Mediation effect of trust on the relationship between perception of organization politics and commitment

Setyabudi Indartono

Department of Business Administration, National Central University, Taoyuan – Taiwan, `964401605@cc.ncu.edu.tw`

Abstract

This paper is the extension study of the relationship between perception of organization politics (POP), and commitment. This study investigates how trust explained the relation between these relationships. Mediation effect of trust was used to explain how this perception was related to commitment. Moderation effect was used for further explanation on investigation the complexities of these relationships.

The result showed that the model was adequacy fit. PoP has negative correlation with commitment. Trust has fully mediated the relationship between PoP and commitment. In order to the moderation, the result showed that employee who has higher of trust was seen stronger POP-Commitment relationship than those who has lower ones.

Implication of the findings for organizations and suggestions for future research are discussed.

Keywords: perception of organizational politics, perception of equity, trust, Commitment

1. Introduction

In the face of increased global competition, the construct of employee commitment is importance to both scholars (e.g., Mowday, Porter, & Steers, 1982) and practitioners (e.g., O'Malley, 2000). Commitment is the construct which is able to reinforce the processes and reinforce the relationship between employees and organization, gaining to the best performance (Mathieu & Zajac, 1990; Riketta, 2002, Lavelle, 2009). The focus of present commitment studies is exploring the understanding of commitment's antecedents, processes, and its consequences. Antecedents of commitment may explain in various situations in the workplace such as political behavior. Reducing the employee's commitment might occur if political behavior was arising up and if employee was felt treat unfairly. Sometimes heightened political activity in the workplace promotes the defamation of character, or set up the down playing of the achievement motivation of another employee (Vigoda, 2000).

Previous studies found that higher level of political behavior lead to anxiety and job stress (Poon, 2003; Valle & Perrewe, 2000), poor employee attitudes, diminished job satisfaction and reduce organizational commitment (Hochwarter, 2003; Randall et al., 1999; Valle & Perrewe, 2000; Vigoda, 2000; Witt, Andrews, & Kacmar, 2000). In nature, higher levels of political behaviors often indicate the presence of injustice and the inequitable distribution of resources among employees (Thompson and Ingraham 1996), than may influence in reducing employee's commitment to the organization (Hochwarter, 2003; Randall et al., 1999; Valle & Perrewe, 2000; Vigoda, 2000; Witt, Andrews, & Kacmar, 2000).

Perception of organization politics (POP) which is defined as being characterized by self-serving and manipulative behaviors mostly conveyed negative connotations (Vigoda, 2000). However, Pfeffer (1981) suggested that the organization politics might not be as disruptive as perceived by some individuals, but political activities can sometimes facilitate organizational change and adaptation to the environment. It was become complex phenomena especially because the different ways of perception, between individual employees and managers (Brian, K. et al, 2008). Now days study, no one of scholar has provided the explanations of why or how the perception of organizational politics and commitment are related.

In order to continue the broaden explanation of commitment antecedent and which is the understanding on the consequence of organizational politics (Poon, 2003; Vigoda, 2000), this study attempted to provide the explanations of this perception (POP) and commitment relationship. Trust that is known as the most necessary to reduce the risk of opportunistic behavior, and develop a long-term orientation (Arrow, 1974; Williamson, 1975, 1979; Anderson and Weitz, 1989; Ganesan, 1994), found has the most important antecedents, i.e., organizational justice (Pillai et al., 2001; Aryee et al., 2002) and also mediate the relationship between organizational justice and outcomes (Ertrk, A., 2007). Thus, by mediating effect mechanism (Muller and Judd, 2005, MacKinnon, 2008), trust is expected providing the answers of why or how POP and commitment are related. For further investigation to identify the strength and direction of this relationship, the moderation effect was used. It was expected that employee who has higher of trust was seen stronger POP-commitment relationship than those who has lower ones.
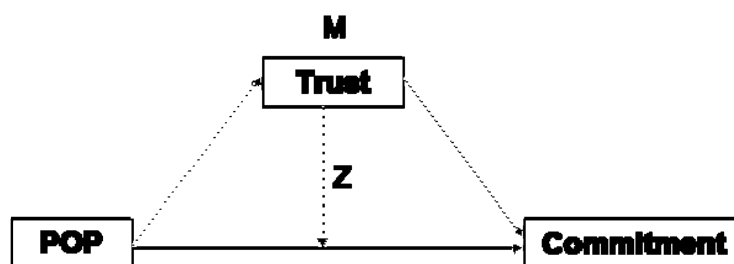
Gambar 1. Research Model of Mediation (M) and Moderation (Z) effect of Trust on the relationship for POP and Commitment

