Trust Propensity as a Moderator in the Relationship between Perceived Manager Trustworthiness and Job Performance

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The purpose of this study was to investigate the relationship between perceived manager trustworthiness and job performance considering the moderating role of trust propensity. A sample of 300 employees of National Iranian South Oil Company (NISOC) in Ahvaz, Iran was selected by the stratified random sampling method and completed the Perceived Manager Trustworthiness Scale (Mayer & Davis, 1999), the Trust Propensity Scale (Jarvepaa, Knoll, & Leinder, 1998) and the Job Performance Scale (Williams & Anderson, 1991). The data were analyzed using hierarchical regression analysis. The results indicated that perceived manager trustworthiness was positively related to job performance and employee’s trust propensity can moderate this relationship. It can be concluded that perceived manager trustworthiness is an important factor in promoting job performance and this relationship will be stronger when employees have high levels of trust propensity.

Keywords: perceived manager trustworthiness, trust propensity, job performance

The basic concern of behavioral sciences is to understand the behaviors of employees, make future predictions and control their behaviors and thus to increase the efficiency of employees and organizational efficacy. In an organizational context, the job performance increase, which is vital to success, is not an automatic process and is affected by numerous variables and factors. According to Campbell (1990), job performance represents behaviors employees engage in while at work that contributes to the organizational goals. In this context, employee’s job performance can be
affected by trust in the organization and also the relationships among the employees (Çelik, 2011).

Trust is believed by many to be a crucial ingredient of organizational effectiveness. Researchers have found this variable to be predictive of important employee’s reactions, behaviors and performance as well as playing a moderating role in various organizational processes (Tan & Lim, 2009). Trust has become an important topic of inquiry in a variety of disciplines, including management, ethics, sociology, psychology, and economics. Although this multidisciplinary perspective has created a breadth that strengthens the trust literature (Bigley & Pearce, 1998; Rousseau, Sitkin, Burt, & Camerer, 1998), it also has created confusion about the definition and conceptualization of the trust construct. In this vein, two articles published in the mid-to-late 1990s attempted to clarify some of this confusion (Mayer, Davis, & Schoorman, 1995; Rousseau, Sitkin, Burt, & Camerer, 1998). Mayer et al.’s integrative model defined trust as the willingness of a trustor to be vulnerable to the actions of a trustee based on the expectation that the trustee will perform a particular action. Similarly, Rousseau et al.’s cross-discipline review defined trust as a psychological state comprising the intentions to accept vulnerability based on positive expectations of the actions of the trustee. Both definitions have two primary components. One component is the intention to accept vulnerability and the other component is positive expectations which are rooted in several earlier conceptualizations of trust (Colquitt, Scott & Lepine, 2007). According to the integrative model of trust (Mayer et al., 1995), trust is separated from perceived trustworthiness, with three characteristics of the trustee (ability, benevolence and integrity) appearing as antecedents of trust. Also, Gabarro (1978) suggested that perceived trustworthiness is a multifaceted construct that captures the competence and character of the trustee. In addition, this integrative model drew a distinction between trust as a situational state and trust as a personality variable, with trust propensity defined as a stable individual difference that affects the likelihood that a
person will trust (Rotter, 1967). Given its role within organizations, it is not surprising that researchers and practitioners alike are interested in identifying the mechanisms through which trust and its components can be developed as well as those factors which moderate their relationships (Burke, Sims, Lazzara & Salas, 2007). In an organization, a prevalent form of relationship is that between a subordinate and a supervisor/manager which plays a critical role in hierarchical, dyadic relationships because of the dependency and vulnerability of employees to their supervisor (Afsar & Saeed, 2010). Several studies showed that trust have influences on processes such as communication, cooperation, information sharing, satisfaction, perceived effectiveness of the manager, increased discretionary behaviors (i.e., organizational citizenship behaviors), increased upward communication, decreased turnover and improved job performance/stability (Burke et al., 2007). Trust researchers argue that employees see managers as trustworthy when they judge their managers as deserving of positive expectations, which is a function of three dimensions: benevolence, integrity, and ability. In addition to trust cues from managers, employees intuitively rely on their internal dispositional cues as important sources for increasing important outcomes such as job performance, OCBs and affective commitment (Colquitt et al., 2007).

