TRUST, TRUSTWORTHINESS AND JUSTICE PERCEPTION TOWARD THE HEAD OF DEPARTMENT

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Abstract: *Trust in the employer is one of the important elements for organizations to develop and maintain. This study aimed to investigate what makes individual employee trust the organizations they work for and tested the relationships of trust, perceived organizational trustworthiness, and justice perception with employees' trust in their employing organization. This study also aimed to examine the moderating effect of trustworthiness in the relationship between justice perception and trust. A total of 163 employees from two of the Malaysia's government department participated in the present study. The trustworthiness facets were measured by using the scale developed by Mayer and David (1999). Perceptions of procedural justice, distributive justice, interpersonal justice and information justice were measured using the scale developed by Colquitt (2001). Trust was assessed using the five-item that developed by Mayer and Gavin (2005). The results showed that all the sub scales of trustworthiness and justice perception were significant predictor of trust. Justice and trustworthiness were also found to interact such that justice forms a stronger predictor of trust in organizations when trustworthiness is highly developed. The implications of these findings for research are discussed.*

Keywords: Trust; trustworthiness; justice perception; organizations

INTRODUCTION

Trust in the employer is an important element for organizations to survive, maintain and develop. Whitney (1994); Kramer and Tyler (1996); Mayer and Davis (1999) claimed that employee trust was a critical element that will affect the efficiency, productivity, and performance of organizations. Employees who trust the company where they work for will stay longer with that company, put in more effort, and more committed to the company, whereas those who do not trust their company may reduce the effectiveness of their work (Dirks and Ferrin 2001), produce counterproductive behaviour (Bies & Tripp, 1996) or may intend to leave the company (Robinson 1996). Chiaburu and Marinova (2006) and Robinson (1996) also supported that trust may buffer the adverse effects of negative work-related behaviour on outcomes such as absence and turnover. The Meta-analyses results showed the relationship between trust and task

performance, citizenship behavior, and counterproductive behavior (Colquitt, Scott, & LePine, 2007; Dirks & Ferrin, 2002).

The definition of trust has been much debated in the literature. Some scholars have defined trust as a *psychological contract* which an employee has with an organization. It is an unspoken agreement between the employer and the employee (Robinson, 1996). Robinson defined trust as "One's expectations, assumptions, or beliefs about the likelihood that another's future actions will be beneficial, favorable, or at least not detrimental to one's interest". Aryee et al. (2002) refer trust as a combination of cognition and affect based trust. *Cognition-based trust* was defined as an evaluation of an employee to the ability of the organization to fulfill obligations and, therefore, demonstrate reliability and dependability. *Affect-based trust* refers to a mutual care and concern between the two parties. Thus, the combination of these two kinds of trust reflects "Concern for others' interests, reliability, and competence". Trust also can be defined as "a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another" (Rousseau et al., 1998). Mayer and colleagues' (1995) model of trust offers a different definition. They defined trust as "The willingness to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control other party" (Mayer et al., 1995). In this study trust was defined according to Mayer et al. model.

What makes employees trust the organizations they work for and their head of department? Several studies of trust development indicated that trust in organization is enhanced to the extent the organization's trustworthiness that perceived by the employee, rather than situationally driven (Kruglanski, 1970; Malhotra & Murnighan, 2002). Barber (1983); Kramer (1999) and Schoorman et al. (2007) claimed that trust in the employer is also suggested to be strongly driven by the perceived organizational trustworthiness of the employing organization. In Mayer et al.'s model, organizational trustworthiness are perceived in three characteristics - ability, benevolence, and integrity. Perceived ability is the extent to which the employee is judged to have skills and competencies in the aspects of interest, giving the employee the capacity to contribute to the employer's well-being. Perceived benevolence is the extent to which the employee is believed to desire to do positive things for the employer. Perceived integrity refer to the employee's adherence to a set of values that the employer finds acceptable. Mayer et al. (1995), claimed that these three factors of trustworthiness will lead to trust. It is important to note that trust in Mayer et al.'s model is separate the perceptions of trust and trusting behaviors.

