimes be explained by as many as ten characteristics. The three characteristics that appear to explain the most important portion of trustworthiness are: ability, benevolence and integrity. Each of these characteristics contributes a distinctive perceptual perspective from which to consider the trustee, while the set provides a solid and parsimonious foundation for the empirical study (Mayer *et al.* 1995:717).

2.6.3 ABILITY

The first dimension of trustworthiness is ability. Ability is defined by Mayer *et al.* (1995:717) as that group of skills, competencies and characteristics that enable a party to have influence within a specific domain. The domain of the ability is specific because the trustee may be highly competent in some technical area, affording that person trust in tasks that relate to that area (Mayer *et al.* 1995: 717).

Trust is area specific because an individual may be trusted to do an analytical task related to that individual's technical area, or he can be trusted to commence contact with an important customer, but the individual may have diminutive experience in an area such as interpersonal skills due to the lack of propensity, education and knowhow. Competence is used to describe trust in a similar construct and perceived expertise is identified as a critical characteristic of the trustee. Expertise is a factor that leads to trust (Mayer *et al.* 1995: 717).

The basis of trust that is similar to ability is identified as functional competence, interpersonal competence, business sense and judgement. In the instance of expertise and competence trust is described in terms of a set of skills applicable to a single, fixed domain.

Ability highlights the task and situation specific nature of the construct in the current, (Mayer *et al.*, model of, 1995:715).

According to Burke *et al.* (2007:614) a leader's ability is viewed as successful when the leader ensures an enabling structure and a convincing course as a realistic approach.

While these conditions such as compelling direction and enabling structure were initially proposed within the context of team leadership, the two conditions delineated above serve as markers of a leader's ability across organisational levels - meaning the individual, team, unit and organisation. The manner in which these conditions will serve as behavioural markers of leader ability and thereby impact trust in leadership will be briefly discussed (Burke *et al.* 2007:614).

2.6.3.1 SETTING COMPELLING DIRECTION

As cited in by Burke *et al.* (2007:614) a leader must develop a level of attentiveness and clear understanding for the surroundings in which the individual and team performs. To achieve this goal the leader must provide the individual and team with a powerful direction that assures the individual and team to recognise their assignment and goals as important, challenging and evident. This direction will motivate the leader's followers because the outcomes are perceived as appreciated and consequential through focusing the individual and team on the correct task and goals. In the environment created by the leader there must be room for personal growth and accountability. This could not yet be explained but there is evidence that apparent, engaging direction has an impact on individual, team and organisational performance. Thus the proposal is made that the setting of clear, compelling direction will influence trust in leadership as it will be seen by subordinates as an indicator of leader ability (Burke *et al.* 2007:614-615).

2.6.3.2 CREATION OF ENABLING STRUCTURE

Burke *et al.* (2007:615) made the next proposal by indicating that the leader's development of functional norms will contribute to an individual's and team's perception of the leader's ability and benevolence and in turn impact the trust in this relationship.

This is supported by investigating a second set of behaviour indicators namely the leader's ability and competence to create an enabling structure for the organisational unit. The devise of the task at hand as well as resource distribution, core norms of behaviour within the team and also team composition, are building blocks of an enabling structure (Burke *et al.* 2007:615).

An individual or team can detect that, when there are inadequate structures to work or perform in and that resources are not accurately allocated, the leader is disorganised, ineffective and not in contact with what is going on ground level. To ensure encouragement for an individual or team to be adjustable, self-correct and to gain knowledge as well as have an open communication chain, a leader must promote functional norms. This encouragement of functional norms will further strengthen individual and team perceptions of the leader's capability by helping the team and its members to leverage the synergy and diversity of resources that often exist within teams (Burke *et al.* 2007:615).

Furthermore, this confirms that norms such as the above mentioned contribute not only to perceptions of leader ability, but may also communicate to views of the leader's benevolence in that they are indicators of follower or team development processes (Burke *et al.* 2007:615).

Another contributor to an enabling structure is composition and to what degree leaders manages the individual or team's diversity of knowledge, size, perceptions and skills. If the leader can effectively manage the composition to optimisation, the leader will be considered efficient and successful. The degree to which a leader can effectively create and manage team composition, will influence trust in leadership by serving as an indicator of leader ability because the leader has the knowledge to be able to select and match individuals (Burke *et al.* 2007:615).

2.6.4 BENEVOLENCE

The second dimension in trustworthiness is benevolence. This is defined as the extent to which a trustee is believed to want to do good to the trustor, aside from an egocentric profit motive. Benevolence suggests that the trustee has some specific attachment to the trustor. This is the perspective of positive orientations of the trustee towards the trustor (Colquitt *et al.* 2002:224).

The trustor helps the trustee without expecting compensation or without being forced to help the dependant. A number of characteristics have been included comparable to benevolence, and forms a basis for trust. Trustworthiness is described in terms of the trustee's motivation to lie. This idea is clearly consistent with the observation that perceived benevolence operates as a considerable function in the appraisal of trustworthiness and, therefore, elevated benevolence in a relationship would be inversely related to a motivation to lie. This reflects a belief that the trustee's point of reference toward the trustor is essential and the conditions, intentions and motives can include greater repercussions than the orientation toward the trustor, that is the trustee's profit motives (Mayer *et al.* 1995:719).

Mayer *et al.* (1995:719) identifies self-sacrifice and loyalty as suggestions of a dyadic trust relationship. Confidence and trust in a leader are inclined in part by the degree to which the leader's actions are relevant to the individual's needs and desires. It also measures the probability that the trustee would put organisational goals ahead of individual goals.

According to Caldwell and Hayes (2007:266) a benevolent leader is a leader that indisputably cares about the individual or members of the team and has a genuine apprehension for the relationship between him or herself and the individual or team member. In turn subordinates that perceive their leaders as benevolent, are more likely to re-inspire to work harder, persevere longer and commence with extra-role behaviors without an additional reward.

Through establishing a provision for expert coaching and a supportive environment such as information systems, educational systems as well as a reward system in an organisation, can improve and develop the individual's and team's perception of the leader as benevolent.

Coaching has been defined as the direct interaction with a team intended to help members make coordinated and task appropriate use of their collective resources in accomplishing the team's work (Burke *et al.* 2007:615).

Factors such as coaching and individual development play a significant role in the existence that the leader holds over an individual or a team, and that the coaching responsibility evolves transversely a team's life span. Early on in an individual's or team's development, coaching functions will possibly centre on development of an individual's or team member's attempt to be motivational in nature. Towards the midpoint of a team's life span, leader coaching becomes more advice-giving in nature, thereby ensuring the execution of exact performance strategies (Burke *et al.* 2007:616).

The final stage in an individual's or team's existence span coaching is more instructive in nature as the focus is on development of knowledge and skill. Despite the increased interest in coaching and theoretical ties to perceptions of benevolence, there has been a lack of research to examine its direct impact on trust in leadership. Expert coaching provided by the leader will be perceived by subordinates as an indication of benevolence and concern for their welfare, thereby contributing to greater trust in leadership (Burke *et al.* 2007 615).

2.6.5 INTEGRITY

A set of values and principles that are acceptable and suitable for the trustor or leader, establishes the relationship between integrity and trust in the trustee or individual. Personal integrity is defined by following a set of individual values and principles and the obedience and acceptability of these values and principles are significant (Mayer *et al.* 1995:719).

In this instance that set of values is not deemed acceptable by the trustor or leader. The trustee or individual would not be considered to have integrity for all purposes. The subject of acceptability precludes the dispute that a team, who is committed solely to the standard of profit seeking at all costs, would be judged superior in integrity unless this principle is acceptable to the trustor or leader.

As cited in Mayer *et al.* (1995:719) the trustor's or leader's words would affect the degree to which the leader will be judged to have integrity by the trustee or individual or the leader's team. This judgement would be based on the leader's precedent actions, believable communications about the trustee from other parties and the belief that the trustee has a strong sense of justice (Mayer *et al.* 1995: 719).

Even though a case could be made that there are differentiable reasons why the integrity of a trustee could be perceived as higher or lower. This means there could be a lack of constancy which is different from acceptability of principles and in the assessment of trustworthiness it is the perceived level of integrity that is significant rather than the reason why the perception is formed (Mayer *et al.* 1995:720).

Mayer *et al.* (1995:720) stated that integrity or very similar constructs is an antecedent to trust, and includes integrity per se as an imperative trust factor. An approach that utilises a comparable but more forced construct of value congruence is what Mayer *et al.* (1995:720) defined as the compatibility of an employee's beliefs and values with the organisation's cultural values.

This approach compares the trustee's values with those of an organisational referent, rather than a judgement of the acceptability of the trustee's values to the trustor or leader. Mayer *et al.* (1995:720) included consistencies, integrity, and fairness as conditions of trust. Although a lack of consistency would cause an individual to question what values a trustee holds, being consistent is insufficient to integrity, as the trustee may consistently act in a self-serving manner.

Inclusion of integrity in the proposed model is well grounded in preceding approaches to trust. It is evident that the three factors of ability, benevolence and integrity are universal to much of the earlier work on trust. Earlier models of trust antecedents either have not used the three factors jointly or have expanded into much larger sets of antecedents.

These three factors appear to explain quickly the within-trustor variation in trust of others. Trust to a trustee or individual will be a purpose of the trustee's perceived ability, benevolence and integrity, and of the trustor's or leader's propensity to trust (Mayer *et al.* 1995:720).

2.6.6 INTERRELATIONSHIP OF THE THREE FACTORS

The three factors that influence trust are ability, benevolence and integrity. The three factors are connected to one another but they can differ independently of one another, but are nevertheless also distinguishable. A trustee or individual would be assumed to be trustworthy when all three the factors are present and eminent (Mayer *et al.* 1995: 720).

If ability, benevolence and integrity were all perceived to be elevated, the trustee would be deemed fairly trustworthy. Nevertheless, trustworthiness should be thought of as a scale, rather than the trustee or individual being either trustworthy or not trustworthy. Each of the three factors can be different on scale. Although the simplest case of elevated trust presumes an elevated level of all three factors, there may be situations in which a noteworthy amount of trust can develop with less important degrees of the three (Mayer *et al.* 1995: 720).

According to Mayer *et al.* (1995:721), the consideration can be made when a highly capable leader does not show elevated integrity meaning in his or her transactions with others, but forms a fondness of a particular individual. The leader recurrently demonstrates strong benevolence in the direction of the individual, providing resources - even at others' expense.

On one hand it can be argued that if the individual strongly believes in the benevolence of the leader, the individual has no reason for reservation on how the leader will perform in the future. Also, if the leader's integrity is dubious, the individual cannot help but wonder how extended it will be until the leader betrays the individual. Whether the individual will trust the leader or not, depends in part upon the individual's propensity to trust. In addition to propensity affecting trust when there is no data on the characteristics of the trustee, propensity can enhance the effect of these factors, thereby producing a moderating effect on trust (Mayer *et al.* 1995:722).

The point is that the individual possibly will or possibly will not trust the leader in such circumstances. As a relationship begins to extend, the trustor or leader might be capable to get hold of information on the trustee's integrity through a third-party as a source and through

observation, with little direct interaction. Because there is unimportant information about the trustee's benevolence toward the trustor or leader, it is suggested by Mayer *et al.* (1995:722) that integrity will be important to the development of trust early in the relationship. As the relationship develops, interactions with the trustee permit the trustor or leader to enlarge insights about the trustee's or individual's benevolence, and the comparative impact of benevolence on trust will develop. Thus, the development of the relationship is likely to alter the relative importance of the factors of trustworthiness (Mayer *et al.* 1995:722).

Ability, benevolence and integrity come out to include the major issues through capturing some exclusive elements of trustworthiness while maintaining parsimony. Each element contributes an exclusive perceptual perspective from which the trustor or leader perceives the trustee or individual. If an individual is perceived as elevated on all three factors, the individual will be perceived as relatively trustworthy. Even though there are many conceptualisations of which factors of trustworthiness are significant, ability, benevolence and integrity appear to include the major issues (Mayer *et al.* 1995:722).

Trustworthiness is also influenced by other factors, such as conceptualisation. Conceptualisation is made up of these fundamentals: competence, openness, caring and reliability. These elements pair up with the three main factors that influence trustworthiness through that ability. Competence shows similarities, as to where benevolence parallels with caring. A need or lack of individual reliability would evidently harm the perception of integrity. Openness from the individual in broad with others and openness with the leader could be expected to be connected to either integrity or benevolence correspondingly. In other words, if a leader is perceived that the individual was short on any of these factors of trustworthiness, that deficit would also lower the perception of one of the three factors in the Mayer *et al.* model (Mayer *et al.* 1995: 724).

If a trustor perceived a trustee to be deficient on any loyalty, openness, receptivity or availability elements it would also lower the perception of the trustee's benevolence. The factors of consistency, discreetness, fairness, integrity and promised fulfilment are encompassed within the existing conceptualisation of integrity. If a leader was worried about an individual's capability, those concerns would be reflected in the perception of ability. The Mayer *et al.* (1995) definition of value congruence parallels the considerations encompassed in integrity (Mayer *et al.* 1995:724).

It is significant to differentiate between a leader's characteristics and that of the individual. Perceptions of ability, benevolence and integrity of an additional party leave a substantial number of inconsistencies in trust impenetrable, because they neglect to differentiate between leaders' differences in propensity to trust. Equally, in understanding the propensity to trust does not include the trustworthiness of a given trustee (Mayer *et al.* 1995:724).

In a word, to understand the degree to which an individual is willing to trust another individual, both the trustor's propensity to trust and the trustor's perception of the trustee's ability, benevolence and integrity must be discerned (Mayer *et al.* 1995:724).

The presentation above dealt with characteristics of the trustor and the trustee that lead to trust. What follows is a consideration of risk and its relationship with engaging intrusting actions.

2.6.7 RISK TAKING IN RELATIONSHIPS

It was previously stated that risk is an indispensable component in a model of trust. It is imperative to recognise the function of risk. There is no risk taken in the willingness to be vulnerable for example to trust, but risk is intrinsic in the behavioural manifestation of the willingness to be vulnerable. An individual is not required to risk anything in order to trust. Nevertheless, the individual must take a risk in order to connect in trusting action. The elemental distinction between trust and trusting behaviours lies between a willingness to assume risk and actually assuming risk. Trust is the willingness to assume risk whereas behavioural trust is the assuming of risk (Mayer *et al.* 1995:724).

The differentiation between the propensity to take a risk and risk behaviour lies in the fact that there is a decisive difference between trust and its outcomes. Trust will show the way to risk taking in a relationship, and the form of the risk taking depends on the circumstances (Mayer *et al.* 1995:724).

According to Mayer *et al.* (1995:724), a leader may take a risk by allowing the individual to handle a significant account rather than managing it personally. The leader risk repercussions if the individual mishandles the account. Similarly, an individual will possibly trust a leader to recompense for extraordinary contributions that are further than the scope of the individual's job description. This could lead to an individual being allowed to merely perform some aspects on

his job description and leave the rest behind in order to concentrate on a task that is significant to the leader of that individual. In doing so this individual is taking a risk. The leader then needs to account and be aware of this additional out of job description work being done; otherwise the individual will suffer for it on its work appraisal.

In both these examples the level of trust will affect the amount of risk the leader is willing to take in the relationship. In the former example trust will affect the extent to which the leader will give power to the individual. In the latter example trust will affect the degree to which the individual will connect in organisational citizenship behaviour. Even though the form of the risk taking depends on the situation, in both examples the amount of trust for the other part will affect how much risk a party will take (Mayer *et al.* 1995:725).

In Mayer *et al.* (1995:725), they propose that a risk taking relationship (RTR) distinguishes the outcomes of trust from universal risk taking behaviours. An RTR can only take place in the background of a precise, identifiable relationship with another party. This suggests then that there will develop a personal vulnerability and emotional connection between the leader and the individual.

If a decision involves the prospect of a negative result as well as a positive result, the combined level of risk is dissimilar than if only the possibility of the negative result exists. Thus, the stakes in the situation means that both the possible gains and the potential losses will affect the explanation of the risk involved. In an integrative review of risk behaviour, a number of other factors that influence the perception of risk, such as awareness of the area of the problem, organisational control systems and social influences, are acknowledged (Mayer *et al.* 1995:725).

In the model of Mayer *et al.* (1995:726), the perception of risk involves the trustor's belief about likelihoods of gains or losses above considerations that involve the relationship with the particular trustee.

It is unclear how the assessment takes place or how trust is given to an individual and how it is related to trust behaviour, because of all existing approaches to perceive risk completely, it needs integration of knowledge of the trust relationship of the individual with non-relational reasons. For example, Sitkin and Pablo (1992:10) defined risk as "a characteristic of decisions

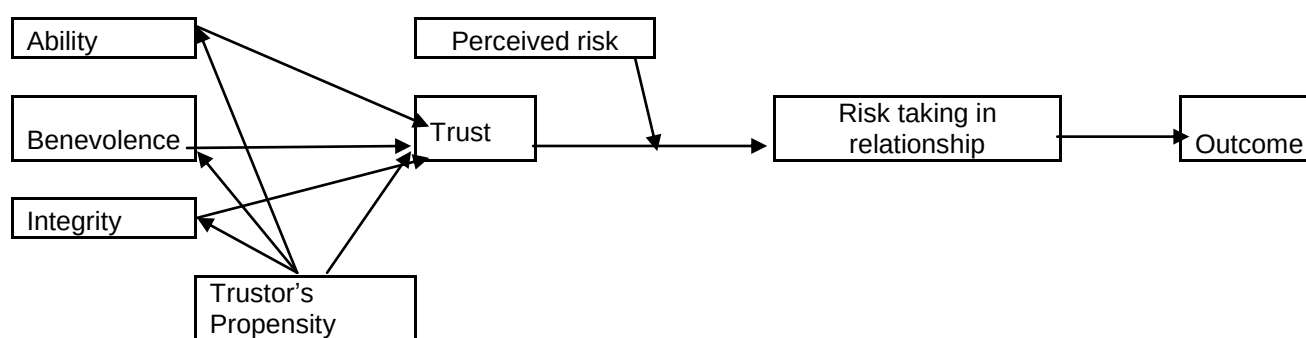
that is defined here as the extent to which there is uncertainty about whether potentially significant and/or disappointing outcomes of decisions will be realized."

In the model of trust (Mayer *et al.* 1995:726), two categories of factors influence the assessment of the likelihood of significant and disappointing outcomes: the relationship with the trustee, which includes trust, and secondly factors outside the relationship that make the decision significant and uncertain. To sum up, to understand how trust actually affects a person's taking a risk, one must separate trust from other situational factors that necessitate trust (Mayer *et al.* 1995:726).

It is proposed by Mayer *et al.* (1995:726) that the level of trust is compared to the level of perceived risk in a situation. If the level of trust surpasses the threshold of perceived risk, the trustor will engage in the RTR. If the level of perceived risk is greater than the level of trust, the trustor will not engage in the RTR.

In sum, trust is a willingness to be vulnerable to another party, but there is no risk involved in having such an attitude. Trust will increase the likelihood of RTR, which is the behavioural manifestation of trust. Whether or not a specific risk will be taken by the trustor, is influenced both by the amount of trust for the trustee and by the perception of risk inherent in the behaviour. In conclusion, it can be stated that RTR is a function of trust as well as the perceived risk of the trusting behaviour which could include the empowerment of a subordinate. Early in this article it was argued that the placement of risk in a model of trust was important, and this section clarifies that issue (Mayer *et al.* 1995:726).

