



ORGANIZATIONAL CHANGE: THE EFFECTS OF TRUST IN ORGANIZATION AND PSYCHOLOGICAL CAPITAL DURING CHANGE PROCESS

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KEYWORDS

Change, resistance to change, trust in organization, psychological capital.

ABSTRACT

Due to dynamic business environments, organizations must implement changes in their strategies, structures and/or processes when existing conditions are not sufficient to create a competitive advantage in the market. According to Kotter and Schlesinger (1978), most companies must undertake moderate organizational changes at least once a year and major changes every four or five years because of increasing demands from government, growth, competition, technological development, and changes in workforce. With all this movement, organizational change has become a very popular topic for scholars. In this research, factors affecting an individual's response to organizational change were investigated in order to determine how organizational changes can be more successful. The contribution of *psychological capital* on *resistance to change* through *trust in organization* was explored. The research was conducted among 583 employees. The result of the regression analysis showed that psychological capital plays a mediating role between trust in organization to resistance to change.

1. INTRODUCTION

As change is an inevitable part of an organization's day-to-day processes, organizations spend huge amounts of money, time and human capital to be successful in their change efforts. However, Beer, Eisenstat and Spector (1990) noted that change programs often failed or made situations worse. A recent study showed that 58% of change initiatives failed, while 20% created an added value less than expected (LaClair & Rao, 2002). As Kotter (1995) stated, when organizations fail to realize successful change efforts, they lose a great deal of time, money and human resources. Such results have led researchers and practitioners to search how organizations can successfully accomplish change processes. Research has found that reasons for failure in the change process included technological difficulties and lack of money, but most importantly, human related problems (Lawrence, 1954 cited in Foster, 2008). People are still the key to organizational success. Bridges (1991) observed that without employee support, the change process was just a rearrangement of chairs.

Over the last few decades, several studies have focused on understanding and predicting employee reaction to organizational change (Morgan & Zeffane, 2003; Oreg & Sverdlik, 2011; Foster, 2010; Dent & Goldberg, 1999; Bovey & Hede, 2001). Researchers have examined several factors that affect employee reaction and ability to adjust to new conditions, such as participation (Chawla & Kelloway, 2004), perceived justice (Cobb, Foleger & Wosten, 1995), cynicism (Bernerth, Armenakis, Field & Walker, 2007), supervisor/organizational trust and engagement (Mayer & Davis, 1999) and effective communication (Armenakis & Harris, 2002). These antecedents show

that many change efforts fail due to underestimating the importance of the individual differences during organizational change.

This study is based on an individual level perspective of change implementation. So, resistance to change is conceptualized by Oreg's dispositional resistance to change theoretical framework. Oreg stated that people show different responses to change implementations.

Beside, Armenakis & Bedeian (1999) in their review of the organizational change literature, attempted to provide a theoretical framework for organizational change. They indicated that three factors can shape employees' reactions to change efforts. These factors are a) content factors indicating substance and nature of change such as restructuring, reengineering. b) contextual factors indicating forces and conditions existing in a change environment such as culture & climate of organization, trust in organization, perceived organizational support. c) process factors indicating the actions taken in the implementation of a change such as employee participation, commitment, fairness, and open communication.

This research examined employees' reactions to change in the light of Oreg's theoretical framework of dispositional resistance to change. Also, Trust in organization was considered as a contextual factor in order to understand employees' reactions and psychological capital is considered as an individual factor that would have a significant positive effect on diminishing employees' resistance to organizational change. The findings may contribute to better understanding how organizational change process could be more successful.

2. LITERATURE REVIEW

Today's rapidly changing economy and technology underline the fact that organizations need continuous commitment to organizational change. Due to this condition, organizational change has become a very popular subject for scholars and researchers have indicated the importance of change for long-term sustainability of an organization.

2.1. Resistance to Organizational Change

As a result of individual interpretations of the change process, employees respond to organizational change efforts differently. Employees with positive attitudes towards the change effort will usually support its implementation because they feel it will result in, for example, an optimal amount of task variety, a new position, better working conditions, a new promotion structure, etc. On the other hand, some employees view organizational change in a negative way due to unfavorable consequences of the change efforts. For example, major change processes will create a great deal of uncertainty and stress.

The phrase 'resistance to change' gained popularity in the 1970s (Foster, 2010) and the phenomenon has become generally accepted as part of the change process. Previous approaches towards resistance to change focused on situational antecedents (Coch & French, 1948 cited in Foster, 2010; Zander, 1950; Tichy, 1983), but recent studies have begun to focus on factors related with the individual (Wanberg & Banas, 2000; Oreg, 2003; Foster, 2010).