Other studies have examined how trust development is related to organizational justice (Cohen-Charash & Spector, 2001; Lewicki, Wiethoff, & Tomlinson, 2005). Organizational justice refers to the extent employee perceive organization's fairness in decision-making and resource

allocation environments (Greenberg, 1987). It is commonly divided into three dimensions of justice - distributive, procedural and interactive justice (Colquitt, Conlon, Wesson, Porter & Ng, 2001). Distributive justice which is related to perceptions of fairness about organizational outcomes and individuals judge it by determining whether the perceived ratio of outcomes to inputs matches those of a comparison other (Adams 1963). Procedural justice concerned with perceptions of fairness related to procedures used to make organizational decisions (Thibaut and Walker 1975), procedures are evaluated by their level of consistency, bias suppression, accuracy, correctability, ethicality, and the degree to which they allow voice and input (Leventhal, 1980; Thibaut & Walker, 1975). Interactional justice refers to the fairness of interpersonal treatment during decision-making procedures. It is based on perceptions of how organizational decisions are communicated and enacted by management (Bies & Moag, 1986).

Meta-analyses have pointed out moderately to strongly positive correlations among justice and trust concepts (Cohen- Charash & Spector, 2001; Colquitt et al., 2001; Dirks & Ferrin, 2002). A narrative review by Lewicki, Wiethoff, and Tomlinson (2005) noted that "the volume of both theoretical and empirical work over the last 15 years clearly points to a strong relationship between trust and justice". Nevertheless, Lewicki Wiethoff, and Tomlinson (2005) also noted that "in spite of the presumed connections between justice and trust in theory and practice, the precise correlations between these constructs has not been fully elaborated". Saunders and Thornhill (2004) also claimed that although all of these types of justice have been related to trust, but very few studies have examined directly the effect of these different types of justice on trust in the employer. In this paper we add to the literature on organizational trust by study together insights from three streams of work: trust research, Human Resource management and the procedural justice literature. The aims of this study is to test the relationships of trust, perceived organizational trustworthiness, and justice perception with employees' trust in their head of department based on the model suggested by Mayer and colleagues (1995). This study also aims to examine the moderating effect of trustworthiness in the relationship between justice perception (especially, interpersonal justice and information justice) and trust.

METHOD
Participants
A total of 163 employees from two of the Malaysia's government department participated in the present study. The majority of the participants were in the age group of below 40 years old. There were 55 men (33.7%) and 108 women (66.3%), 102 participants were married (62.6%) and 60 were still single (26.8%). Most of the participants were supporting staff (127 or 77.9%) and there were 36 (22.1%) academic and management professional staff. Their average tenure with their current employer was 11.2 years (s.d. = 7.5 years).

Measures

The study was based on a set of questionnaire responded by the sample of supporting, academic and management staff of one higher educational institution in Malaysia. Among the variables included in the questionnaire were socio-demographic information, the trustworthiness scales that designed by Mayer and Davis (1999), the justice scale (procedural justice, distributive justice, interpersonal justice, and informational justice) that developed and validated by Colquitt (2001) and the trust scale suggested by Mayer and Gavin (2005).

The trustworthiness scales were used to measure the ability (6 items), benevolence (5 items), and integrity (6 items) of participants' immediate head of departments. *Ability* referred to participants' competence, skills, efficiency, and dedication. *Benevolence* reflects the sense that the participants desire to do positive things such as open and caring for the head of department. *Integrity* reflects an adherence to a set of acceptable principles or a set of shared values. This scale consists of 17 items and responses for the items were given on five-point *Likert* scales (1 strongly disagree – 5 strongly agree) to assess the extent to which participants agreed with the statements in each scale. Coefficient alpha values for this scale respectively, were high: ability, .76; benevolence, .85; integrity, .78.

The Justice Scale were used to measure participant's *perceptions of procedural justice* (7 items), *distributive justice* (4 items), *interpersonal justice* (4 items), and *informational justice* (5 items). This scale consists 20 items and responses for the items were also given on five-point *Likert* scales (1 to a very small extent – 5 to a very large extent). For procedural justice participants were asked to respond based on the procedures that their immediate head of department uses to make decisions about rewards, evaluations, promotions, assignments, etc. For distributive justice, the participants were asked to refer to the outcomes that they receive from their job, such as rewards, evaluations, promotions, assignments, etc. For interpersonal justice participants were asked to refer to the interpersonal treatment they received from their immediate head of department or head of department. Lastly, for informational justice, participants were asked about their immediate head of department or head of department's communications and explanations for decision making. Coefficient alpha values for this scale respectively, were high: procedural justice (.76), distributive justice (.78), interpersonal justice (.82), and informational justice (.79).

