

Impact of Organizational Trust on Job Performance : A Study of Land and Survey Department

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Abstract

This study examines the influence of organizational trust on job performance by analyzing perceptions of 100 public employees in the Land and Survey Department. The instrument used to measure organizational trust was adopted from Institute for Public Relations (2003). Job performance was measured using an instrument developed by Borman and Motowidlo (1997). Results of the instrument's Cronbach Alpha measurement show that the score of reliability is above .90 which indicates an acceptable level. The results indicate that organizational trust is positively correlated with job performance. These results imply that job performance may be dependent on organizational trust in the public sector. This study provides insights on the relationship between organizational trust and job performance in the public sector. The findings of this study may help public sector to enhance its organizational trust and its effect on job performance. Limitations and recommendations are also discussed.

Keywords: *Organizational trust, job performance, public sector*

INTRODUCTION

The presence of trust in the workplace is essential to organizational performance and competitiveness in an increasingly global economy Lamsa and Pucetaite (2006). Trust is commonly important element in the organization as well to determine the level of performance and automatically is a source of competitive of advantage. Organizational trust which is defined as the readiness of the employee to be vulnerable to the actions of the employers based on the expectation that they would act in order to satisfy his needs irrespective of the ability to monitor or control in order to increase performance among the employees (Mayer et al., 1995). Trust has been a widely studied concept both by itself but, most importantly, as a component of the quality of relationships. It is where in psychology and interpersonal communication, trust has been one of numerous dimensions identified in relationships. In order to gain the increasing level of organizational trust, there are few trust dimensions that should be measured which are competency, durability, vulnerability, integrity, dependability, openness and honesty.

During the last two decades increasing staff performance in public institutions has become one of the main concerns of governments in times of financial constraints, declining public revenues, and increasing demands for more and better public services OECD (2011). In the search for better public job performance, as relevant previous studies show, organizational trust could be a valuable asset that can improve job performance in the public sector. Examining the ways in which Organizational trust influence job performance can be seen

as an important effort in enhancing job performance in the public sector in a local government organization like Land and Survey Department in Kuching, Sarawak.

LITERATURE REVIEW

Organizational Trust

Trust has been an important area of inquiry among organisational behaviour researchers (McAllister, 1995) and (Golembiewski & McConkie, 1975) as cited in Hosmer (1995) state that, there is no single variable which so thoroughly influences interpersonal and group behaviour as does trust. Past research has found that trust has significant benefits for both organisations and organisational members De Jong and Elfring (2010) and (Schaubroeck *et al* 2011). Organization trust may also be better described as intra-organizational trusts that focus on the relationship between workers and the supervisors, and the relationship between workers and the leaders. Brown & Leigh (1996) have noticed that when employees have trust in the top managers and management, their organizational commitment and organizational identity also improve, which in turn cause employees to work harder and spend more time and energy in their jobs. Also, Zauderer (2002) found that employees who work in organizations with higher levels of organizational trust were more successful and innovative than institutions with lower levels of trust. Organizational trust facilitates positive psychological conditions of meaningfulness, safety, and availability. These conditions are also among predictors of individual job performance (Li & Tan, 2013). Empirical studies in the public sector also support the theoretical linkage between organizational trust and performance (Chen, Hsieh & Chen, 2014) For instance, Nyhan (1999) reported a positive relation between affective commitment (which in turn results in higher performance levels) and supervisory trust in public sector organizations, while Gould-Williams (2003) found that systems trust was a strong predictor of self-reported performance (effort).

Michael Jensen & Werner Erhard (2017) posit a new model of integrity that provides access to increased performance for individuals, groups, organizations, and societies.. The relationship between integrity, measured by the HPI Reliability scale, and job performance was significant in two models. According to Hogan & Hogan (1989) the correlation between integrity and job performance controlling for sex and tenure in integrity was also significant. This indicates that integrity may be useful predictor of job performance.

Becker et al., (1996) argues that commitment based on the internalization of goals and values seems likely to predict performance. Thus, employees who are highly committed to their organization and supervisors and who internalize the values and goals of these foci can be expected to perform at the higher level than employees with less commitment As a result, generally, we could say that there is a significant and strong relationship between commitment and job performance Becker et al., (1996) and Benkhoff (1997).

Dependability is a measure of a system's availability, reliability, and its maintainability. Dependability can be broken down into three elements which are

attributes; a way to assess the dependability of a system, threats; an understanding of the things that can affect the dependability of a system and lastly means; ways to increase a system's dependability. It is anticipated that dependability will enhance employees' job performance

Job Performance

In general, job performance is defined as actions or behaviours relevant to organizational goals (Campbell et al, 1990) which includes both productive and counterproductive employee behaviours that contribute to or detract from organizational goals. Viswesvaran & Ones (2000) introduced a more recent definition of job performance as behaviour and outcomes that employees undertake that are contribute to organizational goals. This means job performance refers to the effectiveness of individual behaviours that contribute to organisational objectives and should consist of task performance and contextual performance (Motowidlo, 2003). Both constructs are influenced by different factors, for instance job-related experience determines task performance while individual's personality type determines contextual performance (Motowidlo & Van Scotter, 1994). Organ (1998) argues that term "job performance" may need to redefine to essentially broaden this construct to include non-productivity or extra-role dimensions such as cooperation, helping co-workers and superiors and generalized tendencies toward compliance. Organ (1998) further proposed that job performance should be measured to the extent to which employee engage in organizational citizenship behaviours. Sarmiento & Beale (2007) refer job performance as the result of two elements, which consist of the abilities and skills (natural or acquired) that an employee possesses, and his/her motivation to use them in order to perform a better job. In this study, the meaning of job performance refers to task performance or in-role job performance as defined by Motowidlo (2003) as the organization's total expected value on task related proficiency of an employee, or fulfilment of tasks that are required by the formal job description. In other words, task performance is the behaviors related specifically to performing job-related matters. Therefore, from the above definitions it is clear that job performance is related to the extent to which an employee is able to accomplish the task assigned to him or her and how the accomplished task contributes to the realization of the organizational goal Mawoli & Babandako (2011).It is argued that organizational trust has a positive effect on job performance Perry (2000) & Gould-Williams (2003).