In 2000, Piderit (2000) defined resistance as a tridimensional (negative) attitude, suggesting a model of three different expressions of an employee's evaluation of an object or situation: a) the emotional dimension (an individual's feelings in response to the object, e.g., angry, anxious), b) the intentional dimension (an individual's evaluations of an attitude towards the object, based in past behaviors and intentions to act, e.g., complaining about the change, trying to convince others that the change is bad) and c) the cognitive dimension (the individual's beliefs about the object, e.g., Is it necessary? Will it be beneficial?). Like Piderit, Oreg (2003) conceptualized resistance to

change with a comprehensive approach by noting affective, behavioral and cognitive dimensions, but on an individual level.

Oreg et al. (2008) noted that change is everywhere. It affects all individuals and every aspect of their lives. However, people exhibit different responses to change. Some people accept the notion of change and actively seek it out, other people avoid it if possible and resist it otherwise. Oreg (2006) observed that people with a high dispositional resistance to change are less likely to voluntarily incorporate change into their lives. Usually, these people have stable personality traits. When change is imposed upon them they are more likely to experience negative emotional reactions, such as anxiety, anger and fear.

Oreg (2003) developed a resistance-to-change (RTC) scale that complemented institutional determinants of resistance to change (Hannan & Freeman, 1984) and the psychological processes underlying resistance (George & Jones, 2001) by bringing individual differences into the organizational behavior literature. This scale includes a) **Routine seeking**: A behavioral dimension consisting of people's inclination to adopt routines. Routine seeking involves the extent to which one enjoys and seeks out stable and routine environments (Oreg et al., 2008). b) **Emotional reaction**: This factor reflects the amount of stress and uneasiness an individual experiences when confronted with change. Loss of control has been cited as the primary cause of resistance to change (Conner, 1992). c) **Short-term focus**: Individuals become distracted by the short-term inconveniences involved in change such that they do not see the long-term benefits. (Oreg et al. 2008). d) **Cognitive rigidity**: This factor refers to the frequency and ease with which people change their minds. Cognitive rigidity represents a form of stubbornness and an unwillingness to consider alternative ideas and perspectives (Oreg et al. 2008).

On the other side, Armenakis and Bedeian (1999) provided a theoretical framework that would classify and integrate organizational change literature. They indicated that employees' reactions to change process were shaped by three factors namely content based factors, context based factors and process based factors. a) *Content Based factors* deal with the substance and nature of a particular change. In other words, the content variables identify the "what" in initiatives of the change process (Self, Armenakis, Schraeder, 2001). There would be several content models that have been applied to organizational change such as restructuring, reengineering, and change in corporate culture (Devos, Buelengs and Bouckennooghe, 2007). b) *Contextual Based factors* deal with forces and conditions existing in an organization's internal and external environment. Several contextual factors that were investigated through change process are cynicism (Bernerth et al., 2007), perceived organizational support (Self et al., 2001; Eisenberger et al., 1990), leader-member exchange (Self et al, 2001 & Larkin & Larkin, 1994), trust in organization (Devos et.al., 2007) and organizational climate (Schneider et al., 1996). c) *Process Based factors* deal with the actions taken in the implementation of an intended change. In other words, how change is implemented influence the reactions of employees. Process factors investigated during change process are persuasive communication (Armenakis et al., 1993), participation (Armenakis & Harris, 2002; Devos et.al., 2007), and justice (Foster, 2010).

Trust in organization was considered as a contextual factor in this research to study its contribution in resistance to change.

2.2. Trust in Organization

Today, establishing long-term employee relationships is difficult because organizations experience constant turnover due to a fiercely competitive business market (Burke & Stets, 1999). When trust within the organization is low, any kind of change may be seen as suspicious and threatening. There is much empirical evidence on the effects of trust on organizational change. Shaw (1997)

pointed out that employee trust is an integral component of competitive organizational change because it increases the likelihood of successful change. Moreover, trust is a vital factor in enhancing an organization's long-term success and survival, especially as the global economy becomes increasingly uncertain and competitive (Waterman, 1987 and Gambetta, 1988).

There are three main types of trust in the organizational studies literature: "trust in organization" (employee-organization), "trust in supervisor" (employee-supervisor) and "trust in coworker" (employee-employee). It is believed that without trust between the employee and organization, employees do not feel secure and confident and they do not develop a feeling of trust towards their supervisor(s) and coworkers. Because of the importance of trust in organization, it is taken as an important predictor of resistance to change in this study.