FIGURE 2.1: PROPOSED MODEL OF TRUST



Source: Mayer *et al.* (1995:715)

2.6.8 AFFECTIVE BASED TRUST

In most relationships propensity eventually gets supplemented by knowledge about ability, benevolence or integrity, at which point cognition based trust develops. In a few of these relationships emotional bonds develop. The feeling for the trustee further increases our willingness to accept vulnerability (Colquitt et al. 2002).

This consists of the emotional bonds between individuals. People make emotional investments in trust relationships, express genuine care and concern for the welfare of partners, believe in intrinsic virtue of such relationships, and believe that these sentiments are reciprocated. Ultimately the emotional ties linking individuals can provide a basis for trust (McAllister, 1995:29).

2.6.8.1 ANTECEDENTS OF AFFECT BASED TRUST

Insight into the motives of relationships, partners supply foundations that behaviour recognised as individually selected rather than role prescribed behaviour, serving to meet the rightful needs, and signifying interpersonal care and concern rather than enlightened self-interest which may be critical for the development of affect based trust (McAllister, 1995:29).

According to McAllister (1995:29), such behaviour communicates well with rationalisation of organisational citizenship behaviour which is prescribed as the behaviour anticipated supplying help and assistance that is outside an individual's work role, not directly rewarded and contributes to effective organisational functioning. Being an extra role it can be seen as being personally chosen, and not being directly rewarded. This can then not be easily attributed to enlightened self-interest. Affect based trust is grounded in an individual's characteristics concerning the motives for other individuals' behaviour. It should be limited to context of frequent interaction, where there is sufficient social data to allow the making of confident attributions.

According to McAllister (1995:29), the level of a manager affect based trust in a peer or employee will be absolutely associated with the level of the peer's or employee's citizenship behaviour focussed towards the manager, and with the frequencies of communication between manager and the employee or peer.

2.6.9 RELATIONSHIP BETWEEN COGNITION BASED AND AFFECT BASED TRUST

The focus on affectivity in organisations and on the relationship between affect and cognitions was on unanchored mood states. Escalating attention is also given to interpersonal foundations of affectivity. In the cognitions and affect as close relationships, the development of interpersonal affect upon cognitions bases has been highlighted. Cognition based trust or dependability is seen as shallower as and less unusual than emotional trustworthiness. Faith is characterised by greater investment of time and emotions than are dependability and reliability (McAllister, 1995:29).

As cited in McAllister, (1995:29) for working associations to increase, some level of cognition based trust may be required before affect based trust can develop. An individual's baseline prospects and expectations for peer or employee reliability and dependability must be congregated before the individual will invest further in a relationship. Where the baseline expectations are not yet established, the individual may be liable to attribute extra-rile conduct to ingratiation and impression management rather than to care and concern. Once an individual has established a track record for reliability and dependability, and thus some level of cognition based trust exists, confidant attributions concerning the motivations for that person's citizenships behaviour will possibly follow (McAllister, 1995:29).

Then still, according to McAllister (1995:29), a leader's expressing high levels of cognition based trust in a peer or an employee, will also report elevated in affect based trust in the same peer or employee. There are two comments that meet the requirements this development perspective has on the relationship between affect and cognitions based trust.

In McAllister (1995:29) the characteristic antecedent and consequences posited affect based trust should be seen as a different form of interpersonal trust rather than as an elevated level of trust. As the affect based trust matures the possibility increases for the decoupling of trust forms and for reverse causation, meaning that the affect based trust influences the cognitions based trust.

Affect based trust develops important attributes, such as care and becomes incorporated into a constant and universal representation of a partner's motives. In time attribute motives are taken as lasting and left unquestioned, even in the face of uncomfortable substantiation. Transgression is discounted in advance or in an explained way. Once a level of elevated affect

based trust is developed a foundation of cognition based trust may no longer be needed (McAllister, 1995:30).

2.7 OUTCOMES OF TRUST

Trust has been established over time as highly beneficial to the operating and functioning of any organisation. More recently, researchers representing a variety of perspectives have expressed a significant interest in trust, as Kramer (1999:569) observed: "This interest has been fuelled, at least in part, by accumulating evidence that trust has a number of important benefits for organisations and their members." (Dirks & Ferrin, 2001:450).

There are two significant and fundamental distinctions regarding how trust affects organisation as a potential benefit, as well as how to put out and transmit these benefits in an organisation. The better known perspective is the effects of trust that are transmitted in an uncomplicated method. This perspective results in distinctive or main effects, such as higher levels of performance, higher levels of cooperation, positive attitude as well as other forms of behaviour in the workplace (Dirks & Ferrin, 2001:450).

Leaders and consultants use the momentum idea that trust increases team processes and performance despite the perceptions as prescribed above. It does not only symbolise the way this trust might have positive consequences, but is also valuable because it facilitates the effects of other determinants on desired outcomes.

Therefore, instead of proposing that trust directly results in desirable outcomes, the model of Dirks and Ferrin (2007:450) suggests that trust provides the conditions under which certain outcomes, such as cooperation and higher performance, are likely to occur. In contrast to the research described in the previous paragraph, this perspective is relatively not fully formed, comprising mostly empirical studies, as yet interpreted in isolation from one another, which were focused on specific contexts and hypotheses (Dirks & Ferrin, 2001:450).

In Dirks and Ferrin (2001:451) the theory is reviewed for the dominant model and examines the extent to which the data from existing research is consistent with the predictions of that model. One proposition suggests that trust facilitates the effects of motivational concepts on workplace

behaviours and outcomes by influencing one's expectations about another person's future behaviour.

The second proposition, according to Dirks and Ferrin (2001:451), suggests that trust moderates the relationship between an interaction partner's action and the trustor's response by influencing one's interpretation of the action. We then consider the conditions under which trust is likely to have a direct effect on desired outcomes, an indirect effect, or no effect. The theoretical framework may assist researchers in better interpreting of the consequences of trust, as well as designing future research to assess the effects of trust across a variety of literatures (Dirks & Ferrin, 2001:451).

2.8 FOUNDATIONS OF THE ANALYSIS

Trust operates by two models which are the main effect model and moderation effect model with terms used by organisational scientists to distinguish how one can build influences with one another. These two models characterise significant distinctions because they entail dissimilar theoretical rationales, dissimilar methodological designs, dissimilar forms of statistical evidence, and dissimilar ways of using trust as a managerial intervention (Dirks & Ferrin, 2001:451).

Therefore, the concept of trust is better understood by developing a better understanding of the role of trust. This is achieved by reviewing the one component of empirical research that is the effect of interpersonal trust.

Dirks and Ferrin (2001:451) accumulated and examined research from several literatures over the past 40 years to make available an improved theoretical understanding of the role of trust in organisational settings. The article identifies the diverse that outcomes trust has been connected with, provides proof for how trust affects these outcomes, and offers insights that they draw on their theory development. The review is used as a component of examination and the presumption is grounded in proof, and it produces propositions that can be readily operationalized in organisations.

To achieve this, Dirks and Ferrin (2001:451) focus on the effects of interpersonal trust in the individual's workplace, relevant attitudes and behaviours. This study reflects theoretical and

empirical research in organisational sciences despite the number of ways trust has been conceptualised.

2.8.1 MAIN EFFECT

Elevated levels of trust are expected to affect further positive attitudes, elevated levels of cooperation and other forms of workplace behaviour as well as better quality levels of performance showing that trust operates in an uncomplicated way. This is firstly shown in the main effect model as a theoretical rationale for why trust has a main effect on variety of workplace perceptions, attitudes, behaviours and performance outcomes (Dirks & Ferrin, 2001:451).

2.8.1.1 MAIN EFFECTS ON WORKPLACE BEHAVIOURS AND PERFORMANCE OUTCOMES

According to Mayer *et al.* (1995:512), individuals' beliefs, for example the trust about another party, affect how they behave in interactions with the referent of the belief. This also forms the basis between relationship of trust and interpersonal trust.

Mayer *et al.* (1995:521) furthermore offer individuals' beliefs about another's ability, benevolence and integrity that lead to a willingness to risk, which in turn leads to risk taking in a relationship, as manifested in a diversity of behaviours. Meaning, an elevated level of trust in a work partner increases the probability that one will take a risk with a partner in actions such as the sharing of information. This will increase the amount of risk that is supposed.

Risk-taking behaviour, in turn, is expected to lead to positive outcomes, especially on the individual's performance. And, in social units such as work groups, cooperation, information sharing, etc. are expected to lead to higher unit performance (Dirks & Ferrin, 2001:452).

These ideas as mentioned above is used to look at the main effect of trust on an assortment of behavioural and performance outcomes. Examples of this are communication and information sharing, disagreement, attempt, organisational citizenship behaviour, negotiation behaviours, individual performance, and unit performance (Dirks & Ferrin, 2001:452).

In the study of Dirks and Ferrin (2001:452) they state that the evidence for prediction of a main effect is not strong and it is in addition inconsistent across studies, as well as the result sizes tend to be unassuming. The thought is detected that individuals furthermore pass on additional information as well as information with higher trustworthiness to a leader, manager or work colleague when trust is established between these individuals. In some studies the research shows a noteworthy effect of trust on a variety of operationalization of information sharing, and in others there was no worth mentioning effect.

The same conflicting findings were found in the research on the main effect of trust on unit or team performance. There were other studies as well, investigating the main effect of trust on group performance, negotiation dyad performance and inter-organisational performance that established merely partial support or no support. Similar inconsistencies are found in research examining the main effects of trust on effort, conflict, and negotiation behaviours. In other words, some studies report a significant main effect; others do not (Dirks & Ferrin, 2001:452). The outcomes, for which the main effect model appears to have the strongest empirical support, are organisational citizenship behaviours and individual performance. Noteworthy positive effects of trust on organisational citizenship behaviour were found in some studies, while only one study found insignificant effects. All four studies of the effects of trust on individual performance reported a significant, positive effect (Dirks & Ferrin, 2001:452).

2.8.1.2 MAIN EFFECTS ON WORKPLACE ATTITUDES AND COGNITIVE CONSTRUCTS

The study where the main models are used for the effect of trust on attitudinal and perceptual constructs is somewhat different. It is suggested that trust in one leader directly results in increased satisfaction because leaders in an organisation are answerable for many duties. This proposal has a major effect on an employee's job satisfactions, which include performance evaluations, guidance on job responsibilities and training. For that reason, as an employee's trust in a leader or manager in the organisation increases, job satisfaction will also increase. Thus, this conclusion also explains the effect of trust on organisational commitment (Dirks & Ferrin, 2001:454).

As cited in Dirks and Ferrin (2001:454), the effect of trust on perceptions has a direct impact on people's overall view of another party, for instance the approval of a choice made, or a goal or the accurateness of information supplied. The studies being done on the effect of trust on

attitudes mostly focused on satisfaction, whereas the effects of trust on organisation commitment and preference integrative bargaining for cooperative negotiations have also been looked at. Research on the effects that trust has on perceptions has examined main effects on the apparent accurateness of information given by an additional unit, acceptance of decisions from a superior, perceptions of psychological contract breach, procedural justice judgements, perceptions of organisational climate, and perceptions of risk (Dirks & Ferrin, 2001:454).

The research is extremely supportive of main effects of trust on attitudes, perceptions, and other cognitive constructs. Significant effects have come up in numerous studies regarding the effects of trust on a variety of facets of workplace satisfaction, for example satisfaction with decisions of the supervisor, relationship with co-employees and the job itself. The proposal also puts forth that the level of trust in a colleague would have a main effect on perceptions of accuracy of information provided by that colleague (Dirks & Ferrin, 2001:455).

In general, lower levels of trust were connected with suspiciousness of the information, while high levels of trust were associated with acceptance of the information. A conclusion was similar for goal set or decision acceptance, procedural justice judgements, perceptions of breach of a psychological contract, perceptions of organisational changes or programs, and perceptions of risk, with most studies showing significant effects (Dirks & Ferrin, 2001:455).

2.8.1.3 SUMMARY OF EVIDENCE FOR THE MAIN EFFECT MODEL

The studies mentioned in Dirks and Ferrin (2001:455) review, reported reasonably constant considerable effects of trust on attitudinal, cognitive and perceptual constructs. The only apprehension in interpreting these relationships is that they may be prejudiced because of percept-percept inflation. On the other hand, the results from these studies, which used convincingly strong investigational designs to observe the effects of trust on satisfaction, report effect sizes consistent with other studies.

The following suggestion made by Dirks and Ferrin (2001:455) says that a substantial portion of the variance may not be from inflation. Overall, the effects of trust on various workplace behaviours and performance outcomes are weaker and less consistent. For many outcomes there is a significant effect revealed, while others did not show the same importance. The most promising evidence seems to be for the effects of trust on organisational citizenship behaviour

and individual performance. For example, the effect sizes of trust on organisational citizenship behaviour noted in Dirks and Ferrin (2001:455) are similar to those reported by other researchers for other key determinants of organisational citizenship behaviour.

In the cases of the other outcomes, the evidence does not seem to supply strong support for the conventional understanding that is represented by the main effect model, that trust, on standard, results in attractive behaviours and outcomes. An apparent case is the diverse substantiation for the effects of trust on dyad or group performance, a relationship that has long been assumed to exist.

As a final observation, Dirks and Ferrin (2001:455) note that the findings reviewed in this segment emulate other cases in which organisational researchers have attempted to authenticate the idea that positive attitudes or sentiments such as satisfaction, commitment and team building have a main effect on advantageous work behaviours and higher performance. These efforts shaped proof suggesting that although these attitudinal constructs did tend to influence other attitudes, the evidence for the effects on behaviours and performance was unsatisfactory (Dirks & Ferrin, 2001:455).

Each of these reviews investigated by Dirks and Ferrin (2001:455) concluded that the effects of attitudes and sentiments on work behaviours and performance are unlikely to be straightforward or robust.

2.8.2 MODERATING EFFECT

According to Dirks and Ferrin (2001:455) they also determined a different model of how trust may function in an organisational setting. In this model trust provides the conditions under which cooperation, higher performance, and more positive attitudes and perceptions are probable to happen through serving to make possible other detriments on work attitudes, perceptions, behaviours, and performance outcomes. Trust is a psychosomatic state that provides a representation of how individuals understand their relationships with another party in situations that involve risk or vulnerability (Dirks & Ferrin, 2001:456).

As a result, trust embodies the accumulated experiences with knowledge and understanding about the other party in situations relating to vulnerability. This take place because it represents

an individual's understanding and knowledge of a relationship and that trust engenders two separate processes through which it fosters or inhibits optimistic outcomes in the relationship (Dirks & Ferrin, 2001:456).

These two separate processes are: how trust affects an individual assessment of the future behaviour of another party with whom that individual is interdependent or who may take action that affects oneself, as well as the fact that trust also affects how an individual interprets the past or the present actions of the other party as well as the motives underlying the performance. Dirks and Ferrin (2001:456) developed two propositions which are based on the above mentioned processes. Together these processes rest on the proposal that trust doesn't advance in a straight informal function or extract particular outcomes itself.

As an alternative, trust moderates the result of most important determinants or causal factors on outcomes by affecting how the individual assesses the potential behaviour or interprets the past behaviour of a different party. By impacting the evaluation of the other party's future or prior actions, trust reduces some of the connected uncertainty and ambiguity. The idea that trust may operate as a moderator is not new, but it has received relatively limited attention in comparison to the main effect model (Dirks & Ferrin, 2001:456).

A huge amount of research focused on interpersonal trust in employment relationships, has positioned trust as a moderator. Inside the area of organisational research it is proposed that trust is a needed, but not adequate, condition for cooperation. This terminology suggests that trust possibly will act as a moderator, even though the mathematical model does not specifically consider how trust might operate in this manner.

Even though researchers have explored the information within detailed contexts, it has not yet been addressed in broader theoretical issues which would supply a concrete basis for understanding the moderating role of trust (Dirks & Ferrin, 2001:456)

Dirks and Ferrin (2001:456) extend existing research by:

- (a) Developing propositions based on a consideration of the perceptual and behavioural processes through which trust operates as a moderator across contexts,
- (b) Providing a theoretical foundation that can guide future research on the role of trust across multiple contexts,
- (c) Offering a framework that will help integrate and interpret existing research, and
- (d) Defining the conditions under which trust is most likely to act as a main effect, a moderator, or neither.

Trust moderates the relationship connecting motivational constructs and workplace behaviours and outcomes. This proposition made by Dirks and Ferrin (2001:456) is based on the idea that trust does impact workplace behaviours and performance, but that its effect is not that of directly causing one to engage in those behaviours.

Instead, trust has an indirect result by providing an evaluation of the possible behaviour of an individual's work colleague. Present day theories of workplace behaviour have focused on a number of basic determinants of behaviour, other than attitudes or sentiments. Micro-theorists propose that work behaviour is caused by needs, goals or incentives and macro-theorists have focused on determinants of work behaviour such as roles, rules, structure, culture and norms (Dirks & Ferrin, 2001:456).

Trust allows the individual to measure the possible behaviour of an individual with whom he or she is interdependent and therefore trust must be seen as influencing the category or extent of behaviour that such determinants consequence in. It should also be known that trust does not imitate these kinds of determinants of work associated behaviour and should not be accepted to function as a characteristic that causes individuals to connect in fastidious workplace behaviours. A motivational construct possibly will supply constrain for cooperative behaviour, while trust helps smooth the progress of the incidence of the cooperative behaviour, because under elevated trust, the individual believes that a colleague is willing to cooperate (Dirks & Ferrin, 2001:456).

Through taking into consideration the relationships between trust and the outcome of trust, it is generally connected with risk taking behaviour (Mayer *et al.* 1995:724). Trust does not directly causes a risk taking behaviour but it might manipulate the degree of motivation for interacting in

risk taking behaviours. Individual motives, propensity to trust, goals and incentive often influence workplace behaviours such as motivation, risk taking and behaviour (Dirks & Ferrin, 2001:456).

Therefore, an individual is prone to put forth a strong outcome on behaviour and performance as the individual can be secure directing all of available resources such as the individual's effort, attention and consideration towards the team objective. The opposite of this idea would affect the team objective when the individual regards his work colleague as unreliable. Then the individual would feel apprehensive about the work colleague's behaviour. The outcome for this individual would be to avert its attention and consideration away from the groups as self-protection. The objective is expected to put forth a great deal weaker outcome on behaviour (Dirks & Ferrin, 2001:457).

As explained by Dirks and Ferrin (2001:457) trust functions as a moderator that influences the empowerment of the trust relationship between a motivator which is the goal and the individual's behaviour. A person responds and behaves differently to motivations for work roles, cultural groups, norms and organisational rules. This means that an individual will be aware of his work role and the significance of successful work performance. To add to that, leaders could ask for individuals to engage in actions outside of their job description. To the degree that individuals trust their leaders, the individuals are likely to be able to dedicate all their resources - such as attention and effort - to role performance, norm conformance, rule compliance, and/or leaders' requests. Because of the confidence the individual will receive suitable rewards and not be disproportionately penalised for doing so (Dirks & Ferrin, 2001: 457).

In contrast, if an individual considers the leader to be unreliable and untrustworthy, the individual would probably become anxious about the leader's reaction and consequently might conclude it troublesome to conduct him as expected or requested. Under this circumstance, the role, norm, rule or leader request is expected to wield a much weaker consequence on the individual's behaviour, as the individual diverts resources for self-protection. As mentioned above, trust functions not by causing the individual to engage in the behaviour, but as a moderating construct that influences the strength of the relationship between the behavioural cue and the individual's behaviour (Dirks & Ferrin, 2001: 457).