METHODOLOGY

A survey design was used to reach the research objectives. The specific design was the cross sectional design, where a sample is drawn from a population at a particular point in time Shaughnessy & Zechmeister (1997). About 130 questionnaires were distributed to employees in the Land and Survey Department. About 100 employees returned back the questionnaire giving a response rate of 77%. Organizational trust was measured using a scale developed by Institute of Public Relations (2003). Job performance was measured using an instrument developed by Borman and Motowidlo (1997). Results of the instrument's Cronbach Alpha measurement show that the score of reliability is above .80 which indicates an acceptable level. This is summarized in Table 1 below.

This study intend to test the following hypothesis::

- H1: There is a significant relationship between organizational trust and job performance.
- H1a: There is a significant relationship between integrity and job performance.
- H1b: There is a significant relationship between commitment and job performance.
- H1c: There is a significant relationship between dependability and job performance

RESULTS

Both genders are equally represented male (52%) and females (48%). Majority of respondents are aged between 21 to 40 years old (61 percent) and mostly were married (77%). Majority of the respondents were Malay (55%). About 54 percent of the sample had SPM qualification. As for length of service 54% had served for 1 to 9 years followed by 26% for 10 to 15 years. About 57% of the respondents were from the Support Group 2. This is summarized in Table 2.

Table 1: Reliability Analysis, Mean and Standard Deviation Scores (N=100)

Variables	No. of Items	Cronbach's Alpha	Mean	S. D.
Organizational Trust	19	.952	3.48	.575
Job Performance	10	.856	3.88	.430

Table 2: Respondent's Profile (N=100)

Profile	No. of Respondents	Percent
Gender		
Male	52	52
Female	48	48
Age		
21-30 years old	25	25
31-40 years old	36	36
41-50 years old	27	27
51-60 years old	12	12
Race		
Malay	55	55
Iban	14	14
Bidayuh	12	12
Chinese	10	10
Others	9	9
Marital status		
Single	23	23
Married	77	77

Education's level		
SPM	54	63.1
STPM	14	13.8
Diploma	22	13.8
Degree	3	6.2
Others	7	3.1
Year of services		
1- 3 years	12	12
4-6 years	23	23
7-9 years	19	19
10-15 years	26	26
More than 15 years	20	20
Job Category		
Management & Professional Group	7	7
Support Group	36	36
1 Support Group	57	37

Based on Table 1, the mean score for organizational trust is (M=3.48 and SD= .57) indicating a moderate level of organizational trust. And for job performance the mean score is (M=3.88 and SD=.43) indicating a high level of job performance based on Best & Kahn (2003). In addition, the study found a strong positive relationship between organizational trust and job performance ($r = 0.588$; $p < 0.01$). This indicates that a higher level of organizational trust is associated with higher job performance. Thus H1 is accepted. In addition all dimensions of organizational trust also had positive relationships with job performance: Integrity ($r = .508$, $p < 0.01$), Commitment ($r = .626$, $p < 0.01$) and dependability ($r = .468$, $p < 0.01$). Thus H1a, H1b and H1c are accepted. This is shown in Table 3.

Table 3: Correlation between Organizational Trust Dimensions and Job Performance

Variables	Job Performance (r value)
Organizational Trust	.588**
• Integrity	.508**
• Commitment	.626**
• Dependability	.468**
** Correlation is significant at the 0.01 level	

DISCUSSION

Our findings provide support that a direct positive relationship exists between organizational trust dimensions and job performance in Land and Survey Department. Majority of staff perceive that the level of organizational trust as moderate and job performance as high. In terms of correlation, high level organizational trust is related to higher levels of job performance amongst the staff. This study supports previous findings by Perry (2000) & Gould-Williams (2003) who argued organizational trust has a positive effect on job performance.

The study presents two major implications: theoretical contribution and practical contribution. In terms of theoretical contribution, the results of this study confirm that organizational trust and job performance are highly correlated and hence contributes to research on organizational trust and job performance in the public sector. In terms of practical contributions, the findings of this study can be used as a guideline by public agencies to enhance organizational trust and use it to increase its staff's level of job performance.

CONCLUSION

This study confirmed that organizational trust influence job performance. The study used valid and reliable measurement scales were used to measure the relationship between organizational trust and job performance. The correlation test revealed a positive relationship between organizational trust and job performance. Therefore, current research and practice within organizational trust needs to understand organizational trust as a related to job performance.. This study further suggests that a high level of organizational trust will strongly enhance and promote higher levels of job performance amongst employees in public sector.

This study acknowledges several limitations. First, a cross-sectional research design was used to gather data at one point within the period of study. This may not be able to capture the developmental issues and/or causal connections between variables of interest. Second, the survey questionnaires relied heavily on the respondents' self-responses that were selected based on random sampling technique. Finally, the samples were taken from one public agency namely land and survey department in Kuching via survey questionnaires. These limitations may decrease the ability of generalizing the results to other public agencies in Malaysia. It is suggested that future research may look at other variables such as employee motivation, job satisfaction and organizational commitment may moderate or mediates the relationship between organizational trust and job performance.

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