The Trust Scale were assessed by using the five-item measure developed by Mayer and Gavin (2005), that was modified from Mayer and Davis's (1999) measure. These items were designed to capture participants' willingness to be vulnerable to their head of department. The responses for the items were also given on five-point *Likert* scales (1 strongly disagree – 5 strongly agree). Coefficient alpha values for this scale were high: .86

Statistical Analysis

The data in this study were analyzed by using SPSS Program for Windows 20.0. Multiple regression analysis was used to examine the main effect and interactive effect of trustworthiness and justice on trust. As trust in the organization may be affected by gender, tenure and participant's age, these variables were controlled in the analyses. In the first step, gender tenure and participant's age (control variables) were entered in the model. In the second step, the trustworthiness scale (ability, benevolence, and integrity) were added in the model. In the third step, the justice scale (procedural justice, distributive justice, interpersonal justice, and informational justice) were entered to test whether these scale explains unique variance in trust in head of department. In the final step, the interaction between each component of trustworthiness and each scale of justice was entered to test the moderating effect of trustworthiness in the relationship between justice and trust in head of department. If the interaction explains significant additional variance in trust, then the particular scale of trustworthiness is identified as a moderator in the relationship between justice and trust.

RESULTS

The Effect of Perceived Organizational Trustworthiness, And Justice Perception on Employees' Trust in Their Head of department

The results of the hierarchical regression analysis to test the purposes of this study were shown in Table 1. In total, 27.9% of the variance in trust was explained when all variables were entered. Regression analysis for the first step indicated that the control variables (gender, age and tenure) accounted for 4.3% of the variance in trust. Employees' age has a significant beta weight in trust. The result indicated the elderly employees were trust their head of department more.

The trustworthiness scale (ability, benevolence, and integrity) that were entered in the second step, explains an additional 23.8% of the variance in trust in head of department. The three scales showed a positive beta weight with trust in head of department, but only benevolence was a significant predictor. Thus, it suggest that employees that desire to do positive things such as caring and open for the head of department tends to trust their head of department more.

Table 1. Hierarchical Regression Analysis on Trust in Head of department

Predictor	Step 1	Step 2	Step 3	Step 4a	Step 4b	Constant	ΔR^2	F change	Sig. F change
	(Beta)	(Beta)	(Beta)	(Beta)	(Beta)				
Step 1 (Control Variables)						14.275	.043	1.601	.194
Gender	-.051	.015	.040	.042	.040				
Age	.209	.238	.232*	.233*	.232				
Tenure	-.035	-.045	-.055	-.051	-.055				
Step 2 (Trustworthiness)						7.261	.161	6.948	.000
Ability		.056	-.071	-.076	-.070				
Benevolence		.242	.361*	.133	.374				
Integrity		.149	.019	.010	.020				
Step 3 (Justice)						4.892	.074	2.543	.044
Procedural Justice			.037	.029	.038				
Distributive Justice			.241*	.104	.241*				
Interpersonal Justice			.331*	.336*	.321				
Informational Justice			.284	.306	.283				
Step 4 (Interaction)									
4.a Benevolence * Distributive Justice				.302		7.670	.001	.122	.727
4.b Benevolence * Interpersonal Justice					-.022	4.745	.001	.001	.976

As shown in Table 1 for step 3, the four scales of justice (procedural justice, distributive justice, interpersonal justice, and informational justice) explaining an additional 6.1% of the variance in trust in head of department. The results indicated that, three of these scale contributed positively to the trust in head of department. The results showed that the scales of distributive justice and

interpersonal justice were the significant predictors of the trust in head of department. Thus, it suggested that the employees tend to trust their head of department more when they perceived fairness in the outcomes that they receive from their job, such as rewards, evaluations, promotions, assignments and fairness in the interpersonal treatment their received from their head of department. Employees' trust in head of department is not related to how they perceived fairness in their head of department's communications and explanations for decision making and the procedures that their head of department uses to make decisions about rewards, evaluations, promotions, assignments, etc.