2.9 COOPERATIVE BEHAVIOUR IN A MIXED MOTIVE CONTEXT

Attempts have been made through a variety of investigational games to understand the determinants of cooperation in situations where co-dependent individuals have diverse motives. In previous research on trust the focus fell on dispositional trust among unknown actors.

Dirks and Ferrin (2001:458) focus on interpersonal trust and by following the goal or expectancy model, it is suggested that a key determinant of cooperative behaviour in such contexts is the participants' goals for achieving cooperation or more precisely an intend for cooperation being the dominant intend for an individual as opposed to a goal for non-cooperation.

The intention which may be determined by a number of factors such as the incentive system, is to provide the motive for cooperation. Such a goal is inadequate for cooperation to take place because participants must expect that their colleague will also cooperate. If the intend is not anticipated, un-cooperation is a possibility (Dirks & Ferrin, 2001:458).

Predominantly, under low trust, cooperative goals are doubtful to be translated into cooperative behaviour or the effect of the co-operative goal will be tempered, while under elevated trust, cooperative motives are more likely to be translated into cooperative behaviour. Trust represents an anticipation of cooperation that could make cooperation attractive and possible. It is suggested that trust would moderate the relationship between individuals' goals and cooperative behaviour. Even though this provides a rationalisation of a situation in which the cooperative motive is leading, the idea can also be relevant to situations in which cooperative motives and competitive motives such as created by the incentive system are more evenly weighted (Dirks & Ferrin, 2001:458).

In this case, Dirks and Ferrin (2001:458) predict that trust will determine which of the two motives is attended to. Meaning under elevated levels of trust, the individual will be further more probable to go to the cooperative motives, while under low levels of trust, the individual will be more probable to go to the competitive motives.

This prediction builds on the idea that because trust influences the individual's evaluation of the colleague potential action, it helps the individual to evaluate the practicability of cooperative behaviour. Meaning, an individual with low trust in his colleagues is probable to perceive that cooperative behaviour is improbable to result in personal gains as the individual believes the

colleagues will take advantage of the individual's actions. In total, mixed motive situations recommend that trust will moderate the relationship between cooperative motives and cooperative behaviour (Dirks & Ferrin, 2001:458).

2.10 ORGANISATIONAL CITIZENSHIP BEHAVIOUR

Reliable support for a main effect of trust on organisational citizenship behaviour has been established in precedent studies. Dirks and Ferrin (2001:259) on the other hand thought there is a theoretical reason to expect that trust may also affect organisational citizenship behaviour via moderation. The idea can be copied from the explanation of the motivational basis for organisational citizenship behaviour. Individual dispositions have a main effect on behaviour and this effect is moderated by perceived fairness or satisfaction. Thoroughness is a disposition with motivational properties and it exerts a main effect on organisational citizenship behaviour.

According to Dirks and Ferrin (2001:458) discontent produces a restraint consequence on this relationship and has the effect that beneath low levels of perceived fairness or satisfaction, individuals who might in general be motivated to connect in citizenship behaviours, will keep back and not engage as they normally would.

Trust operates in a related manner by moderating the relationship between determinants of citizenship behaviour. This implies that individuals who might in general be motivated to connect in citizenship behaviour will be inclined to hold back under low levels of trust. The social exchange perspective used by previous researchers to specify the relationship linking trust and organisational citizenship behaviour provides the rationale for this idea. The argument has been made that under social exchange there are no particular potential obligations or expectations as there are in economic forms of exchange. If an individual is distrustful of the other party he tends to suppress engaging in organisation citizenship behaviour or other constructive forms of discretionary behaviour, because he feels that the other party will take advantage of his good citizenship and fail to respond in kind (Dirks & Ferrin, 2001: 459).

The opposite is also true: under elevated levels of trust individuals will not have such reservations and the individuals' propensity to connect in organisational citizenship behaviour is more likely observed. There is no up to date empirical evidence to support this proposition as

existing studies have only examined the main effects of trust on organisational citizenship behaviour.

It is proposed by Dirks and Ferrin (2001:459) that trust moderates the relationship between a partner's action and the trustor's response. They also suggest that trust may in addition offer circumstances under which cooperation and higher performance are likely to occur in a second manner through moderating the relationship between an interaction partner's action and the trustor's response via interpretation.

If trust levels are elevated an individual probably would respond more positively to a colleagues behaviour due to the fact that the individual would respond distinctively as trust affects out of an perceptive of another individual's past action or events to the past action. Studies have shown that an individuals' pre-existing viewpoint and evaluation guide would guide his interpretation of objective reality. This means that interpersonal behaviours are indefinite as well as the interpretation thereof and the accurate response to others (Dirks & Ferrin, 2001:459).

According to Dirks and Ferrin (2001:459), an individual's response to an action taken by another party will be a direct function of the action and its characteristics such as valency, severity and occurrence. These characteristics have an immense influence on what individuals hear and observe, and demonstrate lines about and divide an otherwise disorganised environment. This also have been established to communicate to what is perceived in an indecisive scene, to influence individuals' causal interpretation of a target person's behaviour and to influence individuals' evaluations of attitudinally relevant empirical evidence.

On the other hand, that same action will possibly be interpreted and reacted to in a different way. This depends upon the level of trust that one has in the other party and because of this, this is a core building block of an individual's understanding of his or her relationship with other parties as trust provides a perspective from which to interpret the action (Dirks & Ferrin, 2001:459).

The perspective that trust provides, may affect the extent to which the actions is relevant, the individuals psychological and behavioural responses to the action and lastly the conclusions an individual draws about the factors motivating the partner's action. Trust in the leader may moderate this relationship although the valency of feedback affects employee responses. An individual would regard negative feedback as accurate from a trusted leader and his response

would probably be one of extra effort to improve his performance. The reverse is also relevant: when an individual gets negative feedback from an untrusted leader his or her response would extend to extra effort to improve performance. The level of trust towards the leader leads to the action, and response of an individual to this leader's negative feedback and different levels of trust results in different attitudinal, perceptual and behavioural responses (Dirks & Ferrin, 2001:458).

In a proposition made by Mishra and Spreitzer (1998), as cited in Dirks and Ferrin (2001:458), is suggested that the consequences of a downsizing, survivors' level of trust in top management or leadership positions, influences the degree to which the downsizing is considered a threat and this assessment affects survivors' reactions to changes in the level of empowerment and work redesign (Dirks & Ferrin, 2001: 458).

2.11 TRUST IN LEADERSHIP

2.11.1 PRIMARY RELATIONSHIPS WITH OTHER VARIABLES

This is an oversight, review and integration of the relationship between trust in leadership and other noteworthy constructs. The mediation of the relationship takes place through the theoretical processes and includes the theoretical positioning of the constructs. Variables have been clarified and correlated according to how researchers have treated it theoretically and as potential antecedents or consequences. The only concern mentioned is the underlying relations that are tenuous because most studies used cross sectional research designs (Dirks & Ferrin, 2002:613)

This caution is particularly justified with the variables characterised as antecedents. The framework and subsequent debate include only those variables for which adequate data were available for the meta-analysis. In this sense, the following discussion and framework is not exhaustive of all variables that have been associated with trust (Dirks & Ferrin, 2001:613).

2.11.2 RELATIONSHIPS WITH BEHAVIOURAL, PERFORMANCE, AND ATTITUDINAL OUTCOMES

It is believed that trust has an important impact on a variety of outcomes applicable in organisations. No decisive findings for behavioural and performance variables were found for the consequences of trust in leaders, but there were some findings for a consistence in evidence of a relationship with attitudinal variables. A second objective is identified by Dirks and Ferrin (2002:613), through earlier research, regarding the relationship between trust in leadership and the key outcomes thereof. The objective is to inspect the effects of trust across dissimilar outcome variables to better comprehend where it is likely to have its major or lesser impact.

2.11.2.1 BEHAVIOURAL AND PERFORMANCE OUTCOMES

Trust might affect behaviour and performance as described in the two theoretical perspectives through the two mechanisms. When the focus is on how perceptions of the leader's character affect a follower's vulnerability in a hierarchical relationship the character based perspective comes into play. The trustworthiness of the leader becomes imperative when the leader's ability to construct decisions has a major impact on the follower throughout assignments such as promotions, payment, work assignments and layoffs (Dirks & Ferrin, 2002: 613).

Employees or peers who are seen as followers will be more comfortable engaging in behaviour that will put them at risk, when for example they share sensitive information, if believed that the leader in question has integrity, is capable and benevolent. This proposed model was developed by Mayer *et al.* (1995:715).

For example, Mayer and Gavin (1999) suggested that when employees believe their leader cannot be trusted because the leader is perceived not to have integrity, they will divert energy toward "covering their backs" which detracts from their work performance.

In contrast, the relationship based perspective is based on principles of social exchange and deals with employees' willingness to reciprocate care and consideration that a leader may express in a relationship. That is, individuals who feel that their leader has demonstrated or will demonstrate care and consideration will reciprocate this sentiment in the form of desired behaviours. This logic suggests that a social exchange relationship encourages individuals to

spend more time on required tasks and be willing to go above and beyond their job role. Both theoretical perspectives suggest that trust may result in higher performance and organisational citizenship behaviours (OCBs), but they reach this end by distinct and potentially complementary routes.

2.11.2.2 ATTITUDES AND INTENTIONS

Attitudinal outcomes such as organisational commitment and job satisfaction are also linked to trust, according to Dirks and Ferrin (2002:614). It is recognised that a leader's decisions and responsibility for numerous duties have a major consequence on an employee's job satisfaction, namely: education, performance evaluations as well as a role of direction and assistance with job responsibilities. When a leader is believed to be trustworthy regarding his character the individual will consider him safer and will be more optimistic about the leader making decisions. If a leader is believed to have a lower level of trust, it will cause distress among individuals when the leader has authority over significant aspects of the individual's job and this believe is likely to affect the individual's attitude about the workplace negatively. The impact of trust in leadership should be connected to elevated levels of job satisfaction, elevated organisational commitment as well as lower intent of quitting (Dirks & Ferrin, 2002:614).

According to Dirks & Ferrin (2002:614), when a leader is believed not to be trustworthy the individuals under his or her authority would probably think about resigning, due to the fact that they may be troubled regarding the decisions the leader might make and they would not want to put themselves at risk to a leader. These beliefs may stem from the perception due to lack of integrity, unfairness, dishonesty and incompetence. Trust is expected to have an effect on two extra variables that are significant for effective leadership. The first variable is the commitment to decisions made by or objectives set by the leader. Secondly, it is perceptions and the beliefs in the accurateness and exactness of information provided by the leader.

As previously mentioned, trust involves the perceptions regarding honesty, integrity and the degree to which a leader will obtain advantage of the individual. This perception is possible to have an effect on the degree to which individuals are willing to consider the correctness of information they obtain from that individual. The perceptions are also true that when a leader is dishonest, does have a lack of integrity and possibly will take advantage of an employee, the

leader is expected to make the individual reluctant to commit to the goals set by the leader (Dirks & Ferrin, 2002:614).

It is proposed in Dirks and Ferrin (2002:614) that trust in leadership will be positively connected to job performance and satisfaction, organisational commitment behaviour, organisational and goal commitment as well as the belief in information. The negative association is the intention of an individual to resign from his job.

It is suggested in Dirks and Ferrin (2002:614) that the relationship will be at its optimum with those variables that are psychologically proximal to trust, such as work related attitudes. Behavioural and performance outcomes are typically a function of frequent other background determinants due to the fact that the relationships are possible to be smaller.

It is expected that trust in leadership have a lesser effect on job performance and a greater effect on organisational commitment behaviour. Attitudinal variables such as trust are more likely to affect behaviours than the work process and abilities as well as job performance. When an individual is distrustful of his leader he is less likely to do any work outside of his or her job description. Trust in leadership will have an association with job attitudes, meaning job satisfaction and organisational commitment, secondly to organisational commitment behaviour and least with job performance (Dirks and Ferrin, 2002:614).

2.12 RELATIONSHIPS WITH LEADER ACTIONS AND OTHER POTENTIAL

2.12.1 LEADER'S ACTIONS AND PRACTICES

There is reliable confirmation of a correlation with attitudinal variables other than the consequences of trust in leaders and other referents that are not convincing for behavioural and performance variables. Trust however has a significant impact on an assortment of outcomes relevant to organisations.

Dirks and Ferrin (2002:614) classify possible antecedent variables into three categories: leader actions and practice attributes of the individual and attributes of the leader-individual relationships. These categories reflect different sources of effects.

According to Dirks and Ferrin (2002:614), the two perspectives on trust are firstly that an individual scrutinizes a leader's actions, and secondly an individual draws a conclusion regarding the nature of the relationship with the leader which created the relationship based perspective, and of the character of the leader which shaped the character based perspective. Trust is more prominent in transformational leadership where transformational leaders engage in behaviour that increases the trust of their followers and that in turn has the consequence of desirable outcomes (Dirks & Ferrin, 2002:614).

Transformational leaders function by creating a social exchange relationship with followers or individuals through building trust by indicating individualised concern and admiration for followers or employees. The opposite of this is transactional leaders.

Transactional leaders focus more on ensuring that employees are given a contingent, reasonable compensation, and that the employee or individual would recognise they are contract bound. The contrast between transformational and transactional leaders: A transformational leader operates in part because of care and concern perceived in the relationship, whereas the transactional leader seems to put less importance on the relationship, and additional importance on ensuring that they are seen as reasonable, trustworthy and having integrity - which all falls under the character based perspective (Dirks & Ferrin, 2002: 614).

Equality of a leader's action is recurrently linked to trust because the individual's trust in the leader will be subjective by the level of perceived equality or justice in the organisational practices or decisions. These practices are probably seen as an indication of the nature of the relationship with the leader or the character of the leader (Dirks & Ferrin, 2002: 614).

According to Dirks & Ferrin (2002:614), three categories of justice are significant. Firstly, distributive justice involves the distribution of outcomes. Secondly, procedural justice deals with the processes that direct to decision outcomes and lastly interactional justice that explains the interpersonal treatment people obtain as procedures are enacted.

Procedural justice is a foundation of trust, because it shows respect for the employee and an evaluation of the relationship. It is also an indicator of the leader's propensity to be fair. Dissimilar to that, distributive justice does not indicate anything regarding the exchange relationship but merely follows standard norms. (Dirks & Ferrin, 2002:614).

Distributive justice is a character based perspective because it signals the fairness and integrity of a leader. Among these, interactional justice is a relationship based perspective and would transmit a strong signal regarding the nature of the relationship, because it involves the extent of respect with which the leader treats the individual (Dirks & Ferrin, 2002:614).

Participative decision making (PDM) possibly will transmit a significance that the leader enacting the program has assurance in and concern and respect for the leaders subordinate. PDM possibly will in addition influence individuals in general perceptions concerning the character of the leader. A decline in a leader's trust will take place if expectations are unmet, for example, pay raises or promotions were promised, but not given. Unmet expectations are to be expected to influence individuals' trust by affecting the degree to which the leader is perceived to be trustworthy, to be straightforward or to have integrity (Dirks & Ferrin, 2002:614).

In conclusion, Dirks and Ferrin (2002:614) said that a perceived organisational support involves an exchange relationship connecting the individuals and the organisation, where the individuals think that the organisation cares about their well-being. In total, PDM may operate through the relationship based or the character based perspective, whereas unmet expectations are to be expected to operate through the character based perspective, and perceived organisational support is probable to operate through the relationship based perspective (Dirks & Ferrin, 2002:614).

2.12.2 AN INTRODUCTION TO TRUST IN CONTEXT: ASSESSMENT OF LEADERSHIP FUNCTIONS

For any individual to reach a point to make decision to trust, the individuals have to evaluate the trust target which is the leader against some referent which is effective leadership. The fundamental approach to leadership provides a broad indication of what leaders do. Within this approach, the leader is successful to the extent that he or she ensures that all functions essential to the assignment and team continuation are concluded. The leader's most important job is to sufficiently handle or do the job that was not completed by the team. This approach to leadership is exceptionally applicable given the multifaceted and unstable environments in which organisations are competing. Hereby it completely recognises the significance of adaptation (Burke *et al.* 2007:611).

The fundamental approach which Burke *et al.* (2007:611) recognises that there is no specific method to facilitate effectiveness. A broad set of functions can be enacted and acknowledged among which specific behaviours that differ in their instrumentality across situations and levels. Among the functional perspective, team leadership can be described as a succession of problem solving steps, namely diagnosing group deficiencies, taking remedial action, forecasting impending changes and preventing harmful environmental changes or their effects (Burke *et al.*, 2007:611).

According to Burke *et al.* (2007:611), the conceptualisation was updated to reflect the following steps: problem identification and diagnoses, generation of solutions and implementation of a chosen solution.

This process is accomplished through the leader's generic responses to social problems. These generic responses are captured in four broad categories in Burke *et al.* (2007:611), adapted from (Fleishman *et al.*, 1991):

- (1) Information search and structuring
- (2) Information use in problem solving
- (3) Managing personnel resources
- (4) Managing material resources

When these generic responses were developed with consideration to organisational leadership, the visualisation can also be applied to the taxonomy of leadership dimensions such as individual, team and unit level leadership. As cited in Burke *et al.* (2007:612), five situations that leaders can generate to intensify the possibility that a team will perform were taken into perspective.

The first three of the situations - including actions such as a real team, compelling direction and enabling structure – were argued to be core conditions while the latter two will need supportive context and expert coaching to be used as enablers. A real team is one in which there is a task with some level of interdependence, clear boundaries, some degree of membership stability and authority to manage work processes. Once this has been established, leaders ensure the team has received direction that is clear, consequential and motivating (Burke *et al.* 2007:612).

Lastly, leaders offer the team structural components, which include examples of the design of work – which should be motivating and empowering, should show functional norms, and team composition to facilitate the accomplishment of the direction and corresponding goal. Once core conditions have been established, creating and maintaining a supportive context (i.e.,

updated information, resources, which are educational and task related) an education support can supplementary facilitate performance. The predominant number of these circumstances, with the exception of ensuring a real team, may apply to a broad level of individuals, teams, units, or organisations (Burke *et al.*, 2007:612).

A framework of flexible leadership that is applicable and ties in adequately with the functional approach through its recognition of leadership involvedness and the need to be adaptive, has been put forth.

Burke *et al.* (2007:612) argued that for leadership flexibility to occur there should be stability among competing demands by the leaders, as well as a need for corresponding action across levels and situations. The framework of flexibility inspects how direct and indirect leadership behaviours can influence three types of work outcomes, namely efficiency and reliability of work processes, timely adaptation to changes in external environment and strong human resources and relations.

General significant challenges will be identified through situational constraints and will indicate which issue should be addressed at a particular time. The role of detailed aspects of direct and indirect leadership behaviours will also be identified.

Within this framework, direct leadership behaviours are categorised into the following:

1. Task orientated behaviour - which includes efficiency and reliability
2. Relations orientated behaviour - which includes building strong human relations and resources
3. Change orientated behaviour - which includes timely adaptation to changes in environment (Burke *et al.* 2007: 612).

When formal programs and management systems are due to achieve the three specified organisational outcomes as noted above, it is classified as indirect leadership. While each of the frameworks described above have a somewhat dissimilar focal point, each is constant in the acknowledgement of a broad set of leadership functions and the concept that the exact behaviours, which motivate the functions, differ in instrumentality across situations (Burke *et al.* 2007:612).