Several studies showed the mechanisms, such as trust propensity (Mayer, et al, 1995 & Burke et al, 2007), perceived task significance (Grant & Sumauth, 2009) and ability to focus (Fraizer, Johnson, Gavin, Gooty & Bradley, 2010), through which perceived manager trustworthiness relates to job performance. In summary, literature has supported the findings that perceived manager trustworthiness is likely to increase job performance and trust propensity moderates this relationship. In other words, the higher employees' trust propensity will lead to stronger positive association of employees' perceptions of managers as trustworthy and the higher their job performance. So the main purpose of the current study is to expand on prior research by examining the moderating role of trust propensity in the relationship of
perceived manager trustworthiness and employee’s job performance. Figure 1 depicts these relationships.

![Figure 1. Hypothetical Pattern of Relationship between Research Variables](image)

**Background and Hypotheses**

**Perceived Manager Trustworthiness**

Mayer et al. (1995) defined trust as an individual’s (i.e., the trustor) willingness to be vulnerable to the actions of another party (i.e., trustee), even when the other party cannot be monitored or controlled. Mayer and colleagues cast trustworthiness perception as an antecedent to trust. According to this model, trustworthiness concerns the perceptions about a trustee’s characteristics that influence the extent to which a trustor makes oneself vulnerable to the trustee (Frazer, Johnson, Gavin, Gooty & Bradley, 2010). Among many characteristics in the trust literature, Mayer et al. (1995) focused on three of the most prominent factors of perceived trustworthiness: trustee’s ability, benevolence and integrity. Each of these elements has unique and combined influences on trust, and its relative importance largely depends on the referent and situation. Several studies (e.g., Frazer et al., 2010; Mayer & Davis, 1999; Mayer & Gavin, 2005) indicated that ability, benevolence, and integrity of the trust target are related to trust.
**Ability** has been defined as, the group of skills, competencies, and characteristics that enable a party to have influence with some specific domains (Mayer et al., 1995).

**Benevolence** reflects the trustor’s belief that the trustee has the trustor’s best interests in mind and cares about the trustor. Benevolent managers are those that are perceived to genuinely care about their subordinates and convey authentic concern in relationships (Caldwell & Hayes, 2007). In turn, subordinates that perceive their managers as benevolent are also more likely to reciprocate this care and concern by being motivated to work harder, persist longer, and engage in extra-role behaviors (i.e., OCBs), even when there is no extrinsic reward.

**Integrity** is defined as the trustor’s perception that the trustee adheres to a set of principles that the trustor finds acceptable (Mayer et al., 1995, p. 719). A number of researchers have linked manager integrity to the trust held by their subordinates for their managers (Burke, & Pearce, 2007). There are two distinct components of this definition: (1) trustee (i.e., manager) consistently following a set of principles, and (2) degree to which that set of principles is deemed morally correct by the trustor (i.e., subordinate). Mayer et al. (1995) argued that integrity is judged by examining previous behaviors, reputation, the similarity between the manager's behaviors and the subordinate's internal beliefs, and the consistency between words and actions (Afsar & Saeed, 2010). Integrity is an important component because if followers feel that their managers cannot be trusted, they will spend less effort on performance and expend more energy documenting performance and finding workarounds. Studies show that when people are required to monitor the behavior of another individual, trust in that individual diminishes (Hall, Blass, Ferris, & Massengale, 2004). When managers are perceived as dishonest and lacking integrity, subordinates will not commit to achieving goals set forth by manager due to fears of vulnerability. However, if followers believe their leaders to have a great deal of integrity, they will be more inclined to engage in riskier behavior such as divulging information.
Perceived Manager Trustworthiness and Job Performance

Trust is needed in the supervisor-subordinate relationship because of interdependence (Lam, Loi & Leong, 2011). Subordinates depend on their managers to accomplish personal goals, career progression, and salary attainment (Rupp & Cropanzano, 2002). Empirical researches showed that perceived manager trustworthiness can affect important work outcomes including job performance, organizational commitment, job satisfaction, and intention to quit (Lau & Lam, 2008). Also, several studies indicated that individuals with high perceived manager trustworthiness are more likely to experience the higher level of job performance (e.g., Colquitt et al, 2007 & Grant & Sumanth, 2009) and there are theoretical explanations and much empirical evidence for this relationship.