The Moderating Effect of Trustworthiness in The Relationship between Justice Perception (Distributive justice and Interpersonal Justice) and Trust in Head of Department

The moderating effect of trustworthiness in the relationship between justice perception and trust in head of department were only tested on the variables that contributed significantly to the trust in head of department. Thus, in the last step of the hierarchical regression the interaction between benevolence and distributive justice and the interaction between benevolence and interpersonal justice were entered into regression equation separately to test the moderating effect of these scales in the relationship between justice perception and trust. The results for the last step of the regression indicated a non-significant interaction between the two scales of trustworthiness and distributive and interpersonal justice in the relationship between justice perception and trust. The interaction model of benevolence and distributive justice explain only an additional 0.01% of the variance in trust in head of department. The interaction model of benevolence and interpersonal justice (0.0%) also hardly explained any contribution to the trust in head of department. The results indicated that trustworthiness was not a moderator in the relationship between justice perception (distributive and interpersonal justice) and trust in head of department for the sample of this current study (refer Table 1).

DISCUSSION

The current study investigated the relationships of trust, perceived organizational trustworthiness, justice perception and trust in head of department for the purpose to understand what makes employees trust their head of department. This study also aimed to examine the function of trustworthiness in the relationship between justice perception (interpersonal justice and information justice) and trust. In this study, a number of variables had been identified as important element that explained what makes employees trust their head of department. Firstly, elderly employees trust more in their head of department. The finding indicated that employee's age is a significant predictor of trust in head of department. Nevertheless, this may be due to the seniority of the employees in the organization and an increasing amount of influence over organizational decision making.

Secondly, current study also reported that the trustworthiness scale: benevolence explained unique variance in trust in head of department. The study indicated that the employees who trust their head of department, were the employees who desire to do positive things for their head of department. But not to them that have skills, efficiency, and dedication, and adherence to a set of acceptable principles or a set of shared values with organization. This finding supported the evidence suggested by Kramer (1991) that both dispositional trust and perceptions of organizational trustworthiness may enhance trust in employer. The results also supported partly Mayer et al.'s Model which have built on seminal ability, benevolence and integrity model of interpersonal trust (Mayer, Davis & Schoorman, 1995) that suggested what drives employees' trust in their employer.

Another finding from current study was when looking at trust in head of department, two of the justice scale (distributive justice, and interpersonal justice) were the important predictors. The results showed that the employees tend to trust their head of department more if they perceived fairness in the outcomes that they receive from their job, such as rewards, evaluations, promotions, assignments, and fairness in the interpersonal treatment they received from their head of department. When a favorable outcome is matched with the perception of fairness decision, employees are likely to feel trust toward the organization and those who made the decision (Brockner & Wiesenfeld. 1996). Cohen-Charash and Spector (2001) stated that "to the extent employees perceive their organization to be unfair because it uses unfair procedures for resource allocations, employees will develop negative attitudes toward the organization". McFarlin and Sweeny (1992) found that procedural justice was an important predictor of organizational commitment and trust in the evaluation of an organization and its representatives by an employee.

Lastly, interaction analysis reported a non-significant interaction between the scale of trustworthiness and the scale of justice. The result indicated that trustworthiness was not a significant moderator in the relationship between justice and trust in head of department for the sample of current study. The results were not consistent with Searlea et al.'s (2011) findings, which reported that how human resource practice and procedural justice combine to affect trust. They found that in firms where human resource practice were less developed, procedural justice had a more prominent role in fostering employees' trust in the employer than in organizations where human resource practice is highly developed. The inconsistent findings may due to limited sample size of present study.

CONCLUSIONS

The present study highlights the importance of the employee's perception of trustworthiness and the perception of justice as indicators of the employees trust toward their immediate head of

department. The results of this study indicated that the trustworthiness scale: benevolence explained significantly and positively in trust toward head of department. The justice scale: distributive justice and interpersonal justice were also the important predictors of trust in head of department. The result also reported that employees' age was also an indicator of employees' trust in the head of department. These findings have significant implications for the Malaysian organizations and their employees, suggested that trustworthiness and fairness of organizational decision making in developing and maintaining employees' trust toward head of department or in organization. In summary, the findings of present study contribute to generating a better understanding of employees' trust toward their head of department especially in Malaysia organization context. It also contributes to the literatures and reference by identifying relationships between the concepts of trust, trustworthiness and justice in Malaysia context.

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