The functional leadership theory serves to make a broad general idea available of what successful leaders have to guarantee should get accomplished. Hereby a set baseline situations is created for how subordinates judge a leader's capability. On the other hand, it leaves the requirement of the accurate method in which this is completed to other leadership theories. For example, it is believed that effective leaders generate and maintain a supportive circumstance. A great deal of the work has been conducted inside charismatic leadership, leader member exchange (LMX) theory and transformational leadership. Insights into the exact manner in which leaders may ensure this function, are accomplished dependent on the situation (e.g., high or low LMX relationship) (Burke *et al.* 2007:612).

2.13 OUTCOMES OF TRUST IN LEADERSHIP

Outcomes stemming from a trusting relationship between the team leader and team members have been identified. The four outcomes identified are from the perspective that trust is the procedure by which certain behaviours happen as an effect. This is dissimilar from the perspective that trust is the final outcome or goal. Even despite the fact that there are potentially other outcomes that are the effect from a trusting relationship between team leaders and subordinates, the outcomes discussed here are those that are mainly important to organisations (Burke *et al.* 2007:623).

2.13.1 COMMUNICATION

The initial significant outcome is communication due to the noteworthy input that is variable in developing trust with a subordinate. Burke *et al.* (2007:623) have suggested that teams that do not trust do not distribute information and are not open for discussion. They are also less successful at problem solving. Trust will increase and develop when the team leaders are open for discussion and request participation from subordinates. Subordinates should respond by communicating more frequently and candidly with superiors on an assortment of topics when leaders connect in communication and distribute information based on the social exchange theory (Burke *et al.* 2007:623).

Burke *et al.* (2007:623) explained that there are numerous reasons why communications from subordinates are significant. For example, communication from lower position subordinates will

support team leaders in perceptive to what is functioning and what is not functioning within the team, to construct obligatory adjustments or comprehend when teams do not achieve and perform as well as they can. The team leader has the advantage of supplementary insight through encouraging and integrating communication and input from subordinate ranks by those who are expected to be performing the job and who will possibly recognise fresh approaches for potential performances. Nevertheless, sharing information frequently brings up a sentiment of vulnerability (Burke *et al.* 2007:623).

According to Burke *et al.* (2007:623), individuals are in addition expected to contribute to fundamental information that will make them vulnerable when trust is present in a relationship. If trust is absent, individuals might still hold back information that would obstruct the flow of information and could reduce performance. When trust is not present, individuals are more prone to lie. Here trust has been found to facilitate knowledge sharing that would help with the de-motivation for not telling the truth.

Communication lines will open naturally when a sense of trust is shaped towards the team leader and the needed information that will lead to innovation, remediation prevention and an ever increasing and common sense of trust between the team leader and the subordinate. An additional benefit of trust is that it promotes an aspiration to cooperate and even enhances satisfaction with communication (Burke *et al.* 2007:623).

2.13.2 ORGANISATIONAL CITIZENSHIP BEHAVIOUR

Organisational citizenship behaviour (OCB) is described as whichever behaviour that is not prescribed by an individual's job description and is directly or indirectly beneficial to the organisation. Examples of OCB are staying late to finish a presentation, chatting with a co-worker who is distressed over a personal problem and mentoring new employees in the norms and culture of the organisation (Burke *et al.* 2007:624).

All these behaviours will support in removing barriers to performance and in a way indirectly or directly give an advantage to the organisation even as none of these things are formally a requisite by the organisation or job description. OCB's are also significant because of the unfeasibility of describing each possible job task that an employee or individual might need to perform in the course of their employment (Burke *et al.* 2007:624).

A way to ensure that employees are willing to perform additional tasks rather than rigidly follow a job description is due to OCB. The relation to transformational leadership styles is where trust in leadership will increase the willingness of the subordinate to get the job completed but also go above and beyond, as discussed earlier (Burke *et al.* 2007:624).

As cited in Burke *et al.* (2007:624), the incidence of OCB is established to be connected with leaders treating employees or individuals with fairness and trust. It has been suggested that when trust is established, employees are more willing to go above and beyond the required tasks because a relationship has been developed and for the reason that individuals often feel grateful to others for assistance or gifts. When leaders perform, the behaviours essential to increase trust through sharing information, including employees in decisions, will develop a sense of reciprocity such that employees will unsurprisingly engage in OCBs.

In sum, whilst leaders take the time to develop a trusting relationship with team members, team members will be more committed to the team and more willing to perform tasks that are outside the normal realm of tasks in order to ensure the team's success (Burke *et al.* 2007:624).

2.13.3 LEARNING

Trust in leadership can encourage learning together in an individual or team level, because leadership involves at a minimum dyadic exchange. An argument has been made in Burke *et al.* (2007:624) that team learning occurs when reasonably everlasting changes come about in the behavioural possibility of the group as a consequence of group interaction performances through which members obtain, share and combine knowledge. Knowledge is obtained through the testing of assumptions, discussing differences openly, forming new routines and adjusting strategies in response to errors (Burke *et al.*, 2007:624).

Individuals are placed in interpersonal risk when they engage in learning. Individuals are obliged to be willing to take and integrate feedback in order to learn from others, which can be deemed as involving a degree of personal risk. A key component to learning is knowledge and that is obtained through knowledge sharing when there is trust in the leadership. It is expected that when the leader is trusted due to perceptions of ability, benevolence and integrity, it will facilitate subordinates' willingness to integrate new knowledge or feedback obtained from the leader into existing cognitive structures (Burke *et al.* 2007:624).

It is noted in Burke *et al.*(2007:624) that the learning can be delineated into four phases: fragmented, pooled, synergistic and continuous. The last three phases are more applicable because trust can endorse learning. For example, during the pooled phase knowledge begins to become shared among interacting partners. In order for this phase to happen, individuals must feel free to share information. It has been indicated that when individuals or employees do not trust, they do not share information and are not open for discussion.

At the same time information begins to be shared at the pooled phase of learning. There is a diminutive attempt at integration so reframing of cognitive structures tends to happen at an individual level, thus not for the collective as a total. During the synergistic phase of learning the three activities of dialogue, collaborative inquiry and experimentation facilitate the changing of schemes, are dependent on each other for sharing of information, which brings upon the feelings of vulnerability. Comparable arguments can be made for how trust in leadership will possibly facilitate the last phase of team learning (Burke *et al.* 2007:625).

2.14 DISTAL BEHAVIOURAL OUTCOMES

2.14.1 ORGANISATIONAL AND TEAM PERFORMANCE

In Burke *et al.* (2007:625), the quantity and quality of products produced by a team or an organisation lead back to performance despite of the team or organisational level. A higher team and organisational performance is noted when there is an elevated level of trust in leadership. This is because trust affects team and organisational performance, because employees are more willing to carry out the tasks and strategies lay out by the leader and suspend questions or doubts about the team. Employees work towards a common team goal and team members are more cooperative.

As cited in Mayer & Gavin (2005) by Burke *et al.* (2007:625), when team members are distrustful towards their leader, more time will be used up monitoring the leader's behaviour as well as documenting individual performance to guard them as opposed to performing important team tasks.

According to Burke *et al.* (2007:625), the argument has been made that if there is an increase in variables such as an increased in communication, an improved OCB and a reduction of turnover intentions, there will possibly be an increase in leadership trust. This will also have to affect that these variables will influence team and or organisational performance directly or indirectly. There is a noteworthy direct connection between trust in leadership and both precedent performance and expected performance of the team in the future. As teams deal with greater vagueness in their environment or tasks, trust in one's team leader becomes even extra influential of a team performance (Burke *et al.* 2007:625).

2.14.2 TURNOVER

When a productive and valuable employee chooses to leave an organisation willingly, it causes an undesired effect on turnover. Due to the cost of recruiting and training employee replacements, lost productivity and loss of exclusive knowledge and skills held by the employee leaving the organisation, this type of turnover can have enormous financial implications on the organisation. Two factors that are exceptionally associated to turnover objectives are trust and justice. When an employee does not feel like his/her supervisor is looking out for the subordinate's best interest and is to be expected to take advantage of any vulnerability, trust does not exist in the relationship (Burke *et al.* 2007:625).

Burke *et al.* (2007:625) argues that when supervisors create a trusting environment within their team, employees feel safer and are more loyal to the organisation.

Justice exists when employees feel they are treated fairly and equally. A sense of justice becomes more significant in situations in which there is a power inconsistency, meaning a power struggle between team leaders versus team members. In general, trust indirectly affects turnover intentions through perceptions of justice and fairness. Particularly, trust correlates with elevated levels of justice and justice is related to a reduction in turnover intentions. Therefore, when leaders are unsuccessful to increase the trust of their employees, employees are expected to seek other job opportunities (Burke *et al.*, 2007:625).

2.15 AFFECTIVE OUTCOMES

2.15.1 WILLINGNESS TO FOLLOW

Leadership influences in an exchange dyadic relationship, meaning the relationship involves at least two individuals. The leader's effectiveness is hardly ever framed in terms of followership, yet the willingness to follow is an important determinant of leader effectiveness. It is argued in Burke *et al.* (2007:625) that followers who trust their leadership in regards to the leader's perceived capability, benevolence, and regarded as possessing moral integrity, it will be more probable to follow the leadership of those leaders and work towards goal and objective achievement.

In conclusion, this discussion of the potential outcomes of trust between the team leader and his/her subordinates, it is important to acknowledge that trust is not the complete answer. In all cases, there is an immense deal of research that has provided evidence that factors other than trust also affect the judgement of an employee to communicate with his or her leader, leave the organisation, and perform at maximum capability. Nevertheless, the intent of this section was to show that trust does have a significant and unique effect on outcomes that are important to the organisation (Burke *et al.* 2007:625).

2.16 CONCLUSION

The explanation of trust is constructed on several aspects of the cognitive and affect based trust experiences of an employee. It is the employee's belief, perception of faith in others' behaviour and intentions, but the employee will have to be willing to take a risk of trusting someone else. The propensity toward trust must also be present.

The outcomes of trust are better communication and flow of information throughout the organisation. Trust also has an influence on organisational citizenship behaviour which indicates that employees would will perform additional tasks rather than rigidly follow a job description in order for the team or unit to succeed.

The literature study on a dyadic relationship between management and the employees indicates that one of the basic principles that need to be present is a sustainable relationship of trust. Trust is necessary in any organisation to ensure enabling structures to function in units throughout the origination. This enhances the resource allocation, knowledge and skills that are again associated with a trusted leader, who through coaching and direction, enables his employee or peers to be more trustworthy. When there are higher trust levels in an organisation, the job performance and job satisfaction will also be elevated.

2.17 CHAPTER SUMMARRY

The literature on trust discussed the various aspects for the need for trust in organisations and the understanding and clear distinction of what trust is. The role interpersonal trust plays in risk taking in an organisation is seen as the development of a trust relationship between two parties and the factors that play a role in this dyadic relationship. However, it is recognised that trust is a complex psychological state that may consist of different dimensions, such as belief and attitude towards another known individual as opposed to a dispositional construct among groups or firms.

Secondly, trust was defined as a person's decision to rely on another person under condition of risk. It was noted that trust could also exist between a person and a group, a department or another organisation. Cooperation is dissimilar to trust because an employee can cooperate with an employee whom he does not trust and that cooperation does not put any other part at risk. Confidence and trust has an unstructured relationship where confidence must be assumed and recognised. The relationship between trust and predictability is vague and uncertain in that trust includes the extent to which one person can anticipate predictability in others' behaviour in terms of what was previously experienced by a person acting in good faith.

Further in this chapter the characteristics of trust was described in the form of propensity to trust which specifically indicates the universal willingness to place faith in other reciprocity and good intentions.

The next concept is the levels of trust that are divided into multiple dimensions and can be described with two dimensions. The first is cognition based trust that reflects issues such as reliability, integrity, honesty and fairness of a referent. The second dimension reflects a special

relationship with the referent to demonstrate concern about one's welfare and is classified as affect based trust.

Cognition based trust is constructed out of three antecedents, namely ability, benevolence and integrity which make up the factors that influence trustworthiness.

Two models are described in order to explain the outcomes of trust. The main effect model reports on consistent effects of trust on attitudinal, cognitive, and perceptual constructs. This explains that when an employee shows a positive attitude or sentiment, it leads to job commitment and job satisfaction. The other model, namely the moderating effect, mainly explains that trust functions as a moderator that influences the strength of the relationship between the leader and the individual or employee's behaviour.

It has also been established that in order to trust, employees must compare the trust target, which is the leader against some referent, which is effective leadership. This approach recognises that there are more than one way to facilitate effectiveness, but that a broad set of functions can be identified under which specific behaviours may be enacted.

Functional leadership theory serves then to provide a broad overview of what effective leadership must ensure to get accomplished, thereby serving to set a baseline condition as to how employees judges the leader's ability.

From all of this a number of trust outcomes have been identified. When team leaders are more open for discussion, the team is more effective at problem solving; therefore, trust will develop through discussion decision between the leader and employee. If a leader is more involved in a dyadic exchange with employees, this relationship will promote learning in the unit. Trust in leadership has shown to increase knowledge sharing which is a key component of learning.

It is also argued that trust in leadership enhances team and organisational performances through the elevated will of the employees. When the leader is trusted better, the employees feel safer and more loyal to the organisation, and this in return has a positive effect on turn over. Thus, if an employee distrusts his or her leader, he or she will likely seek other job opportunities.

CHAPTER 3: EMPIRICAL STUDY

3.1. INTRODUCTION

From the literature in Chapter 2, it is evident that the basic principle of trust needs to be present in an organisation to promote efficiency. A review of the literature provided insight into the complexity of this concept and stressed importance of a trust relationship between leaders and the workforce. This chapter will focus on the research methodology used in order to meet the research objective of this study as outlined in part 1.3. This chapter also addresses the relevant approach to the study. It provides an explanation of research design, details regarding the sample, instrumentation, means of data collection and data analysis. This chapter concludes with a summary of the research questions and the analysis used to answer them.

3.2 DISCUSSIONS OF THE HEALTH ORGANISATION IN MINING INDUSTRY

This health organisation is regarded as a leader in providing health care for mine employees throughout South Africa's Platinum Industry. The organisation has health care facilities in several different provinces where the corporate company operates in mining platinum. It has a total employee count of 797, which consist of all types of health care personnel, 9 pharmacies and several different health care facilities, which include hospitals, clinics and medical centres. This health organisation is a subsidiary company that forms part of the Health Care division of the corporate company value chain and creates the opportunity to deliver health care to all in a safe environment.

The research was done at one of the health care facilities near Rustenburg, which is now known for its volatile and labour strike environment. The health care organisation does not form actively part of the labour strikes but all employees are dynamically part of the community that is currently in outraged and in an extremely uncertain period of employment security. This could affect the population's trust relationship towards the leadership in the organisation. The HMO senior medical manager for instance reports directly to the health executive of the corporate company. The population's interdependence within the larger structure could potentially increase vulnerability and risk to trust under the given circumstances.

The organogram depicted below illustrates the health executive of the corporate company.

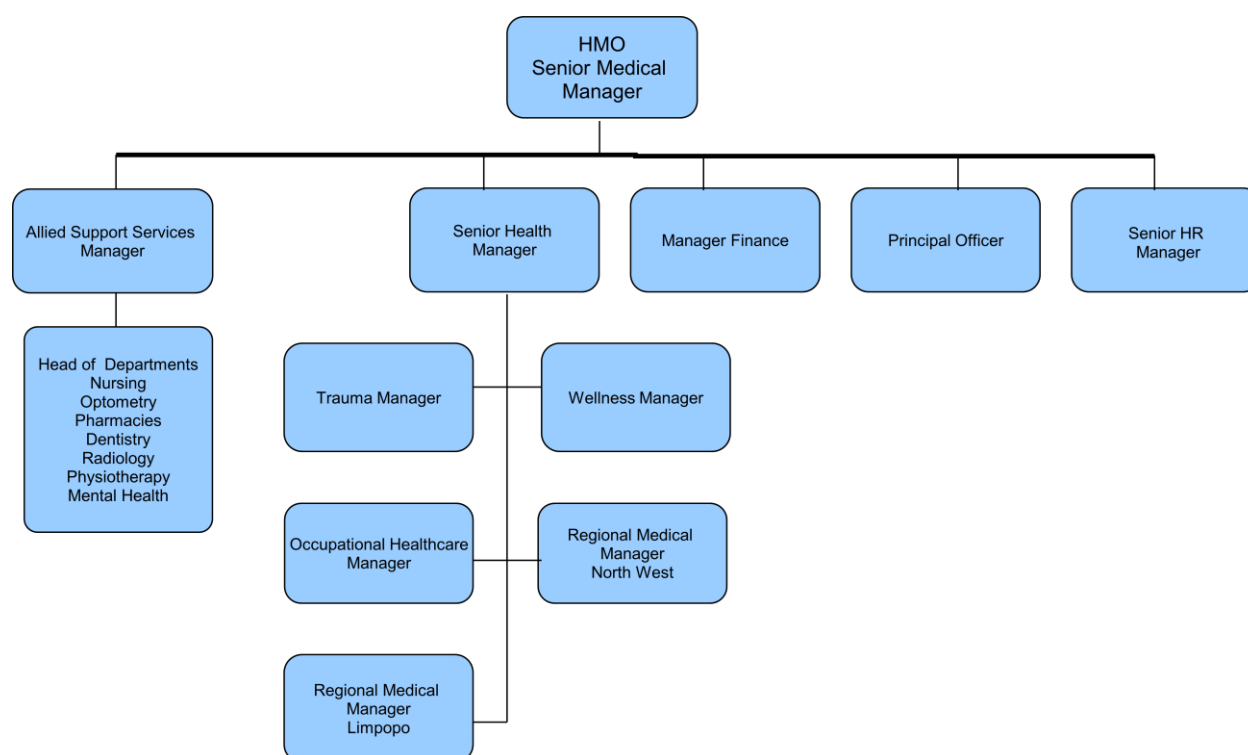


FIGURE 3.1 ORGANOGRAM OF MANAGEMENT STRUCTURE

The leadership of the health organisations depicted in the figure above largely consists of white males. Other demographic groupings such as females or the African component of the health organisation's workforce might potentially find them as dissimilar and might not identify closely to the management structure, as white males might be able to.

The aspects will be elaborated on later in this chapter when analysing the significance of effect size with respect to demographic differences.

3.3 SAMPLE GROUP AND SIZE

The empirical study focused on the health organisation's operations at a health care facility near Rustenburg. The trust levels were analysed based on three fundamental principles of trust as discussed in Chapter 2. The Rustenburg site has a population of 210 personnel working at the location. The target population of this research can be defined as general employees and middle management. The target population included all the operating staff and administrative staff. This was broken down into business units at the site: occupational health, outpatient department, wards, pharmacy, kitchen, maintenance, administration and medical aid. The population consisted of a large variety of participants covering diverse ages, races, and gender

and work experience on different levels within the organisation. Questionnaires were distributed to 120 employees willing to participate in the study.

3.4 SAMPLE SELECTION

The sample was categorised as a non-probability convenience sample because it was each respondent's own preference to complete the survey. If employees were on leave, it was considered that they are not accessible to take part in the survey. A small number of respondents also did not believe in the anonymity of the survey and did not want to participate. Results from this survey are only relevant to the 113 respondents who participated in the survey and cannot be generalised to other populations.

The questionnaire was administrated over a period of two weeks. It happened at the same time as the Marikana disaster was reported in the news. The disaster took place about 15km from this health facility. Of the 120 willing to participate initially only 113 completed the survey. These 113 respondents form the sample with a satisfactory response rate of 94.16%.