2. Conceptual background and hypotheses

2.1. *Perceptions of organizational politics and commitment*

Although Ferris and colleagues have consistently argued that POP has a negative effect on organizational commitment (e.g., Ferris et al. 1989, 2002). But there is a complex phenomena's on POP. This complex phenomena of POP was because the different perception among members, especially between employees and managers (Brian, K. et al, 2008). The different perception is caused due to differences interest among member (Ferris et al 1989) and different organizations situation (Perrewe, 2000).

POP-commitment relationship has more complex phenomena. It is caused by multiple dimensions of commitment it self. Organizational commitment that is widely viewed as being multi-dimensional constructs such as affective commitment, continuance commitment and normative commitment (e.g., Allen and Meyer 1990; Porter et al. 1974) was still try to be teased in the relationship with POP. Although, the most POP researchers have measured organizational commitment by use of a uni-dimensional measure (e.g. Mowday et al. 1979), there is only a few POP researchers (e.g. Cropanzano et al. 1997; Hochwarter et al. 1999) have measured this construct with only the Affective Commitment (sub-scale of Meyer and Allen 1984) and one study measured more than one dimensions of organizational commitment, i.e., affective commitment and continuous commitment (Randall et al. 1999, Miller et al, 2008).

Empirical work on the POP-commitment relationship has been found equivocal. Most have found POP to have an inverse relationship (e.g., Maslyn and Fedor 1998; Nye and Witt 1993; Witt 1998), but others have found a positive relationship (Khumar and ghadially, 1989; Cropanzano et al. 1997), and two further studies have found no relationship at all between POP and commitment (e.g., Cropanzano et al. 1997; Randall et al. 1999). This negative relationship between POP- commitment found in the ranges of -.70 (Cropanzano et al. 1997) to -.13 (Vigoda-Gadot et al. 2003). This wide range of the findings on the magnitude of the relationship and disparate findings on POP-commitment relationship directionality, begs for further research (Miller et al, 2008) of this study within prediction:

Hypothesis 1: Perceptions of organizational politics negatively related to commitment

2.2. *Trust and Commitment*

Trust that is believed to be central to the social relationships occurring at the lateral and hierarchical levels in the organization, is usually needed in uncertain situations (Ladebo, 2006), so that the lack of trust may circumscribe the well-being of an organization (Ammeter, et al, 2004). It is believed that a high level of trust climate in an organization is often associated with greater employee loyalty, better customer service, increased efficiency, while a climate of distrust promotes secrecy among employees in the organization (Ladebo, 2006).

Empirical work on the trust-commitment relationships, previous study found that trust has a direct and positive effect on commitment such as affective commitment (Hopkins et al, 2006, N'Goala, 2007, Powel et all, 2006), and normative commitment (Powel et all, 2006). Based on previous empirical research, this study proposes the prediction:

Hypothesis 2: Trust positively related to Commitment

2.3. *Mediation of trust*

In order to provide the explanations of why or how the perception of organizational politics and commitment are related, the construct of trust was the most suspected mediator variable used on this study. The construct of trust was necessary to reduce the risk of opportunistic behavior, and develop a long-term orientation (Arrow, 1974; Williamson, 1975, 1979; Anderson and Weitz, 1989; Ganesan, 1994). Thus, the explanation of PoP-commitment relationship may able to be described by trust.

Point of the explanations, trust that was highly suspected as construct that would clearly able to describe the relationship between POP and commitment within predictions:

Hypothesis 3: Trust mediate the relation between perception of organizational politics and Commitment

2.4. *Moderation effect of trust*

Explanation of the strength and direction of POP and commitment relationship was explained by using the moderation effects. Previous empirical work, trust is related to commitment (Hopkins et al, 2006, N'Goala, 2007, Powel et all, 2006), and trust was potential moderate between variables (Goris, 2003), make the proposition of this study was plausible. Within the finding of employees who work within higher trust to supervisor are more supported to positive work attitude (Goris, 2003). In this study, the following hypotheses are tested:

Hypothesis 4: employee who has higher of trust was seen stronger POP - commitment relationship than those who has lower ones,

3. Method

3.1. *Participant*

Participants were 261 employees from several businesses. Participants were approximately 36.5 years old and work for 7.7 years. Participants level of study; 38 (14.6%) were colleges, 120 (46%) were undergraduate, 52 (19.9%) were master and 12 (4.6%)

were doctorate level. The participants that have leader/managerial level were 97 (37.2%) and 151 (57.9%) participants were men, and 149 (57.1%) participant has married.