**Hypothesis 1:** Perceived ability relates positively to job performance.

**Hypothesis 2:** Perceived benevolence relates positively to job performance.

**Hypothesis 3:** Perceived integrity relates positively to job performance.

Moderating Role of Trust Propensity

Trust theories suggest that employee’s trust propensity can moderate the relationship of perceived manager trustworthiness and job performance (Grant & Sumanth, 2009). In other words, Mayer et al. (1995) noted that employees with a high trust propensity will have greater confidence in their manager's actions and will thereby be more likely to increase their level of job performance. Accordingly, when employees with high trust propensity perceived their manager as trustworthy, may serve a positive function in strengthening their job performance. From a theoretical view, Grant & Sumanth (2009) argued that a high propensity to trust may compensate for a lack of confidence that managers are trustworthy. The logic underlying this idea is that in the absence of manager
trustworthiness, employees may use their own high trust propensities to make judgments about their manager’s trustworthiness. General support for this proposition appears in Mayer et al. (1995) integrative model of organizational trust.

**Hypothesis 4:** Trust propensity moderates the relationship between perceived ability and job performance. That is, the higher the trust propensity, the stronger the positive relationship between perceived ability and job performance.

**Hypothesis 5:** Trust propensity moderates the relationship between perceived benevolence and job performance. That is, the higher the trust propensity, the stronger the positive relationship between perceived benevolence and job performance.

**Hypothesis 6:** Trust propensity moderates the relationship between perceived integrity and job performance. That is, the higher the trust propensity, the stronger the positive relationship between perceived integrity and job performance.

**Method**

**Participants**

The participants of this study were 300 employees of National Iranian South Oil Company (NISOC) in Ahvaz, who were selected by the stratified random sampling method. All together, 286 questionnaires were returned and analyzed (a response rate of 95.33%). Of 286 respondents, 82% were men; average age was 41 years, and average tenure of 15.2 years.

**Measures**

*The perceived manager trustworthiness scale.* A 17-item scale from Mayer and Davis (1999) was used to measure the perceived manager trustworthiness. Items are rated on a 5-point likert scale from 1 (strongly disagree) to 5 (strongly agree). Perceived trustworthiness-ability was assessed by six items, including “My manager is very capable of
performed his/her job.” Perceived trustworthiness-benevolence was assessed by five items, including “My needs and desires are very important to my manager.” Perceived trustworthiness-integrity was assessed by six items, including “My manager tries hard to be fair in dealings with others.” Tan & Lim (2009) reported Cronbach’s alpha of .90 to .94 for the three subscales. In the present study Cronbach’s alpha was .90 for ability, .87 for benevolence and .94 for integrity.

The trust propensity scale. The 7-item scale developed by Jarvepaa, Knoll, and Leinder (1998) was used to assess the employee’s trust propensity with the sample item of “Most managers tell the truth about the limits of their knowledge”. Participants responded on a 7-point Likert-type scale from 1 (strongly disagree) to 7 (strongly agree). Matiella (2011) estimated its reliability by Cronbach’s alpha to be .86 and in the current study the reliability was .95.

The job performance scale. Job performance was measured with 7 items from a 21-item scale developed by Williams and Anderson (1991). Sample item include “Fulfills responsibilities specified in job description”. This measure used a 1-5 response scale (1, strongly agree, to 5, strongly disagree). Taylor (2010) reported Cronbach’s alpha of .89 for this scale and in the current study the reliability was .93.

**Results**

Means, standard deviations and correlations between research variables are shown in Table 1.

<table>
<thead>
<tr>
<th>Variables</th>
<th>M</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Ability</td>
<td>20.48</td>
<td>5.88</td>
<td>___</td>
<td>___</td>
<td>___</td>
<td>___</td>
<td>___</td>
</tr>
<tr>
<td>2. Benevolence</td>
<td>17.63</td>
<td>6.32</td>
<td>.80*</td>
<td>___</td>
<td>___</td>
<td>___</td>
<td>___</td>
</tr>
<tr>
<td>3. Integrity</td>
<td>20.50</td>
<td>7.55</td>
<td>.90*</td>
<td>.92*</td>
<td>___</td>
<td>___</td>
<td>___</td>
</tr>
<tr>
<td>4. Trust propensity</td>
<td>31.88</td>
<td>14.13</td>
<td>.91*</td>
<td>.86*</td>
<td>.93*</td>
<td>___</td>
<td>___</td>
</tr>
<tr>
<td>5. Job performance</td>
<td>25.20</td>
<td>6.60</td>
<td>.87*</td>
<td>.76*</td>
<td>.87*</td>
<td>.94*</td>
<td>___</td>
</tr>
</tbody>
</table>

*p < 0.001
The results of hierarchical regression analyses in the prediction of job performance are reported in Table 2.