While analysing the results, it was found that only a small number of respondents did not complete the entire questionnaire. Due to the anonymity of the survey, it was impossible to follow up with the respondents why their survey was unfinished. This could be that they did not comprehend the question because English is a second language for most participants, or because the respondents merely filled in the survey because they had time to spare due to the unrest and strike.

Incomplete questionnaires were retained in the data set. Missing responses were simply excluded from the analysis on the particular variables for which data was missing.

This point will also be discussed in the Chapter 4 recommendations.

3.5 SURVEY INSTRUMENTS

3.5.1. RESEARCH DESIGN

By using a survey method as the technique of data collection, a cross-sectional design was used to obtain the desired data. The survey involves a technique of data collection in which questionnaires are used to gather data about an identified population (Rothner, 2005:39). The data was analysed by the Statistical Consultation Services of the North West University, Potchefstroom Campus.

3.5.2 THE QUESTIONNAIRE AS RESEARCH INSTRUMENT

The benefit of a questionnaire is that the same questions can be asked at all sample departments. The responses were in writing and respondents had the opportunity to respond to the questions without feeling intimidated (Neuman, 1997:237).

Questionnaires, however, cannot investigate intensely into respondents' opinions and thoughts. In addition, once the questionnaires were distributed, it was not possible to modify the items, even though they might have been unclear to some respondents (Gall *et al.*, 1996:289).

A physical paper questionnaire was the preferred method of contact to the individuals in the organisation as the respondents were easily available for participation.

3.5.3. THE MEASURING INSTRUMENT

Different methods are available in order to investigate and measure the stated objectives as prescribed by the literature study. The quantitative method was used because it is a more objective method than that of the qualitative method where a respondent can either give a visual or audible reaction. The quantitative method utilises polls in the form of questionnaires that seek mostly precise answers from the respondents.

Typically, the variables relate to individuals' preferences for various opinions, beliefs and individuals convictions regarding a topic, which in this study is trust towards the organisation's leaders. This opinion poll is then a record of how the individuals feel or what they believe is true or false (Welman *et al.* 2005:100).

Primary data was collected for this study in the manner of a questionnaire survey. A survey questionnaire does not involve direct observation of the behaviour of individuals; instead individuals reported on their behaviour. This measuring instrument has a negative aspect because the respondent may withhold information or cooperation or be intentionally dishonest.

The questionnaire that was used was adapted from various accredited resources to obtain individual responses from all departments at the one site of the health organisation in the Rustenburg mining industry. The questionnaire used in this research is based on the literature referred to in Chapter 2.

This survey questionnaire was also used to acquire demographical details such as age, education, gender, language, the department where the respondent works as well as years of service in current positions for current organisations. This survey also gathered information concerning the opinions, beliefs and convictions about the trustworthiness of the leadership in the organisation. The attitudes towards the performance review system were also obtained.

The questionnaire consisted of four sections and 80 questions in totality. In section A, the initial seven questions were dedicated to obtain biographical information from the respondents, which yield information on personal details. Information was obtained in coded format and without compromising anonymity. The aim of this questionnaire was to describe the nature of the respondents by identifying the relationship of trust between leadership and the individuals in the organisation and these demographic variables.

In section B, the questions are related to different variables that influence trust and the trustworthiness factors for leadership. Mayer and Davis (1999:136) developed questions in part 1-7 of this section of the questionnaire. It measured the ability, benevolence, integrity, propensity and trust (Mayer & Davis, 1999:127). Part 4 was not analysed since one of the questions in Part 4 was not copied correctly into the questionnaire.

Part 8 was developed by Cummings and Bromiley (1996:328-329) to investigate trust in organisations. The different factors are divided into different parts. The questions were asked at

random, negatively and positively phrased in order for no obvious pattern to take place. This neutralises the respondent's response when answering the questions. The Likert scale was used to determine a positive, negative or a neutral response in response to the theme.

In section B, a five point Likert scale was used and divided into: i) as strong disagree, ii) as disagree, iii) as neither agree or disagree, iv) as agree and v) as agree strongly. The respondents chose the answer according to the Likert item that suited them best.

Questions in Section C, was developed by Gillespie (2003:42) and identified actual risk taking as a verb. These ten questions can further be divided into two factors, namely reliance (Question 1-5) and disclosure (Question 6-10). The Likert scale was also used in this instance by the researcher to assess how willing the individual was to engage in each of the behaviours in relation to their head of departments. The scale is a typical seven level Likert item, where one is not at all willing, to seven which is completely willing.

Section D contains a questionnaire developed by McAllister (1995:24-59) to identify affect and cognition based trust as foundations for interpersonal cooperation in organisations. This section also consists of two factors, namely cognition based trust (Questions 1-6) and affect based trust (Questions 7-11). The seven point Likert scale was used to measure how the individual feel towards leadership in the organisation. The scale indicated from one to seven, where one is strongly in disagreement and it escalates to a point seven where there is total agreement.

The complete questionnaire is available in Appendix A.

3.6 ETHICAL CONSIDERATIONS

The questionnaire was distributed to all heads of departments to hand out to all their employees. It was explained to them that confirmation was given from the leader of the company for the research to be conducted at this particular site. Anonymity was assured. The only identification used was a code developed to match the responses of respondents for future research, without being able to trace it to a specific individual.

3.7 STATISTICAL ANALYSIS

The Statistical Consultation Services of the North West University (Potchefstroom Campus) analysed the data. This was done with two computer programs, IBM SPSS Statistics 20(2009) and Statistica 10 (2011). The obtained results of the frequency distribution, descriptive statistics, reliability coefficients and correlation analysis were presented and discussed. For the parametric test, the Independent T-test was conducted and for the non-parametric test, the Mann-Whitney method was used to compare trust constructs, performance accuracy as well as trusting behaviours and interpersonal cooperation in the organisations.

3.8 DESCRIPTIVE STATISTICS

Descriptive Statistics is the branch of statistics that collects, summarises and presents data (Levine *et al.* (2008:3).

A summary table that indicates for all items the percentages of the responses that fell in each Likert scale category is presented in Appendix B as well as the means and standard deviation of all items. In Appendix B, a full summary is available of the descriptive statistics done for this survey.

3.9 DEMOGRAPHICAL INFORMATION

113 respondents completed the survey, which reflects a response rate of 94.16%. Of the 113 respondents, 21% were male and 71% were female. 8% of the respondents did not indicate their gender.

3.9.1 GENDER OF RESPONDENTS

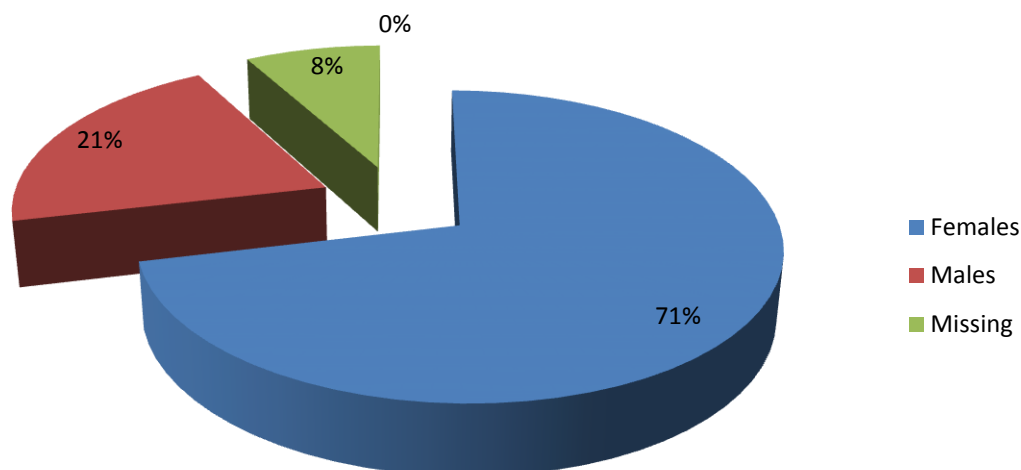


FIGURE 3.2 GENDER OF RESPONDENTS

3.9.2 EDUCATIONAL QUALIFICATION

Of the 113 respondents, only 105 completed this question, which totals 7% of the entire sample. Of the 105 that completed the question, 46% have a grade 12 qualification, 29% a Post Matric qualification - which indicates a diploma of some sort. 13% have a University degree and 4% have studied further to obtain a post-graduate degree.

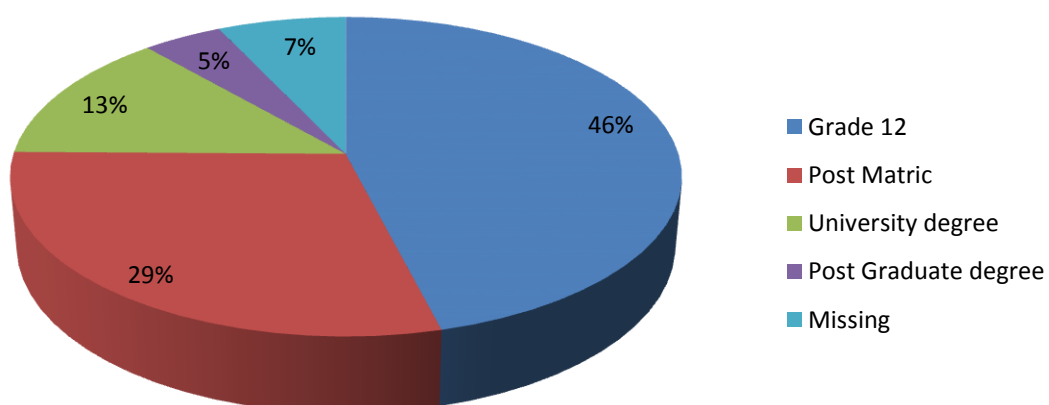


FIGURE 3.3 EDUCATIONAL QUALIFICATIONS

3.9.3 LANGUAGE OF RESPONDENTS

In the questionnaire, respondents could choose from 11 languages as a home language. The different language groupings evident in figure 3.2 may result in opposing views of trust, as it is clearly not a homogeneous group.

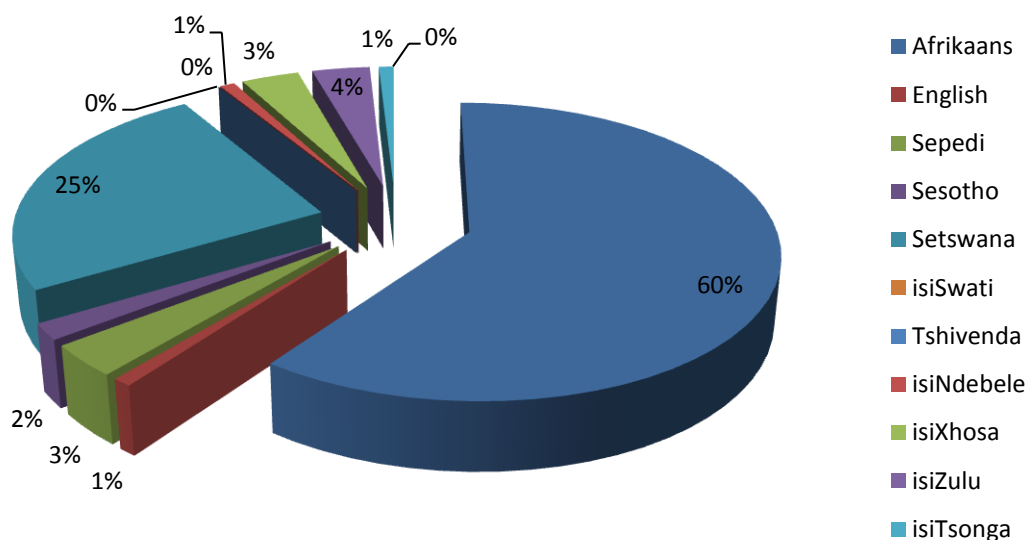


FIGURE 3.4 LANGUAGES OF RESPONDENTS

3.9.4 LANGUAGE DIFFERENCES

The Afrikaans and English-speaking participants together formed only 62% of the sample population, whilst respondents of the African languages group made up 38% as is visually displayed in figure 3.4.

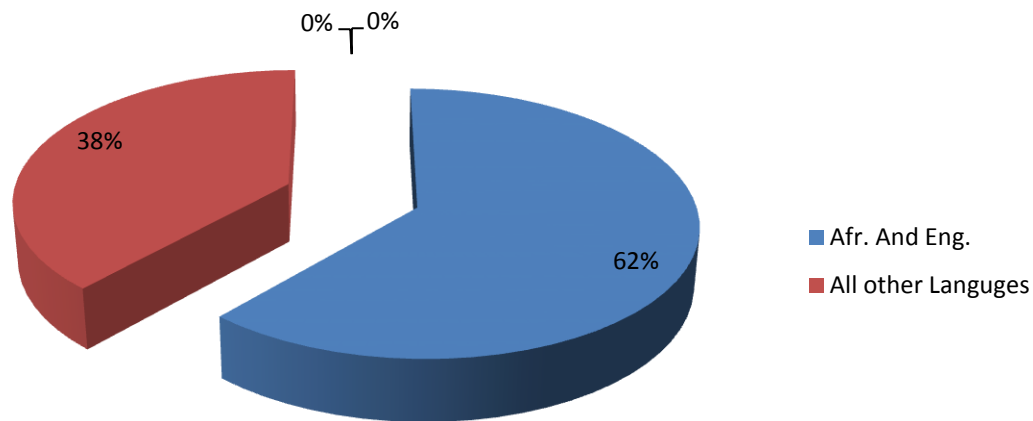


FIGURE 3.5 LANGUAGE DIFFERENCES

3.9.5 PERMANENT VERSUS PART-TIME EMPLOYEES

The sample can also be divided into permanent versus part-time employees. The permanent employees in the sample represent 81.1% and the part-time employees 18.9% of the workforce. 1.8% of the sample did not complete the question. The years of experience in the current position at the current organisation is as follows:

3.9.6 THE EMPLOYEES' YEARS IN CURRENT POSITION

Figure 3.4 below shows that 40% of respondents fall in the group, who worked 0-3 years in their current position. The 3-6 years category shows 29% were working in their current positions.

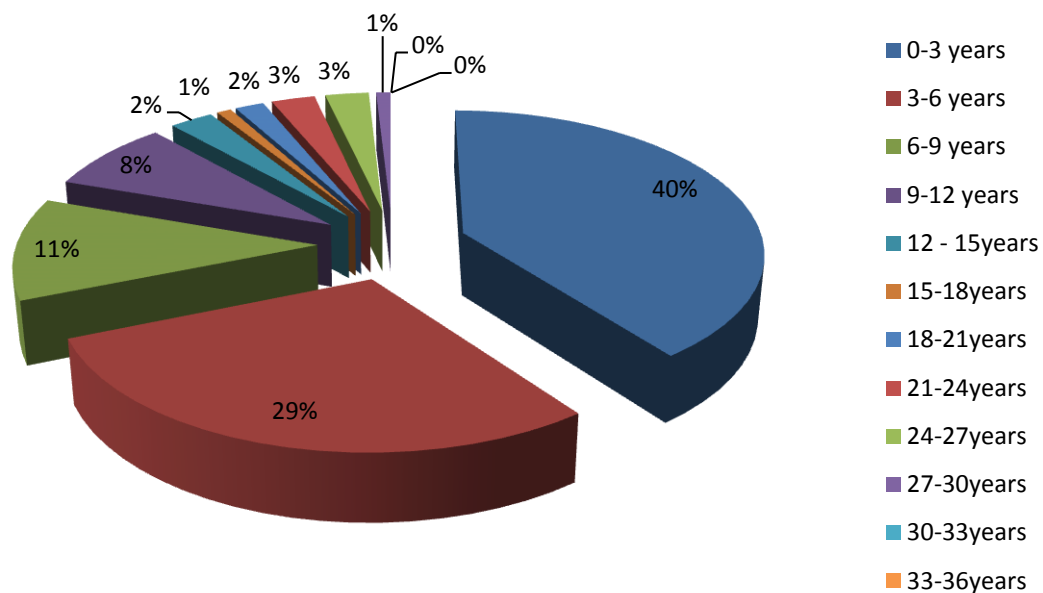


FIGURE 3.6 THE EMPLOYEES' YEARS IN CURRENT POSITION

3.9.7 DEPARTMENTS OR UNIT OF WORK

Figure 3.5 shows that most respondents, 29%, are from the pharmacy department. Second is the administration department with a 21% respondent rate.

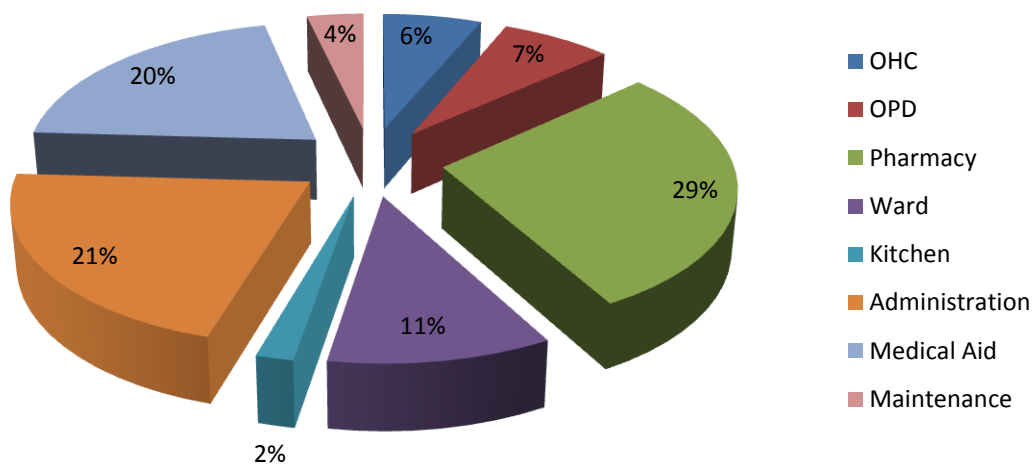


FIGURE 3.7 DEPARTMENTS OR UNIT OF WORK

3.10 INTERNAL CONSISTENCY RELIABILITY OF THE SURVEY

Reliability is apprehensive with the conclusion of the research and relates to the trustworthiness of the findings. If a construct is calculated by means of a particular instrument comparable, measurements should be obtained for the same individual, irrespective of when the instrument is administrated, which particular adaptation of it is used and who is applying it. The prerequisite of generalisations relates to the reliability of the score obtained. Scores that are assigned to individuals should consequently be constant, irrespective of the time of measurement, the adaptation of the test used and the individual administering the test (Welman *et al.*, 2005:145).

According to Welman *et al.* (2005:147), an elevated internal consistency implies a high degree of generalizability across items within the measurement. This means that if an individual performs well on a few items in such a measurement, chances are good that the individual will fare equally well on the remaining items in the measurement. Every item is correlated with every other item across the entire sample and the average inter-item correlations are taken as the index of reliability.

To determine the reliability of each subscale included in this survey (called “Parts” in the survey instrument), the internal consistency measure, namely Cronbach’s alpha was calculated. This shows the degree to which all the items in the subscale measure the same attribute.

The recommended minimum level of what reliability is considered acceptable in contemporary research, is between the levels 0.6 and 0.7, and is then seen as good or acceptable (Clarke & Watson 1995:315). Field (2009:675) notes that, although the generally accepted value of 0.8 is appropriate for cognitive tests such as intelligence tests, for ability tests the cut-off point of 0.7 is more suitable. It is further stated that, when dealing with psychological constructs, even values below 0.7 can, realistically, be expected because of the diversity of the constructs being measured.