3.2. *Measures*

Measure Development

Items were written by the authors or obtained from previous research. After review of wording, content, and so forth, 44 item sets for total items were retained for inclusion in the instrument. Responses were made on a 5-point Likert-type scale with scale anchors ranging from 1 (strongly disagree) to 5 (strongly agree).

Perception of organization Politics were measured using 26 items taken from Kacmar, K. M. & Baron, R. A. (1999). Participants were asked i.e., "People in this organization attempt to build themselves up by tearing others down". A Five-point Likert-type scale was used, and the individual items were averaged (Cronbach's α = .817; M=2.8028, SD= .442).

Trust was measured using 6 items taken from Podsakoff et al, 1990. Participants were asked i.e., "I have a divided sense of loyalty toward my manager". A Five-point Likert-type scale was used, and the individual items were averaged (Cronbach's α =.818, M=3.489, SD=.625).

Commitment was measured using 12 items taken from Meyer, Allen and Smith's, 1993 adopted by Chinen and Enomot, 2004. Participants were asked, i.e., "I feel a strong sense of belonging to company". A Five-point Likert-type scale was used, and the individual items were averaged (Cronbach's α =.716, M= 3.356, SD=0.718).

4. Result

4.1. *Model of fit*

Evaluate the adequacy of the model of fit, the index of fit show Goodness of fit with Model. Evaluation of the adequacy of the model of fit are; GFI=.997, AGFI=979, CFI= .997, NFI = .988, TLI= .991, RMSEA= .036 and RMR=.008. Coefficient of Cronbach's α measures how well a set of items measures a single uni-dimensional latent construct. It showed that the items measure a single construct of POP, trust and commitment. Average inter-correlation among items of POP was 0.817, among items of trust was .818, and among items of commitment was .716.

In order to test the first 3 hypothesis, correlation analysis was used. Hypothesis 1 sought POP is negatively related to commitment. Hypothesis 2 sought that trust is positively related to commitment. Table 1 showed that PoP has negative correlation with commitment ($r = -0.251$, $p < .01$), and Trust has positive correlation with commitment ($r = 0.455$, $p < .01$). Thus, hypothesis 1 and hypothesis 2 was supported.

Tabel 1. Correlation and Cronbach's α coefficient

		Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12
1.	Gender	1.42	.495	-											
2.	Year Graduate	7.11	6.09	-.084	-										
3.	Education Grade	4.88	1.07	-.049	-.212**	-									
4.	Marital	1.42	.53	.253**	-.328**	.009	-								
5.	Children	1.99	1.08	.008	.251*	.111	-.195	-							
6.	Boss position	1.60	.49	.030	-.073	-.068	-.058	-.138	-						
7.	Ages	36.54	57.5	-.074	.071	.041	.013	.437**	.047	-					
8.	experience	7.75	6.35	-.160*	.530**	.221**	-.265**	.441**	-.133*	.053	-				
9.	Tenure	5.26	5.32	-.089	.321**	.293**	-.260**	.385**	-.064	.021	.764**	-			
10.	POP	2.83	.46	.015	-.128	.020	.089	-.136	-.037	-.127*	-.096	-.013	-		
11.	Trust	3.49	.64	-.095	.152*	-.098	-.026	-.015	-.020	.147*	.077	.053	-.424**	-	
12.	Commitment	3.33	.72	-.127*	.180**	-.054	-.168**	.248*	.082	.535**	.167*	.162*	-.251**	.455**	-

* Correlation is significant at the 0.05 level (2-tailed).
** Correlation is significant at the 0.01 level (2-tailed).

To test hypothesis 3 that sought trust mediate the relation between perception of organizational politics and commitment, used multiple regression of POP on commitment and POP with trust on commitment together. Trust will known as mediator if trust will not have a significant effect on commitment in a second step regression (β'). Regression equations used to assess mediation was:

$$Y = C_1 + \beta X + e_1 \tag{1}$$

$$Y = C_2 + \beta'X + bM + e_2 \tag{2}$$

$$Y = C_3 + aX + e_3 \tag{3}$$

Where Y represented the dependent variable, X is the independent variable, M is the mediating variable or mediator, β represents the relation between the independent variable to the dependent variable in the first equation, β' is the parameter relating the independent variable to the dependent variable adjusted for effects of the mediator, b is the parameter relating the mediator to the dependent variable adjusted for the effect of the independent variable, a is the parameter relating the independent variable to the mediating variable, e_1, e_2, and e_3 represent unexplained or error variability, and intercept are C_1, C_2, and C_3. The parameters of this model can be estimated by multiple regression. Equation 1 defines the total effect of POP on Commitment. Equation 2 and 3 define the mediation model of trust on POP - Commitment relationships.