**Table 2**

Results of Hierarchical Regression Analyses

<table>
<thead>
<tr>
<th>Variable</th>
<th>Main effects</th>
<th>Main effects</th>
<th>interactional effects</th>
</tr>
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<tr>
<td></td>
<td>(1) β</td>
<td>(2) β</td>
<td>β</td>
</tr>
<tr>
<td><strong>Step 1</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability</td>
<td>.41*</td>
<td>.06</td>
<td>.29**</td>
</tr>
<tr>
<td>Benevolence</td>
<td>.16**</td>
<td>.22*</td>
<td>.34*</td>
</tr>
<tr>
<td>Integrity</td>
<td>.65*</td>
<td>.13**</td>
<td>.25*</td>
</tr>
<tr>
<td><strong>Step 2</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust propensity</td>
<td>___</td>
<td>.95*</td>
<td>.59**</td>
</tr>
<tr>
<td><strong>Step 3</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ability X Trust propensity</td>
<td>___</td>
<td>___</td>
<td>.60**</td>
</tr>
<tr>
<td>Benevolence X trust propensity</td>
<td>___</td>
<td>___</td>
<td>.52*</td>
</tr>
<tr>
<td>Integrity X trust propensity</td>
<td>___</td>
<td>___</td>
<td>.54*</td>
</tr>
<tr>
<td>ΔR²</td>
<td>___</td>
<td>.09</td>
<td>.01</td>
</tr>
<tr>
<td>R²</td>
<td>.80</td>
<td>.89</td>
<td>.90</td>
</tr>
<tr>
<td>F</td>
<td>440.930*</td>
<td>699.857*</td>
<td>449.971*</td>
</tr>
</tbody>
</table>

*p<.001  **p<.05

In support of hypotheses 1, 2 and 3, perceived manager trustworthiness facets (ability, benevolence and integrity) were positively related to job performance ($R^2=.80$, *p<.001). In step 2, perceived manager trustworthiness facets and trust propensity significantly predict job performance ($R^2=.89$, $\Delta R^2=.09$, *p<.001). Finally, results of hierarchical regression analyses in step 3, indicate a statistically significant interaction between perceived manager trustworthiness facets and trust propensity as significant predictors of job performance ($R^2=.90$, $\Delta R^2=.01$, *p<.001). We plotted these interactions in Figures 2, 3 and 4, which suggest that ability, benevolence and integrity as three facets of perceived manager trustworthiness are more positively related to job performance when employees reported high rather than low trust propensity (H4, H5, H6).
Figure 1. Interaction Effect between Ability and Trust Propensity on Job Performance

Figure 2. Interaction Effect between Benevolence and Trust Propensity on Job Performance

Figure 3. Interaction Effect between integrity and trust propensity on job performance
Discussion

Overall, the results of this study indicated that a) there is a positive relationship between perceived manager trustworthiness facets (ability, benevolence and integrity) and job performance and b) trust propensity interacted with perceived manager trustworthiness facets (ability, benevolence and integrity) in predicting job performance. So, the higher employees' propensity to trust, will lead to the stronger positive relationship of perceived manager trustworthiness with job performance.

Different studies have investigated these relationships and in most of them significant positive relationships have been reported (Mayer et al., 1995, Frazer et al., 2010., Grant & Sumanth, 2009). Accordingly, job performance can be improved when employees experience positive exchange-based relationships (Taylor, 2010). Existing evidence suggests that trust enables employees to focus their attention on value-producing activities rather than being distracted by concerns about protecting their jobs or monitoring managers' activities (Mayer & Gavin, 2005). So, perceiving managers as trustworthy may enhance the performance in employees by enabling them to feel that they can rely on their manager’s skill, knowledge, and ability (Lam et al. 2011).