Kaneshiro (2008) determined that trust in organization is related to beliefs that proper impersonal structures (e.g., regulations, guarantees and contracts) are in place to enable individuals to anticipate successful future outcomes. McCauley and Kuhnert (1992) stated that trust in organization derives from the roles, rules, and structured relations of the organizations. According to Gilbert and Tang (1998), trust in organization refers to employee faith in corporate goal attachment and to the belief that ultimately, organizational action will prove beneficial for employees. Tan and Tan (2000) define trust in organization as the global evaluation of an organization's trustworthiness as perceived by the employee. Morin (1990) indicated that trust in organization stems from a mutual understanding of expectations, experiences and responsibilities developed over time as a result of consistent behavior between parties within an organization. These descriptions imply employee confidence in an organization as well as expected positive actions from the organization. Employees believe that the organization will act in ways that are beneficial, or at least not detrimental, to the employee.

2.3. Psychological Capital

At the beginning of the twenty-first century, psychologists began to move away from focusing only on the negative aspects of human behavior to focusing on the positive aspects. Studies were then extended to the workplace by focusing on the value of positivity in individuals (Luthans, 2002a; Luthans 2002b; Luthans, Youssef & Avolio, 2007). Luthans and his colleagues developed the Positive Organizational Behavior (POB) concept, which focuses on the individual in the organization, particularly on the development process that can be leveraged for performance improvement. Youssef & Luthans (2007) defined positive organizational behavior as the implication of positive psychology in the workplace, which attempts to place renewed emphasis on the importance of a positive approach. From a historical perspective, Luthans, Youssef and Avolio (2007) noted that *human capital theories* (i.e., what you know) treat knowledge, experience, skills and education as currencies or resources. For example, if an organization has highly educated and skilled employees, it has valuable resources. *Social capital theories* (i.e., who you know) have since emerged. These theories describe networking, relationships and friends as currencies. For example, an organization may have highly skilled and experienced employees, but without good networks and relationships, the organization will have no social capital. Lastly, there is *psychological capital (PsyCap)*, which emphasizes the development and growth of individuals from "who they are" to "who they are becoming".

Luthans et al. (2007) defined psychological capital (PsyCap) as an individual's positive psychological state of development, characterized by a) having confidence (self-efficacy) to take on and put in the necessary effort to succeed at challenging tasks, b) making a positive attribution (optimism) about succeeding now and in the future, c) persevering towards goals and, when necessary, redirecting paths to goals (hope) to succeed, d) bouncing back and even

surpassing one's original state (resiliency) to attain success when faced by problems and adversity (Luthans, Youssef & Avolio (2007).

Empirical studies on Psychological Capital (PsyCap) have shown that it helps overcome stress and facilitate positive organizational change (Avey, Wernsing and Luthans, 2008). Further, commitment and job satisfaction have been found to be positively related with Psychological Capital (PsyCap) (Cetin, 2011).

Peterson et al. (2011) found that employees' psychological capital changes overtime, for instance, employees who demonstrated an increase (or decrease) in psychological capital also showed an increase (or decrease) in performance.

Thus, a sustainable growth and increase in organizational performance can be an outcome of developing and managing the psychological capital factors of hope, resilience, optimism and self-efficacy (Luthans, Youssef & Avolio (2007).

2.4. Psychological Capital, Trust in Organization and Organizational Change

Organizational changes are mainly initiated because of a mismatch with the environment (Porras & Silvers, 1994) and are motivated by gaps between the organization's goals and current results (Avey et al., 2008). While management may see the necessity of organizational change to survive in a competitive environment, employees' negative reactions towards the change process are the main reasons for its failure (Armenakis & Bedeian, 1999; Strebels, 1996).

In their studies Kotter & Schlesinger (1979) and Beer (1987) found that lack of trust in organization was one of the main reasons for employee resistance to change. For example, the main organizational change processes, such as mergers and acquisitions, downsizing and reengineering, negatively influence a firm's working climate, with organizational trust especially affected. Due to the high risk factors entailed in large-scale change processes, trust in organization is necessary for employees to feel that management does what is best for the organization and its members (Morgan & Zeffane, 2003; Lines, Selart, Espedal & Johanson, 2005). It was expected that trust in organization provides the right conditions to decrease employees' resistance to change.

On the other hand, organizational behavior scholars have been exploring the reasons for employees' resistance to change and ways to overcome it. Positive organizational behavior may offer new perspectives on achieving organizational change. The theory indicates that positive behavior about organizational change may help employees cope with the changes and assist them in accepting and adjusting to new work conditions.

At this point, psychological capital of employees will be regarded as an individual factor that will affect the relationship between trust in organization and employee's resistance to change. Clapp-Smith, Vogelgesang and Avey (2009) found that psychological capital of employees positively relates to the level of trust in organization.