We firstly regressed the POP on trust and commitment partially, then regressed POP and trust together on commitment. The effect of POP on trust on the equation 3 was -.424, and on commitment on the equation 1 was -.251. These effects were significant, $p < .01$. Including the mediator, the effect of POP on commitment on the equation 2 was become not significant, $\beta = -.071$, $p > .05$. Trust will mediate the POP-commitment relationship when the direct effect of POP on commitment (equation 1) was significant and become not significant if trust was included (equation 2). Table 2 showed that trust mediates the relationship between PoP and Commitment

$(\beta = -.251^{**}; \beta' = -.071^{*})$, thus hypothesis-3 was supported. And the indirect effect from PoP mediated by trust to commitment is .424x.426= .18 (path coefficient).

Tabel 2. Mediation effect analysis of trust on PoP - outcomes relationship

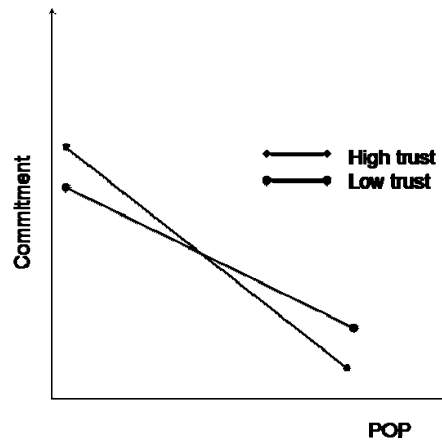|	Trust (M)	Commitment (Y)	
		Step1	Step2
POP (X)	-.424**	-.251**	-.071**
Trust (Y)	-**	-**	.426**
R^2	.180**	.063**	.211**
F	56.689**	17.939**	34.597**
ΔR^2			.205**
F change			48.604**

* p < .05. ; ** p < .01.

Hypothesis 4, sough that employee who has higher trust was seen stronger PoP-commitment relationship than those who has lower ones. This prediction tested with multiple regression models that included the POP interaction to trust. Trust will moderate the POP-commitment relationship if the effect of POP(X) - trust (Z) interaction to commitment ($\beta = -.132$, $p < .05$) and F change values X * Z ($Fchange = 5.208$, $p < .05$) were significant. Table 3 showed that trust moderate the relationship between POP and Commitment ($\beta = -.132$, $p < .05$; F change = 5.208, $p < .05$), thus hypothesis-4 is supported.

Tabel 3. Moderation effect analysis of trust to POP- commitment correlation

	Commitment (Y)		
		! in regression	
	R	Step 1	Step2
Perception of Organizational Politics (X)	-.251**	-.071**	-.093**
Trust (Z)	.455**	.426**	.453**
X * Z		-	-.132**
R^2		.211*	.227**
F		34.597**	25.177**
ΔR^2			.016**
F change			5.208**

* p < .05. ; ** p < .01.

Figure 2 explain the interaction using the standardize regression weight, plotting POP at below and upper of trust mean. The independent variables of POP and trust has been mean-centered (minus by the variable means) in order to avoid the multi-collinearity among independent variables and moderator. Employee who has higher on trust showed stronger ($\beta = -.153$; n=109) POP-commitment relationship than those employees who has less on trust ($\beta = -.149$; n=152).

Gambar 2. contribution of trust x POP interaction to commitment

5. Conclusion

5.1. *Discussion*

This study continue to the broaden explanation of commitment antecedent and within the consequence of organizational politics (Poon, 2003; Vigoda, 2000) and the consequence perception of equity. To find out the deeper explanations of these perceptions and commitment relationship, trust was used as a mediation effect on these two relationships (Muller and Judd, 2005; MacKinnon, 2008). This mediation effect was also used to explain why POP and commitment are related. Finding of the direct relationship between POP and trust with commitment was found consistent with previous studies (Nye and with, 1993, Cropanzano et al, 1997, Maslyn and fedor 1998, Vigoda-gadot et al, 2003, Tansky et al, 1997, Robert et al, 1999, Lemons, 2001, Hopkins et al, 2006, Powell et al, 2006, N'Goala, 2007, Brian et al, 2008). POP-commitment relationship findings was still explain as a negative relationship within the range of Crapanzano and Vigoda-gadot study (-.13 r=-.251 -.70).