For this survey, all items with negative item total were removed before calculation of the subscale total scores since the negative correlations indicate the questions do not correspond to the other items in the subscale. (Field.2005:672).

This survey made use of four existing and previously validated questionnaires. A breakdown of the question numbers and their sources is given in Table 3.1.

For this study it was decided to eliminate all item correlations that was negative >0.3. Part 4 of the survey was in total negative and could not be used for analysis.

TABLE 3.1 SECTION B: CRONBACH'S ALPHA VALUES

Part 1	Source	Construct	Cronbach's Alpha in literature	Cronbach's alpha in survey	Items removed from analysis due to negative item Correlation
Q: 1-6	Mayer & Davis (1999:127)	Ability	0.85-0.88	0.92	None
Part 2					
Q: 1-5	Mayer & Davis(1999:127)	Benevolence	0.87-0.89	0.94	None
Part 3					
Q: 1-6	Mayer & Davis (1999:127)	Integrity	0.82-0.88	0.90	Item 4
Part 5					
Q:1-8	Mayer& Davis(1999:136)	Propensity	0.55-0.66	0.74	Items 1 and 5
Part 6					
Q: 1-8	Mayer & Davis (1999:128)	Performance review system	0.82	0.86	Item 4
Part 7					
Q: 1-3	Mayer & Davis (1999:128)	Performance review system	0.77	0.79	None
Part 8					
Q: 1-12	Cummings & Bromiley (1996:328-329)	Trust in organisations	0.95	0.82	None

TABLE 3.2 SECTION C CRONBACH'S ALPHA VALUES

Risk as a verb	Source	Construct	Cronbach's Alpha in literature	Cronbach's alpha in survey	Items removed from analysis due to negative item Correlation
Q:1-5	Gillespie, (2003:40)	Reliance	0.92	0.91	None
Q:6-10	Gillespie, (2003:40)	Disclosure	0.95	0.90	None

TABLE 3.3 SECTION D CRONBACH'S ALPHA VALUES

Interpersonal trust instrument	Source	Construct	Cronbach's Alpha in literature	Cronbach's alpha in survey	Items removed from analysis due to negative item Correlation
Q1-6	McAllister, D.J,(1995:24-59)	Cognition based trust	0.91	0.92	Item 6
Q7-11	McAllister, D.J,(1995:24-59)	Affect based trust	0.89	0.91	None

Table 3.1, table 3.2 and table 3.3 indicate and that the scales all had acceptable Cronbach's alpha values and were in fact remarkably close to those found for the constructs in the literature. This can be accepted as an indication of reliability, and aggregated results for each part can thus be used for further analysis. Interrelated items may be summed to obtain an overall score for each participant. Cronbach's coefficient alpha estimates the reliability of this type of scale by determining the internal consistency of the test or the average correlation of items within the test (SAS,2003).

Means and standard deviations will be analysed next.

3.11 DESCRIPTIVE STATISTICS

Table 3.4 reflects the mean and standard deviation of aggregated scores for each part in the questionnaire.

TABLE 3.4 MEAN AND STANDARD DEVIATION

	Constructs	Mean	Std. deviation
Part 1	Ability	3.57	0.90
Part 2	Benevolence	2.89	1.04
Part 3	Integrity	3.06	0.90
Part 5	Propensity	2.88	0.83
Part 6	Performance accuracy	3.83	0.77
Part 7	Performance accuracy	3.09	1.07
Part 8	Trust in organisations	2.94	0.64
Section C			
	Reliance	4.94	1.76
	Disclosure	4.50	1.80
Section D			
	Cognition based	5.18	1.73
	Affect Based	4.78	1.72

From the Likert scale for Part 1 to Part 8, responses' options represented "neither agrees nor disagrees", whereas values larger than 3 represented "agree"-answers, and values smaller than 3 indicated "disagree-responses". All but two parts' mean values fall on the more positive side of the Likert scale (towards agree). The standard deviation of benevolence is 1.04, and indicates that there is some variance in the opinions of the employees.

An appraisal system that clarifies and increases the perceived linkage between performance and rewards is expected to affect all three factors of trustworthiness. The acceptability of the appraisal system has an effect on trust and is mediated by the three factors of trustworthiness. The standard deviation in Part 7 shows that the employees' opinion differs on the part of performance accuracy.

The mean of 2.94 for Part 8 points towards a slight disagreement with the statements in this part which points to distrust among the units in the organisation.

In section, C from question one to five the relying on others skills, knowledge, judgement or actions were tested that includes delegating and giving autonomy. Here the survey tested the sharing of work related or personal information of a sensitive nature. In this section both standard deviations is above 1 and indicates that there is a variance in the opinion of the employees on the reliance towards management and the disclosure of information.

In Section D, the literature again supports the conclusion of this research that the viewpoint of managers about trustworthiness of peers can be considered along two dimensions: the extent of affect based trust and the extent of cognition based trust. In general, the levels of cognition based trust were elevated above the levels of affect based trust, thus being consistent with the understanding that some level of cognition based trust is essential for affect based trust to build up.

The standard deviation of Section D also shows a variance in opinion towards cognition based and affects based trust.

3.12 CORRELATIONS BETWEEN VARIABLES

Spearman's rank order correlation coefficient or Spearman's RHO is a non-parametric measure of statistical dependence between two variables. It assesses how well the relationship between two variables can be described by using a monotonic function. A perfect Spearman correlation of +1 or -1 occurs when one of the variables is a perfect monotone function of the other. Spearman's coefficient can be used when both dependent (outcome or response) variable and independent (predictor) variable are ordinal numeric or when one variable is ordinal numeric and the other is a continuous variable. This can also be used when both variables are continuous (Lehman, 2005:123).

Spearman's test first ranks the data and then applies Pearson's equations (Field, 2005:129). In this study the non-parametric measure was calculated to allow for deviations from normality.

Table 3.5 SPEARMAN'S CORRELATION COEFFICIENT

$r=\pm 0.1$	Small effect	No practically significant correlation
$r=\pm 0.3$	medium effect	Practically visible correlation
$r=\pm 0.5$	Large effect	Practically significant relationship
Sign	+	Positive relationship
Sign	-	Negative relationship

From: Field (2009:372)

TABLE 3.6 SPEARMAN'S CORRELATIONS COEFFICIENT FOR THIS STUDY

		Ability	Benevolence	Integrity	Propensity	Performance accuracy	Performance accuracy	Trust as a verb	Reliance	Disclosure	Cognition based	Affect based
		P1	P2	P3	P5	P6	P7	P8	C1	C2	D1	D2
Ability	P1	1	0.656**	0.721**	0.460**	0.286**	0.286**	0.607**	0.1	0	0.186*	0.1
Benevolence	P2		1	0.788**	0.536**	0.273**	0.424**	0.600**	0.1	0.202*	0.248**	0.274**
Integrity	P3			1	0.478**	0.277**	0.389**	0.628**	0.1	0.1	0.247**	0.257**
Propensity	P5				1	0.229**	0.304**	0.368**	0.1	0.1	0.2	0.2
Performance accuracy	P6					1	0.431**	0.208**	0.230*	0.263**	0.283**	0.307**
Performance accuracy	P7						1	0.322**	0.2	0.1	0.212*	0.2
Trust as a verb	P8							1	0.251**	0.223*	0.275**	0.300**
Reliance	C1								1	0.696**	0.736**	0.725**
Disclosure	C2									1	0.689**	0.806**
Cognition based	D1										1	0.804**
Affect based	D2											1

****Correlation is significant at the 0.01 level**

*** Correlation is significant at the 0.05 level**

From the results in Table 3.6 (Spearman's correlation coefficient for this study), it can be seen that part 1, part 2 and part 3 correlated highly with each other, indicating practically significant relationship between all three factors, i.e. between perceived ability, benevolence and integrity. This is in line with previous findings in literature (Mayer & Davis, 1999:128). These three factors comprised the perception that the top management is seen as trustworthy.

Part 5 indicates propensity correlated medium too highly with these three mentioned factors. This relation could be an indication of one's propensity to trust that influences one's perception - in this case towards perceived trustworthiness of management. Propensity however had only a medium or small correlation with the rest of the constructs measured.

Part 6 and 7 include the questions regarding the performance appraisal system and correlated with a medium effect. This indicates that the respondents believe that the appraisal system reasonably reflects the employees' contribution and they have a perception that a better performance will lead to a better-desired organisational outcome.

Part 8 had large correlations with ability, benevolence and integrity. Medium correlations were detected with the constructs of Propensity (Part 5) and affect based trust (Section D2).

There was a large correlation between the sections C and D. In section D, there was a large correlation between cognitive and affects based trust. Cognition based on reliability is seen as a more superficial or shallow form of trust than affect based trust. The latter is characterised by a greater investment of time and emotion than are dependability and reliability.

3.13 COMPARING ASPECTS OF TRUST - BASED ON BIOGRAPHICAL VARIABLES

The independent T-test is used to compare the mean scores of two independent groups. If a random sample from the population is used, small p-values can be used to indicate whether the differences are statistically significant, i.e. it indicates a difference in population level with a certain margin of error (e.g. $p < 0.05$ indicates a statistical significance difference on a 5% significance level).

The independent T-test is a parametric test, which relies on assumptions such as normalities. In order to ascertain that deviations from normality did not lead to inaccurate conclusion, a non-parametric test, which robust against violations from normality, was also concluded. For the Non-parametric test, the Mann-Whitney test was used for assessing whether one of the two samples of independent observations tends to give larger values than that of the other. P-values were also obtained for the Mann-Whitney test.

In this study a convenience sample was used and not a random sample. Data drawn from a convenience sample has to be regarded as a small population for which statistical interferences and p-values are not relevant. Statistical inferences are relevant to analysis of a random sample in order to draw conclusion from calculated descriptive measures (Ellis & Steyn 2003:51).

In this survey, a random sample was not used; consequently, the p-values are not actually relevant. Nonetheless, it is reported for completeness sake. The discussion will however focus on the effect sizes, which provide an indication of the practical significance of the results.

According to Field (2009:370), the Cohen's d-valued is the effect size that is used when two groups' means are compared parametrically, whereas "r" is the effect size for the Non-Parametric test.

It can be interpreted as follows (Ellis & Steyn.2003:52-53):

TABLE 3.7 PARAMETRIC TEST

d=+/-0.2	Small effect	Not practically significant difference
d=+/-0.5	medium effect	Practically visible significant difference
d=+/-0.8	Large effect	Practically significant difference

From: Field (2009:150)

TABLE 3.8 NON-PARAMETRIC TEST

r=+/-0.1	Small effect	Not practically significant difference
r=+/-0.3	medium effect	Practically visible significant difference
r=+/-0.5	Large effect	Practically significant difference

From: Field (2009:57)

3.13.1 GENDER DIFFERENCES

Table 3.10 shows the groups of trust set out in the measuring instrument while indicating difference in the two gender categories.

TABLE 3.9 GENDER DIFFERENCES

	Male			Female			t-test		Mann-Whitney	
	N	Mean	Std deviation	N	Mean	Std deviation	Parametric test		Non-Parametric test	
							P-Value	Effect size	P-Value	Effect size
P1	23	3.99	0.97	81	3.48	0.84	0.028	0.53	0.015	0.24
P2	23	3.42	1.06	81	2.77	1.01	0.013	0.61	0.011	0.25
P3	23	3.30	1.1	80	3.05	0.81	0.317	0.23	0.170	0.14
P5	23	3.06	0.79	81	2.87	0.86	0.34	0.21	0.192	0.13
P6	23	3.94	0.54	81	3.84	0.79	0.508	0.12	0.753	0.03
P7	23	3.45	0.99	81	2.98	1.09	0.058	0.43	0.064	0.18
P8	23	3.14	0.73	81	4.89	0.63	0.149	0.34	0.186	0.13
C1	23	4.90	1.79	81	4.98	1.75	0.834	0.05	0.872	0.02
C2	23	4.50	2.17	81	4.59	1.69	0.859	0.04	0.891	0.01
D1	22	5.33	1.58	81	5.27	1.69	0.876	0.04	0.984	0.00
D2	22	4.85	1.67	81	4.85	1.73	0.990	0.00	0.929	0.01

For the construct of Part 1, on average the male participants experienced a greater perception of top management's ability ($M = 3.99$, $SD = 0.97$) than that of the female participants ($M = 3.48$, $SD = 0.84$). The p-value for the independent test was significant as $p \leq 0.05$ and the $p = 0.028$. It did represent a medium effect size for the parametric test and indicated a small to medium effect size for the non-parametric test.

Part 2 on benevolence, the male participants' perception were again more positive towards management. The males believed that management do care about them as employees ($M = 3.42$, $SD = 1.06$), more than the female population ($M = 2.77$, $SD = 1.01$). There was a significant p-value for the parametric test, as $p = 0.013$ as $p \leq 0.05$. The parametric test also indicated a medium effect size while the non-parametric test showed a significant p-value and a small to medium effect size.

There were no practically significant p-values for either the parametric or non-parametric test for the rest of the constructs under discussion. Throughout the whole investigation, the male population tested more positive perceptions towards management, which indicates that they are more trusting. This could be because top management at this organisation mainly consists of males. This might also be that men have the perceived idea that men are more competent than women are, and that they identify more with their own. The only construct where the female

population's perceptions were more trusting, was in Part 8 - indicating that they believe more in the trust in the organisation with a (M=4.89,SD=0.63) against that of the male population (M=3.14,SD=0.73). This result could be because the female group is larger than the male group and there is more of a trusting relationship between the females in the different units of the organisation.

3.13.2 LANGUAGE DIFFERENCES

The demographical data for language was analysed and it was found that the English-speaking respondents only made up 0.9%. The English group data was subsequently combined with the Afrikaans group to form a group of 61.1% representation in order to give a better comparison without distorting data. In the African language group isiSwati and Tsivenda had no respondents but Sepedi, isiXhosa, isiZulu all had a 3.5% representation in the population. Sesotho had an 8% representation, isiNdebele, and isiTsonga 9% irrespectively. All these languages were grouped together to form the other languages group of 38%.

TABLE 3.10 LANGUAGE DIFFERENCES

	Afrikaans/English			Other Languages			t-test		Mann-Whitney	
	N	Mean	Std deviation	N	Mean	Std deviation	Parametric test		Non-Parametric test	
							P-Value	Effect size	P-Value	Effect size
P1	69	3.52	0.79	44	3.65	1.07	0.51	0.12	0.211	0.12
P2	69	2.76	0.98	44	3.10	1.11	0.10	0.31	0.088	0.16
P3	69	2.98	0.89	43	3.20	0.92	0.20	0.25	0.125	0.14
P5	69	2.89	0.807	44	2.86	0.06	0.87	0.03	0.804	0.23
P6	69	3.82	0.70	44	3.85	0.87	0.85	0.04	0.530	0.06
P7	69	3.06	1.12	44	3.14	1.00	0.66	0.08	0.655	0.04
P8	69	2.92	0.64	44	2.97	0.65	0.68	0.08	0.737	0.03
C1	69	5.20	1.71	44	4.54	1.78	0.60	0.37	0.050	0.18
C2	69	4.53	1.90	44	4.47	1.65	0.86	0.03	0.682	0.04
D1	69	5.28	1.73	43	5.01	1.75	0.44	0.15	0.302	0.10
D2	69	4.86	1.78	43	4.67	1.64	0.56	0.11	0.424	0.08

From the table above there are no significant results for either the parametric or non-parametric test for either the p-value or the effect sizes. The differences in the means for the above constructs in the language differences were also not significant.

3.13.3 DIFFERENCES BETWEEN PERMANENT AND PART-TIME EMPLOYEES

TABLE 3.11 DIFFERENCES BETWEEN PERMANENT AND PART-TIME EMPLOYEES

	Permanent			Part time			t-test		Mann-Whitney	
	N	Mean	Std deviation	N	Mean	Std deviation	Parametric test		Non-Parametric test	
							P-Value	Effect size	P-Value	Effect size
P1	90	3.57	0.88	21	3.63	1.04	0.78	0.07	0.57	0.05
P2	90	2.82	1.02	21	3.19	1.09	0.17	0.34	0.13	0.15
P3	89	3.04	0.92	21	3.20	0.80	0.44	0.17	0.33	0.09
P5	90	2.09	0.76	21	2.78	1.11	0.64	0.11	0.44	0.07
P6	90	3.77	0.74	21	4.08	0.86	0.14	0.36	0.35	0.20
P7	90	3.10	1.05	21	3.10	1.12	0.98	0.01	0.98	0.00
P8	90	2.91	0.64	21	3.08	0.67	0.30	0.26	0.55	0.06
C1	90	5.00	1.76	21	4.81	1.83	0.66	0.11	0.68	0.04
C2	90	4.53	1.82	21	4.40	1.66	0.77	0.07	0.59	0.05
D1	90	5.17	1.78	20	5.37	1.53	0.61	0.11	0.90	0.01
D2	90	4.75	1.76	20	5.03	1.53	0.48	0.16	0.66	0.04

There were no significant differences between the permanent and part-time employees. This was derived from the fact that there were no significant p-values for both the parametric and the non-parametric tests. Both tests had no indication of effect sizes with a practical significance.

3.14 CONCLUSION

Employees perceive management ability to have an influence on their domain through skills, competencies and characteristics and that reinforce attributes towards a trusting dyadic relationship between the employees and top management.

When comparing males to females, males generally showed more positive perceptions towards management in this regard. The male population was smaller than that of the female population and for further studies; a more in-depth study should take place, which will include a better quality and a larger male population sample.

The population scored fairly average on propensity towards trust. In spite of this indication the population as a whole have the perception that the leadership of the organisation is trustworthy.

The respondents of the survey give a satisfactory perception towards the accuracy of their appraisal systems. Many respondents have a positive feeling towards the outcome and

accuracy of their appraisal systems and they experience a sense that, what they put in, they get out.

The respondents also gave positive perceptions towards the constructs on controlling behaviours, because they rely on top management skills, knowledge and independence towards them. There is not a negative response to disclose information, which confirms the literature that when there is trust in an organisation there would be a flow of information sharing and communication.

The outcome of the construct of Interpersonal Trust within the organisation was positive. This indicates that the factors influencing the maturity of trust relationships are maintained. This gives a foundation on which trust in the organisation can be built further through development of interdependent relationships as well as efficient communication by means of correspondence.

The respondents of this survey provide an acceptable widespread presentation of all functions of the complete organisation situated in Rustenburg. The internal consistency of the survey indicates reliability of the subscale after removal of items correlated negatively with the total of the other items within the subscale.

Most of the constructs scored comparatively high means for section B(>3), meaning that most respondents were in agreement and showed a trusting relationship towards management. Only three constructs were out of the agreement range, namely Part 1 Benevolence, with a value of 2.89, Part 5 Propensity, with a value of 2.88 and Part 8, with a value of 2.94 respectively.

The other two sections which had a Likert scale of 7 also gave relatively high mean scores (> 4). This shows again that the levels of cognitions based trust are higher than that of affect based trust, and this finding was again consistent with literature that some level of cognition based trust is required for affect based trust to increase and develop.

There are a few significant differences that were highlighted by the mean score comparison analysis and in this it came out that the male group of the population are generally more trusting towards top management than the female group. When looking at the means, due to that, all their mean scores are higher, except for part 8 which point towards a distrust in the organisation, and have the perception that top management is less acting in good faith, and is honest in their negotiations and subsequent agreements.

The other language group have the perception that top management is more trustworthy while the Afrikaans/English group shows a more positive mean value for Sections C and D.