Trust affects job performance because employees are more willing to carry out the tasks and strategies set out by the manager, suspend questions or doubts about the team, and work towards a common organizational goal (Dirks, 2000). The two theoretical perspectives describe two different mechanisms by which trust perception might affect individual’s behaviors and performance (Driks & Ferrin, 2002). The character-based perspective of trust focuses on how perceptions of the leader/manager's character affect a follower's vulnerability in a hierarchical relationship. Specifically, because managers have authority to make decisions that have a significant impact on the follower (e.g., promotions, pay, work assignments, layoffs), perceptions about trustworthiness of the leader/manager become important (Driks & Ferrin, 2002). Drawing on this idea, Mayer et al.
(1995) proposed that when followers believe their managers have integrity, capability or benevolence, they will be more comfortable engaging in behaviors that put them at risk (e.g., sharing sensitive information) and will tend to increase their inputs and efforts in job. In contrast, Mayer and Gavin (1999) suggested that when employees believe their manager cannot be trusted (e.g., because the manager 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 of trust is based on principles of social exchange and deals with employees' willingness to reciprocate care and consideration that a manager may express in a relationship. That is, individuals who feel that their manager has, or will, demonstrate care and consideration will reciprocate this sentiment in the form of desired behaviors. Konovsky and Pugh (1994) drew on this logic, suggesting 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. Because employees view trustworthy managers as holding strong other-oriented values of benevolence and integrity, employees can count on these managers to share reliable information in their communications and engage in behaviors that advance the organization's mission of helping beneficiaries.

In addition, According to Sonnenberg (1994), trust increases when people are perceived as competent. If employees believe that they can depend on their manager to produce a quality piece of work that would affect their job in a positive way and perceive their leader/manager as benevolent, they will be willing to trust their judgments (Tan & Lim, 2009). Integrity refers to the extent to which a trustor perceives the trustee adheres to a set of principles that the trustor finds acceptable (Mayer et al., 1995). The key to understanding the concept of integrity lies in two of its components: adherence and acceptability. That is, the trustor will be more willing to accept the influence of the trustee if the values of the trustee are acceptable to him or her. So, Employees see managers as trustworthy
insofar as they perceive them as being capable of meeting expectations (ability), holding good intentions (benevolence), and subscribing to and acting upon a set of valued or acceptable principles (integrity). Seeing managers as trustworthy with high abilities will increase employees' confidence in managers' words, intentions, and actions (Mayer et al., 1995) and when employees see their managers as possessing benevolence and integrity, they will increase their job performance. The logic underlying this proposition is that benevolence and integrity are other-oriented values, as benevolence involves concern for the well-being of other people with whom one is in personal contact (Meglino & Ravlin, 1998; Schwartz, 1992) and integrity involves a broad emphasis on social justice and sincerity (Marcus, Lee, & Ashton, 2007). In addition, when individuals do not trust their manager, more time will be spent monitoring the manager's actions as well as documenting personal performance to protect oneself as opposed to performing important tasks and duties (Mayer & Gavin, 2005).

Also, results indicated that high trust propensity can increase the association between perceived manager trustworthiness and job performance. Therefore, the relationship between perceived manager trustworthiness and job performance will be strongest when employee’s trust propensity is high. In this situation, employees that perceived their manager as trustworthy are most likely to increase their level of task performance. Rotter (1967) argued that individuals vary in the extent to which they trust others in general. The decision to trust occurs in the presence of the individual differences of each party within the interpersonal relationship and that may bring the most influence from propensity to trust. This trait is sometimes hypothesized to influence individuals' trust in specific individuals with whom they have a personal relationship. For instance, this propensity might affect how individuals initially perceive and interact with their managers, which might influence the ultimate level of trust in the relationship and their other outcomes. In other words, individual differences in cognitive
processing of information influence on information and the weight each piece of information is given in the decision to trust. Specifically, propensity to trust as the general willingness to place faith in others' reciprocity (Gouldner, 1960) and good intentions can moderate the association between perceived manager’s characteristics and employee’s outcomes.

Limitations and Suggestions for Future Researches

This study has some limitations that should be noted. One potential concern is that given the cross-sectional design of this study, causal relationships among the variables cannot be established. Future studies could conduct longitudinal research or use experimental designs to determine the direction of causality. In addition to those already suggested, there are other potential areas for future research. For example, future works could examine other outcomes of perceived trustworthiness concern with other referents of trust such as coworkers. By doing so, researchers can evaluate whether perceived coworker trustworthiness has similar or different effects on job outcomes. Also, trust scholars have neglected to examine whether the importance of the three trustworthiness facets varies across jobs. For example, ability may be a stronger predictor in jobs that require frequent learning or technical competence (Schmidt & Hunter, 2000). Benevolence and integrity may be stronger predictors in jobs where task interdependence necessitates frequent interactions (Wageman, 2001).
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