To explain why and how the POP and commitment are related, finding of mediation of trust answered this POP and commitment relationship. Trust was able to improve the effect of PoP with Commitment relationship, significantly. It was consist with previous studies (Judge, 2007, Ertürk, A., 2007), that sough trust has a fully mediates the relationship between organizational justice and outcomes. Thus, intervention of trust on perception of organization politics would have significant effect on the commitment changes. Other finding is that trust moderated the relationship between POP and commitment. This finding explained the strength and direction of POP commitment relationship. In an inverse direction, the higher of employee trust will strengthen the POP-Commitment relationship, than the lower one. This study proved the previous study that sough trust is a potential moderator between variables (Goris et al, 2003).

5.2. *Managerial Implication*

Relationship between POP and trust with commitment has number of implications because of their complexity and uniqueness. Firstly, in order to increase the employee's commitment based on political perception point of view, the manager/leaders should making sure the situation of political behaviors in the workplace was controllable (Ferris & Kacmar, 1992; Kacmar & Carlson, 1997). Increase the trustworthy to organization will also able to decrease negative effect of POP on commitment. This study found that the path coefficient of trust avoided the negative effect on commitment. Secondly, regarding to the moderator effect of trust, the situation of high trust in the relationship between POP and commitment, managers could playing risky with decrease trust to reduce the power of POP-commitment relationship within the limit of its significance. This process must be followed with increasing trust to decrease and avoid the negative effect of POP on commitment.

Other management implication of these relationship are; the leader have to point out the reality of work it self (Lewin, 1936) equally percept both by employee or managers their self (Brian K et al, 2008). The leaders also may reduce the risk of opportunistic behavior, and develop a long-term orientation of employee's work (Arrow, 1974; Williamson, 1975, 1979; Anderson and Weitz, 1989; Ganesan, 1994). Finally, Leaders should build the productive organization culture and productive working system (creed et al., 1996; bradac et al., 1989, Dan et al, 2005) to improve the working environment (Porter and Lawler, 1968).

5.3. *Limitation and Future Research Direction*

Notwithstanding these contributions, this study also has several limitations. Although this allows us to rule out employee perception of organization politics on the job related explanations for the observed findings (i.e., trust and commitment), it is an open question as to whether these results on different complexities (such as different and complex individual or group player within organization). By incorporating the issue of POP antecedents, the future studies were hope to make an advance contribution to understanding of how to manage organizational politics, precisely, gaining higher behavioral and attitudinal outcomes. Another possible direction for further development is to investigate the impact of trust on the relationship between POP and others work behavioral and attitudinal outcomes.

Trust that is needed within uncertainty situation perspectives might be expanded to others situational perspective based on the specific motivational theory background. Comparison of the different perspective and motivational theory may determine when and under what circumstances trust will contribute more preferable outcomes.

Additional longitudinal study on POP is needed so that its consequences can more fully understand. Future study could investigate more time points to determine the future POP able to influence the outcomes. Finally, although these results support most of our hypotheses, additional research should be conducted to measure different outcomes, investigate other mediation variables, or trying to compare the sub condi-

tions such as political perception for profit versus non-profit organizations, or private versus public sectors, home country versus host country strategic perspectives.

Daftar Rujukan

Ammeter, A. P., Douglas, C., Ferris, G. R., & Goka, H, 2004, A social relationship of trust and accountability in organizations, Human Resource Management Review, 14, 47-65.

Anderson, E. and Weitz, B. (1989), "Determinants of continuity in conventional industrial channel dyads", Marketing Science, Vol. 8 No. 4, Fall, pp. 310-23.

Andrew C Smith, Jason C Laurent (2008), Allocating Value Among Different Classes of Equity, Journal of Accountancy. New York: Mar 2008. Vol. 205, Iss. 3; pg. 50, 7 pgs

Arrow, KJ. (1974), The Limits of Organization, W.W. Norton & Company, Inc., New York, NY.