The part-time group demonstrates a more trusting behaviour towards top management, except in Section D when it comes to information sharing and reliance.

Additionally, it can be concluded that the literature study and analysis of the results in this study support by highlighting significant factors, which should be present in a trusting environment - such as the trustworthiness factors, namely ability, benevolence, integrity and propensity towards trust and trust in an organisation that will enhance the dyadic relationship. The diverse dimensions of trust will assure more interaction and communication, a willingness to follow and have ultimately a positive effect on profit.

3.15 CHAPTER SUMMARY

Chapter 3 focussed on the research methodology conducted and empirical data gathered from the survey. It also presents the statistical analysis and interpretation of the results.

In the beginning of this chapter a general idea of the corporate company in which the survey was done, was given. Then the subsidiary company was presented with an organogram of top management and the different service locations of the operating facilities.

The next focal point highlighted the target group of the research and expansion of the sample group and size. The method administrating the research was identified in a questionnaire that was handed out to heads of departments at one of the subsidiary company sites and collected personally by the researcher. The intent of the questionnaire was to determine the employees' views on their trust relationship with top management and the influence these views have on their performance assessment and risk taking behaviour. It also determined trust in the organisation. The demographical detail of the 113 respondents was given, and formed the availability sample.

Thirdly, the conversation indicates the analysis of the survey method with respect to why a quantitative method was selected. The items in the questionnaire were discussed in detail with consideration to what it measures, as well as the data gathering method.

The fourth discussion point was how results will be analysed after the respondents have completed the survey questions. The point was made that although there are 210 employees working at the site, only 120 questionnaires were distributed and of the 120 only 113 responded. These 113 formed the convenience sample.

The demographical information was then presented in a more graphic way to understand and explain the demographics of this convenience sample. The demographics were presented in percentage differences between the different groups to indicate the comparisons.

Cronbach's alpha was used to give details and present the internal consistency reliability of all sub-scales. The statistical results were computed by the NWU Statistical Consultation Services by using two computer programs, namely IBM SPSS Statistics 20 (2009) and Statistica 10 (2011), and presented in table form.

Later on in this chapter, the Cronbach's alpha values were shown and compared to those values found in the literature. All constructs demonstrated satisfactory levels of internal consistency and were therefore reliable. The mean was used to portray conclusion regarding the trust levels within this organisation. The Spearman's correlation coefficient was used to establish the correlations between all the constructs. To analyse the differences of mean scores for two levels of gender, race, employment status respectively, a parametric and non-parametric statistical test was done and the methods used were the independent t-test and Mann-Whitney respectively. This was done to point out the differences in the mean values, and the trust constructs for the different biographical groups within the organisation. Males generally scored higher on most dimensions, but the differences were only significant for Parts 1 and 2. There were no significant differences between the two language groups or the groups distinguished by employment status.

Chapter 4 will be dedicated to conclusion and recommendations.

CHAPTER 4 CONCLUSIONS AND RECOMMENDATIONS

4.1. INTRODUCTION

The primary objective of this research was to investigate the dyadic interpersonal trust relationship in an organisation in the health sector of the mining industry. The literature study in Chapter 2 examined different definitions of what trust consisted of as well as the outcomes thereof.

In Chapter 3 a statistical analysis was done on 11 different constructs to establish the trust relationship between management and the employees of the health organisation in the mining industry. From the information gained, the following recommendations and levels of trust were made.

Top management must contribute to the enabling structure for the three factors of trustworthiness to be visible in organisations. The degree to which the leadership will be trusted is to understand and discern the employees' propensity to trust and the employees' perception of the management's trustworthiness. This will have an effect on the outcomes of a risk taking relationship. These principals, as presented by Mayer and Davis, were used as examining technique in determining how the employees in this organisation practise trust.

A perception identified in the literature is that trust affects organisations to higher performance levels, higher levels of cooperation, positive attitude as well as other forms of positive behaviour in the work environment.

These levels of trust can be built into an organisation through the main effect that influences the organisational citizenship behaviour and individual performance. The moderating effect provides the conditions under which cooperation, higher performance and more positive attitudes and perception are probable to happen when trust moderates the relationships connecting motivational contrast and workplace behaviours as well as the outcomes.

In conclusion a higher team and organisational performance is noted when there is a higher level of trust in leadership.

Chapter 4 will be committed to illustrate conclusions from the survey as was devoted by in Chapter 1. Chapter 4 will also present recommendations for the subsidiary company's management to focus on, in order to develop the kind of interpersonal trust relationship necessary to create a sustainable competitive advantage. This will be accomplished by evaluating the data from the survey to recognise improvement probabilities. Probable additional research opportunities in the subsidiary company are presented.

4.2 LEVELS OF TRUST IN THE SUBSIDIARY COMPANY

The acknowledgement of the significance of trust within an organisation has developed in current years. There is uncertainty on the ability of management to administer levels of trust successfully, particularly in the short term. The effort to construct trust within an organisation is neither speedy nor effortless. Trust might be successfully managed through managing the risk thereof.

The trust factors must be managed in order for the organisation to be more competitive on all business levels within the subsidiary company. It is important to define trust as in the literature to distinguish trust from its factors that add to it, and distinguish trust from its outcomes of risk taking in the relationship. There is also a distinction from comparable constructs, such as cooperation, confidence and predictability. The factors of the cause of trust, trust itself and outcomes of trust are critical. The measurement of the perceptions of a trustee ability, benevolence and integrity has been measured to establish the extent of the perceived risk involved in engaging the trusting behaviour.

In this survey the mean for these three constructs were above average and indicates an above average perception towards top management's ability, benevolence and integrity. The employees perceive management to have ability and integrity, but are less confident about the benevolence towards the subordinate. The population incline towards a low propensity but do trust the management in the subsidiary company.

A significant finding was that the population had an encouraging perception towards the appraisal system of the organisation. Despite the volatile political and economic context at the time of the survey, participants still felt that their performance appraisals were fair and that they were remunerated according to their efforts.

The sample population shows that they rely on the skills, knowledge and judgement of the leadership because the reliance constructs shows a positive mean. The sample population also revealed that they should disclose information that is important for the company to function at an optimum. The empirical research results indicated the trust levels based on cognitive behaviour and principles tend to be positive.

The results obtained are broadening close to the mean, which indicates the level of agreement in the subcategories in the subsidiary company. This result points towards the employees in the similar subcategories that share the similar consideration and opinion on trust towards leadership.

There are possibilities for improving the trust levels due to the non-uniform spread of the results. The male population, other language groups, and part-time employees are more trusting than others are. The literature study proposes that the mean values should be elevated or optimistic for all categories in order to have an interpersonal trust relationship between the employee and management.

The population that participated in the survey consisted of a general representation from all the functions of the subsidiary company located in Rustenburg. The internal consistency of the survey indicated reliability with all the contrasts. Most constructs present comparatively high mean scores apart from Part 2, Part 5 and Part 8, where the average scores were somewhat below 3, with values of 2.89, 2.88 and 2.94 irrespectively. This points towards a probability that a few employees are more likely to disbelieve trust than others are.

Even though the following factors of trust exist in the organisation and the mean values are predominantly positive, there are noteworthy differences among the biographical groups as highlighted in Chapter 3.

The literature study and analysis of the results support each other in this study. This was highlighted by important factors that are necessary in a trusting environment, such as ability, benevolence, integrity and propensity towards trust.

The survey results have indicated that the population are aware of the importance of an interpersonal trust relationship and that they recognise the factors influencing their individual

feelings around trust. The population also indicated that they trust the appraisal system currently in place. Even though trust emerges all the way through the organisation, the universal theme is that the employees have good faith in one other, are willing to behave reliable, to fulfil commitments and to share information.

4.3 RECOMMENDATIONS

A recommendation according to Covey.S (2006:13) is that trust has an economic side as well, and always affects two outcomes - speed and cost. He indicates that where trust is elevated, the dividend you receive is like a performance multiplier, elevating and improving dimensions of any organisation. High levels of trust materially improve communication, execution, innovation, strategy, engagement, collaborating and relationship with all stakeholders. To have the ability to grow, establish, extend and restore trust with all stakeholders - meaning customers, business partner investors and co-workers - is the key leadership competency of the global economy.

The survey identified significant focus points for the leadership of the subsidiary company to address in order to improve the wellbeing of the organisation. The key principle underlying organisational trust is the alignment that helps leaders to create enabling structure systems and symbols of organisational trust.

The first focus point should be to improve the trust levels of the female population. Because the female population is larger than the male population the leadership should take action in improving trust levels, which will increase trust through the organisation. For the male population action should be taken towards perceiving the idea of trust in the organisation. Leadership should improve the collective entities and try to improve the perception of trust for the male population between the units of the organisation. The flow of information is slightly hindered because the male population discloses less information unreservedly towards management. This has an enormous impact on operations when a problem occurs that they do not disclose the information immediately. This could be because they do not want to be the bearer of bad news and be punished for it.

To improve the trust relationship here the leadership in this organisation can try to create a more transparent environment where the employees would not feel that they would be punished

for disclosing negative information. To do so they must be open, real in what they do, genuine and telling the truth in a way that employees can verify the facts.

Of the different language groups, the Afrikaans/English group in the survey was identified as the group having a perception that management is less trustworthy. Management must focus on their trust relationship with the Afrikaans/English group to improve the dyadic relationship between these two entities. A focus point for management must be that the other language group do not trust their skills and knowledge and they also do not disclose information as easily as the Afrikaans/English group, and this creates the understanding that there are different requirements from management for the different language groups in the organisation.

To rectify the distrust between management and the groups, the leadership should investigate the past and see if they need to apologise for wrongful doings to restore the relationship by showing they care and by having integrity.

The results between the permanent and part-time employees indicated that management should focus on their trust relationship with their permanent employees and for the part-time employee the focus would have to fall on information disclosure.

To restore the trust relationship in this instance, leadership can effectively use two strategies to improve quality and operations throughout the organisation. They need to seek and effectively utilise feedback from internal surveys or external customer surveys to improve working conditions by sending out a message that they want to make life better for employees by listening to what the employee is saying. The second strategy is to gather the information from the survey and to start learning from past mistakes. The leadership must see the mistakes as a kind of feedback that will help them to continuously improve the organisation as a whole.

The leadership of the organisation can use the information gathered from internal surveys to listen and find out what the most important behaviours are of the employees working for them. Leadership must not assume that they know what matter with the employees is; they must listen more to better understand and respect the employees, to experience mutual benefits.

To conclude, management can take actions to increase behaviour and enable structures for trust to increase throughout the organisation. They must set up situations where there is a regular meeting for talking straight to the employees. They should demonstrate respect and

create a transparent environment. They must correct past mistakes and show loyalty. Leadership must clarify expectations of employees and listen to what they have to offer and say. Commitments must be kept to extend trust through all levels of the organisation.

From these results the subsidiary company's management can develop a strategy to address problem areas and to sustain and even improve the positive areas.

4.4 RECOMMENDATIONS FOR FURTHER STUDIES

The low response rate of the survey presents a shortcoming. Follow-up studies should be conducted - including a larger sample, which would improve validity of finding.

The author proposes that a probability sample must be performed, rather than the non-probability convenience sample that was carried out in this survey. Although the current study design was sufficient for the purpose of this dissertation, a random sample would present an opportunity to use inferential statistics that might make findings attractive from an inter-organisational viewpoint.

If the vulnerabilities of the employees in the organisation lead to outcomes that the employees believe are encouraging, the employee will positively re-evaluate some combination of the three factors of leader's trustworthiness. On the other hand, if the employees permit vulnerability to the leaders and perceive being let down by the leaders of the organisation, the employees will reassess some combination of trustworthiness factors as being lower than previously believed.

Currently the performance evaluation system in this organisation contributes to the dyadic trust relationship. The leadership must look at ways to sustain this perception and find ways to increase the use of self-appraisal to enhance the trust relationship. This trust could develop through work behaviours such as role, rules, norms and accurate feedback in a continuous manner.

In the fourth place, the leaders of the organisation can concern themselves more with the trustworthiness of the employees because of the risk that lies in this transaction. The leaders must lead by example that will increase the trust relationship. This can be done through

presentation of characteristics such as communication and attitude. These two characteristics are affected by two factors, namely expertise and trustworthiness.

For future research, the leaders can also investigate units where there is a high turnover of staff to see if it is not linked to the perception that that unit leader is not trustworthy. This could be why employees are resigning. It may be because they are troubled regarding these leader decision-making abilities and that they do not want to put themselves at risk to this leader. These beliefs may stem from perception related to lack of integrity, unfairness, dishonesty and incompetence. Factors that will also influence this could be inaccurate information provided.

Communication is a significant outcome of trust. When a unit is not performing well or as effective as it should, management could investigate the openness and distribution of information in that unit to see if the communication from the lower position subordinates is as expected. If the outcome is negative, the unit manager could be encouraged to invite and acknowledge more input and participation from subordinates and recognise fresh approaches.

To improve the communication is to confront reality and talk about issues head on. It is to create an environment for employees to share good and negative news. By addressing these concerns in the appropriate way, leadership can build trust effectively and build a kind of relationship with their employees that facilitate an open interaction and fast achievement. This will also lead to innovation through creativity, energy and ideas that glow freely.

Lastly, it is recommended that additional studies should not be carried out anonymously in order to improve response rate. This will generate the chance to individually follow up on employees that have not concluded the questionnaire and remind them to complete the survey. This personal interaction could generate opportunities to conduct qualitative research while making contact with employees who have not completed the survey. As this method is more time consuming it was regrettably not possible to implement during this study in order to improve the response rate.

For the bibliographical constructs, a more detailed research is needed to understand the importance of race, age and culture differences.

In conclusion, I recommend that the survey should be expanded to include all the different medical sites. This will allow the coy to establish a baseline for dyadic trust levels within the

organisation that can be monitored and compared between the different sites on a continuous base.

4.5 CONCLUSION

The main purpose of this study was to empirically examine, compare and establish the underlying factors of trust within the subsidiary company on an intra-organisational level. The three factors that influence trustworthiness were assessed, as well as the reliance, disclosure, affect and cognition based trust to establish the characteristics of the organisation.

A survey was conducted at one of the subsidiary company sites to reach this achievement. The conclusion of this survey acknowledged that there are noteworthy differences of how employees observe and understanding management's trust-related behaviour.

The overall feeling towards management's trusting behaviour was positive. A trusting atmosphere is contributing to a sustainable competitive advantage and for this motive, management needs to formulate a considerable attempt to develop the manner in which employees perceive them as trustworthy leaders. To live out the values of this organisation the leaders need to improve the foundations of trust and create a successful business environment.

It can be further concluded that the study obtained its objectives as it was set out in Chapter 1.

4.6 CHAPTER SUMMARY

In this chapter the results of the empirical study of Chapter 3 was summarised by focussing on important dissimilarities inside the organisation connected to the factors of trustworthiness, accuracy of the performance appraisal, reliance, disclosure, as well as affect and cognition based trust. Recommendations were made concerning the focus areas that management needs to address in order to improve the dyadic trust relationship.

In this chapter, the current level of trust in the organisation was presented by a summary of important areas based on the literature and empirical research results. The survey results were analysed in detail in order to conclude which construct and areas necessitate consideration

from management. The trust foundations were understood differently by the employees as indicated by the results of the survey.

Another indication from the survey was that there are important dissimilarities on how certain groups understand the leadership's actions with respect to trust within the organisation. The possibilities for these differences were mentioned.

Recommendations were also made to improve the three trustworthy factors along with the other constructs measured in this survey to identify the dissimilarities between the different language groups, different genders, and the permanent and part-time groups.

To bring to a close, it was stated that the research objective set out in Chapter 1 were met with agreement, and recommendations for potential research within the organisation was recommended.

LIST OF REFERENCES

- Burke, C.S., Sims, E.S., Lazzara, H.E, & Salas, E. 2007. Trust in leadership: A multi-level review and integration. *The Leadership Quarterly*, 18: 606-632.
- Caldwell, C. & Hayes, L.A. 2007. Leadership, trustworthiness, and the mediating lens. *Journal of Management Development*, 26(3): 261–281.
- Clark, L.A. & Watson, D. 1995. Constructing validity: basic issues in objective scale development. *Psychological Assessment*, 7(3):309-319.
- Colquitt, J., Lepine., J.A. & Wesson, M.J., 2008. Organization behaviour Essentials for Improving Performance and Commitment. 2nd ed. McGraw-Hill/Irwin. p. 219-242.
- Covey, S.M.R. 2006. The speed of trust. New York, NY: Free Press.
- Cummings, L. & Bromiley, P. 1996 The Organizational Trust Inventory (OTI): Development and validation. in R.Kramer ,& T. Tyler(Eds.), trust in organization. Thousand Oaks, California: Sage. 302-330.
- Dirks, K.T. & Ferrin, L. 2001. The role of trust in organisation settings. *Journal of organization science*, 12(4):450-467
- Dirks, K.T. & Ferrin, L. 2002. Trust in leadership: Meta-Analytic Findings and Implications for research and Practice. *Journal of Applied Psychology*, 87(4):611-628.
- Edmondson, A.C. 2003. Speaking up in the operating room: how team leaders promote learning in interdisciplinary action teams. *Journal of Management Studies*,40(6):1419–1452.
- Ellis, S.M. & Steyn, H.S., 2003. Practical significance (effect sizes) versus or in combination with statistical significance) p-values), *Management dynamics*, 12(4):51-53
- Field, A. 2005. Discovering statistics using SPSS. 2nd ed. London: Sage Publications.

- Field, A. 2009. Discovering statistics using SPSS. 3rd ed. London: Sage Publications.
- Fleishman, E.A., Mumford, M.D., Zaccaro, S.J., Levin, K.Y., Korotkin, A.L. & Hein, M.B. 1991. Taxonomic efforts in the description of leadership behavior: a synthesis and functional interpretation. *Leadership Quarterly*, 2: 245–287.
- Gall, M.D., Borg, W.R. & Gall, J.P. 1996. Educational research: an introduction. 6th ed. New York : Longman. 753 p.
- Gillespie, N. 2003. Measuring trust in work relationships: The Behavioral Trust Inventory. Paper presented at the annual meeting of the Academy of Management, Seattle, WA. p.1-55
- Jones, G. & George.J. 1998. The experience and evolution of trust: Implications for cooperation and teamwork. *Journal of Academy of Management Review*, 23: 531-546.
- Kramer, R. 1999. Trust and distrust in organisations: Emerging perspectives, enduring questions. *Annual Review of Psychology*. 50: 569-598.
- Lehman, A. 2007. Jmp For Basic Univariate And Multivariate Statistics. 4th ed. Cary ,NC: SAS Institute Inc.
- Lewis, J.D. & Weigert, A. 1985. Trust as a social reality. *Social forces*, 63:967-985.
- Mayer, R.C. & Gavin, M. 1999. Trust for management and performance: Who minds the shop while the employees watch the boss? Paper presented at the Annual Meeting of the Academy of Management, Chicago, IL, August.
- Mayer, R.C., Schoorman, F.D. & Davis, J.H. 1995. An integrative model of organizational trust. *Journal of academy management review*, 20(3): 709-734.
- McAllister, D.J. 1995. Affect- and cognition-based trust as foundation for interpersonal cooperation in organizations. *Journal of academy of management*, 38(1): 24-59.

Mishra, A.K. & Spreitzer, G.M. 1998. Explaining how survivors respond to downsizing: The roles of trust, empowerment, justice, and work redesign. *Journal of Academy Management Review*, 23:567-588.