Brian K Miller; Kay McGlashan Nicols, 2008, Politics and Justice: A Mediated Moderation Model, Journal of Managerial Issues; Summer 2008; 20, 2; ABI/INFORM Global, pg. 214

Cropanzano, R., Howes, J. C., Grandey, A. A., & Toth, P. 1997, The relationship of organizational politics and support to work behaviors, attitudes, and stress, Journal of Organizational Behavior, 18, 159-180.

Dan S. Chiaburu, Sophia V. Marinova, 2005, Employee role enlargement Interactions of trust and organizational fairness, Leadership & Organization Development Journal, Vol. 27 No. 3, 2006, pp. 168-182

Ertürk, Alper, 2007, Increasing organizational citizenship behaviors of Turkish academicians; Mediating role of trust in supervisor on the relationship between organizational justice and citizenship behaviors, Journal of Managerial Psychology. Bradford: 2007. Vol. 22, Iss. 3; pg. 257

Ganesan, S. (1994), "Determinants of long-term orientation in buyer-seller relationships", journal of Marketing, Vol. 58, pp. 1-19.

Goris, Jose R.; Vaught, Bobby C.; Pettit Jr., John D., 2003, Effects of Trust in Superiors and Influence of Superiors on the Association Between individual-job congruence and job performance/satisfaction, Journal of Business and Psychology; 17, 3; ABI/INFORM Global pg. 327

Hopkins, Sharon M, Weathington, Bart L, 2006, The Relationships Between Justice Perceptions, Trust, and Employee Attitudes in a Downsized Organization, The Journal of Psychology, Vol. 140, Iss. 5; pg. 477, 22 pgs

Kacmar, K.M., Bozeman, D.P., Carlson, D.S. and Anthony, W.P. (1999), "An examination of the perceptions of organizational politics model: replication and extension", Human Relations, Vol. 52, pp. 383-416.

Khumar P and R. Ghadially (1989), Organization politics and its effects on member of organization, human relation, vol. 42, pp. 305-314.

Ladebo, Olugbenga Jelil, 2006, Olugbenga Jelil Ladebo, Perceptions of Organisational Politics, Examination of a Situational Antecedent and Consequences among Nigerias, International Association for Applied Psychology, 55 (2), 255-281

Ladebo, Olugbenga Jelil, 2006, perception of trust and employees attitudes: A look at Nigeria's Agricultural extentions worker, Journal of Business and Psychology, Vol. 20, No. 3

Lemons, Mary A , Jones, Coy A, 2001, Procedural justice in promotion decisions: Using perceptions of fairness to build employee commitment, Journal of Managerial Psychology. Vol. 16, Iss. 4; pg. 268, 13 pgs

Mathieu, J. and Zajac, D. (1990). A review and meta analysis of the antecedents, correlates and consequences of organizational commitment. Psychology Bulletin, 108, 171-194.

Muller, Dominique, Judd, Charless M, Yzebyt, Vincent Y, 2005, When moderation is mediated and mediation is moderated, Journal of personality and Social psychology, Vol. 89, No. 6, 852-863

N'Goala, Gilles 2007, Customer switching resistance (CSR); The effects of perceived equity, trust and relationship commitment, International Journal of Service Industry Management, Vol. 18, Iss. 5; pg. 510

Porter, LW. & Lawler, E.E. (1968). Managerial attitudes and performance. Homewood, Illinois:Irwin

Powell, Anne, Galvin, John, Piccoli, Gabriele, 2006 Antecedents to team member commitment from near and far; A comparison between collocated and virtual teams, Information Technology & People, Vol. 19, Iss. 4; pg. 299

Tansky, Judith W, Gallagher, Daniel G, Wetzel, Kurt W 1997, The effect of demographics, work status, and relative equity on organizational commitment: Looking among part-time workers, Revue Canadienne des Sciences de l'Administration, Vol. 14, Iss. 3; pg. 315, 12 pgs

Vigoda-Gadot, E., Vinarski-Peretz, H., & Ben-Zion, E. 2003, Politics and image in the organizational landscape, Journal of Managerial Psychology, 18, 764-787.

Williamson, O.E. (1979), "Transaction-cost economics: the governance of contractual relations", Journal of Law and Economics, Vol. 22, pp. 233-60.

Williamson, OR (1975), Markets and Hierarchies: Analysis and Antitrust Implications, The Free Press, New York, NY.

Witt, L.A. (1998), Enhancing organizational goal congruence: a solution to organizational politics, Journal of Applied Psychology, Vol. 83, pp. 666-74.