Neuman, W.L. 1997. Social research methods: qualitative and quantitative approaches. 3rd ed. Boston, Mass: Allyn & Bacon

Nunnally, J. & Bernstein, I.H. 1994. Psychometric theory, 3rd ed. New York, McGraw-Hill Inc.

Rothner, E. 2005. Psychological well-being and job satisfaction of employees in a financial institution. NWU: Potchefstroom (Mini-dissertation – Masters). 61p.

Rousseau, D.M., Sitkin, S.B., Burt, R.S., & Camerer, C. 1998. Not so different after all: a cross-discipline view of trust. *Academy of Management Review*, 23(3): 393–404.

Schoormanm F.D., Mayer, R.C. & Davis, J.H. 2007. An Integrative Model of organizational trust: Past ,Present, and future. *Academy of management review*, 23:393-404p.

SPSS Inc. (2009). PASW Statistics 18, Release Version 18.0.0. Copyright© by SPSS, Inc., Chicago, IL. www.spss.com.

StatSoft, Inc. (2011). STATISTICA (data analysis software system), version 10. www.statsoft.com.

Welman, C., Kruger, F. & Mitchel, B. 2005. Research methodology. 3rd ed. Cape Town: Oxford University Press.

Whitener, E.M., Brodt, S.E., Korsgaard, M.A., & Werne, J.M. 1998. Managers as initiators of trust: an exchange relationship framework for understanding managerial trustworthy behavior. *Journal of Academy of Management Review*, 23(3): 513–530.

APPENDIX A: OTI SHORT QUESTIONNAIRE

INTRODUCTION: These questions investigate perceptions of trust and trustworthiness in an organisational context. You are requested to construct a personal code by following the instructions given below. This code will only be known to you, and thus presents no danger of harming your anonymity or the confidentiality of the information given herein. If there would be a future trust measurement data gathering, you will be asked the same question, in order for you to reconstruct your code. This code will enable the researcher to study the development of trust over time, while you still remain anonymous. The code is made up of the following:

	Example	Your code
1. Give the first and last letter of the city or town in which you were born	Johannesburg = JG	
2. Give the first and last letter of your mother's maiden name (surname before she got married)	Mnisi = MI	
3. Give the first and last letter of your father's name	John = JN	

Section A:

Mark the appropriate option with a X:

- Year of birth: 19_____
- Gender: ☐ 1 Male ☐ 2 Female
- Educational qualifications (Mark only the highest level of education)

☐ 1 Grade 12 (Matric) ☐ 2 Post matric qualification (Diploma)

☐ 3 University degree (BA, BCom, BSc) ☐ 4 Postgraduate degree (Honours, Masters or Doctorate)
- What is your home / first language?

☐ 1 Afrikaans ☐ 2 English ☐ 3 Sepedi ☐ 4 Sesotho

☐ 5 Setswana ☐ 6 isiSwati ☐ 7 Tshivenda ☐ 8 isiNdebele

☐ 9 isiXhosa ☐ 10 isiZulu ☐ 11 isiTsonga
- Which of the following best describes your employment status?

☐ 1 Permanent ☐ 2 Part-time
- Your department or unit where you work is:

☐ 1 OHC ☐ 2 OPD ☐ 3 Pharmacy ☐ 4 Wards

☐ 5 Kitchen ☐ 6 Administration ☐ 7 Medical Aid ☐ 8 Maintenance
- How many years have you been working in the current position for the current employer?

☐ 1 (0-3) ☐ 2 (3-6) ☐ 3 (6-9)

☐ 4 (9-12) ☐ 5 (12-15) ☐ 6 (15-18)

☐ 7 (18-21) ☐ 8 (21-24) ☐ 9 (24-27)

☐ 10 (27-30) ☐ 11 (30-33) ☐ 12 (33-36)

Section B:**MEASURES OF TRUST, TRUSTWORTHINESS AND PERFORMANCE APPRAISAL PERCEPTIONS**

Think about Platinum Health and the management, the leader in your unit as well as your immediate head of department.

Indicate the degree to which you agree with each statement by using the following scale:

For each statement, indicate by marking with a cross the number that best describes how much you agree or disagree with each statement.

1	2	3	4	5
Disagree strongly	Disagree	Neither agree nor disagree	Agree	Agree strongly

Part 1

1. Top management is very capable of performing its job.	1	2	3	4	5
2. Top management has much knowledge about the work that needs to be done.	1	2	3	4	5
3. I feel very confident about top management's skills.	1	2	3	4	5
4. Top management has specialized capabilities that can increase our performance.	1	2	3	4	5
5. Top management is known to be successful at the things it tries to do	1	2	3	4	5
6. Top management is well qualified	1	2	3	4	5

Part 2

1. Top management is very concerned about my welfare.	1	2	3	4	5
2. My needs and desires are very important to top management.	1	2	3	4	5
3. Top management would not knowingly do anything to hurt me.	1	2	3	4	5
4. Top Management really looks out for what is important to me.	1	2	3	4	5
5. Top Management will go out of its way to help me.	1	2	3	4	5

Part 3

1. Top management has a strong sense of justice.	1	2	3	4	5
2. I never have to wonder whether top management will stick to its word.	1	2	3	4	5
3. Top management tries hard to be fair in dealings with others.	1	2	3	4	5
4. Top management's actions and behaviours are not very consistent.	1	2	3	4	5
5. I like the top management's values.	1	2	3	4	5
6. Sound principles seem to guide top management behaviour.	1	2	3	4	5

Part 4

1.** If I had my way, I wouldn't let the top management have any influence over issues that are important to me.	1	2	3	4	5
2. I would be willing to let top management have complete control over my future in this company.	1	2	3	4	5
3.** I really wish I had a good way to keep a good eye on top management.	1	2	3	4	5
4. I would be comfortable giving top management a task or problem, which was critical to me, even if I could monitor their actions.	1	2	3	4	5

Part 5

1. **One should be very cautious with strangers.	1	2	3	4	5
2. Most experts tell the truth about the limits of their knowledge.	1	2	3	4	5
3. Most people can be counted on to do what they say they will do.	1	2	3	4	5
4. These days, you must be alert or someone is likely to take advantage of you.	1	2	3	4	5
5.** Most sales persons are honest in describing products.	1	2	3	4	5
6. Most repair people will not overcharge people who are ignorant of their speciality.	1	2	3	4	5
7. Most people answer public opinion polls	1	2	3	4	5

honestly.					
8. Most adults are competent at their jobs.	1	2	3	4	5

Part 6

1. The evaluation of the skills I have is pretty accurate.	1	2	3	4	5
2. How much work I get done is important to my performance review.	1	2	3	4	5
3. How many mistakes I make in my work is important to my performance review.	1	2	3	4	5
4. Whether or not my supervisor likes me is important to my performance review.	1	2	3	4	5
5. How much effort I put into my job is important to my performance review.	1	2	3	4	5
6. How many "extra" things I do is important to my performance review.	1	2	3	4	5
7. Finding ways for the company to save money is important to my performance review.	1	2	3	4	5
8. Coming up with good ideas for the company improves my performance review.	1	2	3	4	5

Part 7

1. Whether or not I get a raise depends on my performance.	1	2	3	4	5
2. If you are one of the better performers in this company, you will get one of the better raises.	1	2	3	4	5
3. If I perform well, my chances of moving up are improved.	1	2	3	4	5

Part 8

1. I think that people in top management tell the truth in negotiations.	1	2	3	4	5
2. I think that top management meets its negotiated obligations to our department.	1	2	3	4	5
3. In my opinion, top management is reliable.	1	2	3	4	5
4.** I think that people in top management succeed by stepping on other people.	1	2	3	4	5
5.** I feel that top management tries to get the upper hand.	1	2	3	4	5
6.** I think that top management takes advantage of our problems.	1	2	3	4	5
7. I feel that top management negotiates honestly with us.	1	2	3	4	5
8. I feel top management will keep its word.	1	2	3	4	5
9. I think that top management does not mislead us.	1	2	3	4	5
10.** I feel that top management tries to get out of its commitments.	1	2	3	4	5
11. I feel that top management negotiates joint expectations fairly.	1	2	3	4	5
12.** I feel that top management takes advantage of people who are vulnerable.	1	2	3	4	5

Section C

Please take note: The question and scale of section C differs from the previous section.

Please indicate how willing you are to engage in each of the following behaviours with your head of department by making a cross:

Where 1 = NOT AT ALL WILLING to 7 = COMPLETELY WILLING

Part 1

1. Rely on your leader's task related skills and abilities.	1	2	3	4	5	6	7
2. Depend on your leader to handle an important issue on your behalf.	1	2	3	4	5	6	7
3. Rely on your leader to represent your work accurately to others.	1	2	3	4	5	6	7
4. Depend on your leader to back you up in difficult situations.	1	2	3	4	5	6	7
5. Rely on your leader's work-related judgements.	1	2	3	4	5	6	7
6.** Share your personal feelings with your leader.	1	2	3	4	5	6	7
7. Discuss work-related problems or	1	2	3	4	5	6	7

difficulties with your leader that could potentially be used to disadvantage you.							
8. Confide in your leader about personal issues that are affecting your work.	1	2	3	4	5	6	7
9. Discuss how you honestly feel about your work, even negative feelings and frustration.	1	2	3	4	5	6	7
10. Share your personal beliefs with your leader.	1	2	3	4	5	6	7

Section D:

Please take note that the question and scale in section D differs from previous sections.

Please indicate how you agree or disagree with the following behaviours of your head of department by making a cross, where

1= STRONGLY DISAGREE TO 7 = STRONGLY AGREE

Part 1

1. This person approaches his / her job with professionalism and dedication.	1	2	3	4	5	6	7
2. Given this person's track record, I see no reason to doubt his / her competence and preparation for the job.	1	2	3	4	5	6	7
3. I can rely on this person not to make my job more difficult by careless work.	1	2	3	4	5	6	7
4. Most people, even those who aren't close friends of this individual, trust and respect him / her at work.	1	2	3	4	5	6	7
5. Other work associates of mine who must interact with this individual consider him / her trustworthy.	1	2	3	4	5	6	7
6. If people knew more about this individual and his / her background, they would be more concerned and monitor his / her performance more closely.	1	2	3	4	5	6	7
7. We have a sharing relationship. We can both freely share our ideas, feelings and hopes.	1	2	3	4	5	6	7
8. I can talk freely to this individual about difficulties I am having at work and know that (s)he will want to listen.	1	2	3	4	5	6	7
9. We would both feel a sense of loss if one of us was transferred and we could no longer work together.	1	2	3	4	5	6	7
10. If I shared my problem with this person, I know (s)he would respond constructively and caringly.	1	2	3	4	5	6	7
11. I would have to say that we have both made considerable emotional investments in our working relationship.	1	2	3	4	5	6	7

** indicates reverse code

APPENDIX B: DESCRIPTIVE STATISTICS

Part 1

	%	%	%	%	%	Missing	Mean	Std Deviation
1. Top management is very capable of performing its job.	5.3	12.4	15.9	46.0	20.4		3.64	1.102
2. Top management has much knowledge about the work that needs to be done.	7.1	14.2	15.0	43.4	20.4		3.56	1.172
3. I feel very confident about top management's skills.	4.5	11.6	25.0	43.8	15.2	1	3.54	1.030
4. Top management has specialized capabilities that can increase our performance.	5.4	13.4	25.0	39.3	17.0	1	3.49	1.090
5. Top management is known to be successful at the things it tries to do.	2.7	15.0	23.0	44.2	15.0		3.54	1.009
6. Top management is well-qualified.	3.6	7.3	26.4	44.5	18.2	3	3.66	.979

Part 2

	%	%	%	%	%	Missing	Mean	Std. deviation
1. Top management is very concerned about my welfare.	15.0	24.8	29.2	21.2	9.7		2.86	1.202
2. My needs and desires are very important to top management.	18.6	31.0	23.9	21.2	5.3		2.64	1.165
3. Top management would not knowingly do anything to hurt me.	5.4	17.0	35.7	25.9	16.1	1	3.30	1.097
4. Top Management really looks out for what is important to me.	15.0	23.0	37.2	16.8	8.0		2.80	1.135
5. Top Management will go out of its way to help me.	16.1	17.9	39.3	16.1	10.7	1	2.88	1.186

Part 3

	%	%	%	%	%	Missing	Mean	Std. deviation
1. Top management has a strong sense of justice.	10.7	20.5	33.9	27.7	7.1	1	3.00	1.099
2. I never have to wonder whether top management will stick to its word.	11.6	28.6	33.0	19.6	7.1	1	2.82	1.100
3. Top Management tries hard to be fair in dealings with	10.8	22.5	32.4	26.1	8.1	2	2.98	1.120

others.								
4. Top Management's actions and behaviours are not very consistent.	9.0	15.3	36.9	30.6	8.1	2	3.14	1.066
5. I like the Top Management's values.	4.5	15.2	40.2	25.9	14.3	1	3.30	1.038
6. Sound principles seem to guide Top Management's behaviour.	4.5	16.1	40.2	32.1	7.1	1	3.21	.953

Part 5

	%	%	%	%	%	Missing	Mean	Std Deviation
1. One should be very cautious with strangers.	4.4	7.1	8.8	46.9	32.7		3.96	1.052
2. Most experts tell the truth about the limits of their knowledge.	8.1	22.5	32.4	29.7	7.2	2	3.05	1.069
3. Most people can be counted on to do what they say they will do.	4.5	30.6	27.0	27.9	9.9	2	3.08	1.080
4. These days, you must be alert or someone is likely to take advantage of you.	1.8	7.1	14.2	49.6	27.4		3.94	.929
5. Most sales persons are honest in describing products.	17.9	29.5	26.8	17.0	8.9	1	2.70	1.207
6. Most repair people will not overcharge people who are ignorant of their speciality.	18.6	29.2	28.3	15.9	8.0		2.65	1.186
7. Most people answer public opinion polls honestly.	17.0	24.1	29.5	21.4	8.0	1	2.79	1.194
8. Most adults are competent at their jobs.	8.9	28.6	24.1	29.5	8.9	1	3.01	1.143

Part 6

	%	%	%	%	%	Missing	Mean	Std. deviation
1. The evaluation of what skills I have is pretty accurate.	2.7	13.4	17.0	50.9	16.1	1	3.64	.994
2. How much work I get done is important to my performance review.	0.9	5.4	14.3	50.0	29.5	1	4.02	.859
3. How many	2.7	5.3	13.3	55.8	23.0		3.91	.902

mistakes I make in my work is important to my performance review.								
4. Whether or not my supervisor likes me is important to my performance review.	5.4	13.4	17.9	42.9	20.5	1	3.60	1.119
5. How much effort I put into my job is important to my performance review.	4.4	7.1	11.5	43.4	33.6		3.95	1.068
6. How many "extra" things I do is important to my performance review.	8.8	8.0	14.2	39.8	29.2		3.73	1.219
7. Finding ways for the company to save money is important to my performance review.	3.5	8.0	16.8	39.8	31.9		3.88	1.059
8. Coming up with good ideas for the company improves my performance review.	4.4	13.3	19.5	32.7	30.1	•	3.71	1.163

Part 7

	%	%	%	%	%	Missing	Mean	Std. deviation
1. Whether or not I get a raise depends on my performance.	13.3	19.5	14.2	35.4	17.7		3.25	1.320
2. If you are one of the better performers in this company, you will get one of the better raises.	15.9	24.8	23.0	25.7	10.6		2.90	1.253
3. If I perform well, my chances of moving up are improved.	15.5	20.0	16.4	33.6	14.5	3	3.12	1.318

Part 8

	%	%	%	%	%	Missing	Mean	Std. deviation
1. I think that people in top management tell the truth in negotiations.	14.2	28.3	37.2	12.4	8.0		2.72	1.106
2. I think that top management meets its negotiated obligations to our department.	12.4	26.5	32.7	23.0	5.3		2.82	1.088
3. In my opinion, top management is reliable.	8.0	30.4	28.6	23.2	9.8	1	2.96	1.122
4. I think that people in top management succeed by stepping on other	8.8	23.0	33.6	28.3	6.2		3.00	1.061

people.								
5. I feel that top management tries to get the upper hand.	7.2	22.5	28.8	36.9	4.5	2	3.09	1.032
6. I think that top management takes advantage of our problems.	12.6	24.3	28.3	29.7	4.5	2	2.89	1.107
7. I feel that top management negotiates honestly with us.	12.4	32.7	31.9	15.9	7.1		2.73	1.096
8. I feel top management will keep its word.	8.0	32.1	27.7	25.9	6.3	1	2.90	1.074
9. I think that top management does not mislead us.	8.8	31.9	28.3	25.7	5.3		2.87	1.065
10. I feel that top management tries to get out of its commitments.	11.5	29.2	31.9	22.1	5.3		2.81	1.076
11. I feel that top management negotiates joint expectations fairly.	7.1	31.0	32.7	23.9	5.3		2.89	1.021
12. I feel that top management takes advantage of people who are vulnerable.	14.3	25.9	30.4	20.5	8.9	1	2.84	1.174

Section C:

	%	%	%	%	%	%	%	Missing	Mean	Std. deviation
1. Rely on your leader's task related skills and abilities.	7.1	5.3	8.0	15.9	14.2	33.6			5.05	1.898
2. Depend on your leader to handle an important issue on your behalf.	7.1	11.5	5.3	15.0	13.3	13.3	34.5		4.94	2.019
3. Rely on your leader to represent your work accurately to others.	10.6	5.3	7.1	13.3	14.2	19.5	30.1		4.94	2.006
4. Depend on your leader to back you up in difficult situations.	12.5	4.5	8.0	5.4	17.0	14.3	38.4	1	5.06	2.119
5. Rely on your leader's work-related judgements.	15.3	5.4	6.3	10.8	16.2	17.1	28.8	2	4.74	2.144
6. Share your personal feelings with your leader.	22.3	6.3	9.8	13.4	12.5	12.5	23.2	1	4.18	2.255
7. Discuss work-related problems or	18.6	4.4	10.6	13.3	15.0	14.2	23.9		4.40	2.169

difficulties with your leader that could potentially be used to disadvantage you.										
8. Confide in your leader about personal issues that are affecting your work.	15.9	4.4	7.1	16.8	17.7	11.5	26.5		4.57	2.104

Section D:

	%	%	%	%	%	%	%	Missing	mean	Std. deviation
1. This person approaches his / her job with professionalism and dedication.	6.3	1.8	8.0	13.4	13.4	16.1	41.1	1	5.38	1.817
2. Given this person's track record, I see no reason to doubt his / her competence and preparation for the job.	6.3	2.7	6.3	16.2	10.8	13.5	44.1	2	5.40	1.855
3. I can rely on this person not to make my job more difficult by careless work.	9.8	3.6	10.7	8.9	11.6	15.2	40.2	1	5.15	2.045
4. Most people, even those who are not close friends of this individual, trust and respect him / her at work.	10.7	3.6	8.0	13.4	11.6	14.3	38.4	1	5.08	2.050
5. Other of my work associates who must interact with this individual consider him / her trustworthy.	11.6	6.3	8.9	13.4	8.9	20.5	30.4	1	4.85	2.085
6. If people knew more about this individual and his / her background, they would be more concerned and monitor his / her performance more closely.	23.2	10.7	9.8	14.3	15.2	11.6	15.2	1	3.83	2.147
7. We have a sharing relationship. We can both freely share our ideas, feelings and hopes.	13.4	4.5	10.7	11.6	17.0	17.9	25.0	1	4.68	2.050