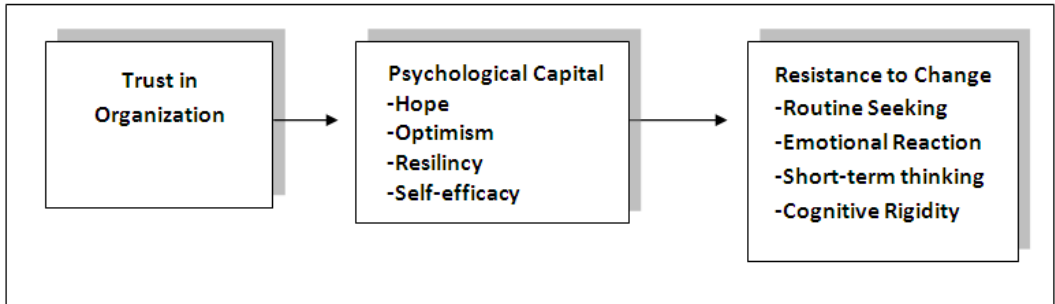
These findings indicated that both psychological capital and trust in organization have positive effects on decreasing employees' aversive reaction to organizational change. However, it is predicted that trust in organization does not always decrease employee resistance to organization change. So, it was hypothesized that trust in organization would create positive attitudes toward change process through first enhancing psychological capital of the employees.

Hypothesis: The relationship between trust in organization and resistance to change is mediated by psychological capital.

Research Model

As a summary of the theoretical framework, the study model is presented below:

Figure 1: Research Model



3. METHODOLOGY AND DATA

The survey collection methods were both online and self-administered questionnaires. The questionnaires are Resistance to change (RTC), Trust in Organization and Psychological Capital (PsyCap Questionnaire).

3.1. Sample

This research was conducted among 583 employees in Turkey. Convenience sampling was used for this study. 58,8 % (N=343) of the participants were male and 41,2% (N=240) were female. In terms of their educational background, 34,5% of the participants were elementary and high school graduates, 54% had a bachelor's degree, 11,5 % had a master's degree / a PhD degree. 26,6 % of the participants had tenure less than 5 years, 51,3 % had 5-15 years of tenure and 22,1 % had more than 15 years of tenure. Only 25 % of the participants had managerial position.

The participants were working full time in private and public sectors including retail & electronic retail sector (21,8%), educational sector (16,6 %), food sector (7%), information technologies sector (6%), medical sector (4,6) etc.

3.2. Instruments

The questionnaire used in this research consisted of four sections. The first section was the cover letter explaining the purpose of the research and assuring participant's strict anonymity.

The second section composed of 9 demographic questions and the rest of the sections consisted of 3 different scales with 50 items. The distribution of the items was as follows; 16 items were used to measure resistance to change, 10 items to measure trust in organization, and 24 items to measure psychological capital.

The respondents evaluated the items on a 6 point scale. This scale illustrates 1= Never, 2= Scarcely, 3= Rarely, 4= Sometimes, 5= Most of the time, 6= Always for all scales.

3.2.1. Resistance to change (RTC)

Resistance to change was measured by Oreg's (2003) RTC (resistance to change) scale used in this research. RTC scale was translated from English to Turkish by the researcher. Then four bilingual

experts reexamined the scale for semantic and syntactic equivalence. Also, the items were reviewed by the academicians in Organizational Behavior field.

RTC scale has four factors. These factors were a) routine seeking b) emotional reaction c) short-term thinking d) cognitive rigidity. The sample questions are “I generally consider changes to be a negative thing”, “When I am informed of a change of plans, I tense up a bit”. Oreg (2003) found the Cronbach alpha value of the instrument as 0.92.

3.2.2. Trust in Organization

Trust in organization was measured by trust scale developed by Islamoglu, Birsal, and Boru (2007). Sample items are as follows ; “My company is honest and fair” , “My company has peaceful and fair management”. Islamoglu et al., (2007) found the Cronbach alpha value of the instrument as 0.95.

3.2.3. Psychological Capital (PsyCap Questionnaire)

Psychological Capital was measured by Luthans, Avolio, Avey, Norman’s (2007) PsyCap Questionnaire instrument that was translated from English to Turkish by the researcher. Then four bilingual experts reexamined the instrument for semantic and syntactic equivalence. PsyCap Questionnaire scale has four factors. These factors are a) Hope b) Resiliency c) Self-efficacy d) Optimism. Sample items are as follows ;“I feel I can handle many things at a time at this job”, “I feel confident representing my work area in meetings with management”, “When things are uncertain for me at work, I usually expect the best”. Luthans, Avolio, Avey, Norman (2007) found the Cronbach alpha value of “Hope” factor as 0.80, “Optimism” factor as 0.79, “Self-efficacy” factor as 0.85, “Resiliency” factor as 0.72 .

4. RESULTS

Exploratory factor analysis was conducted to evaluate the construct validities of all measure (resistance to change, trust in organization, psychological capital). The reliabilities of the construct in each scale were determined by Cronbach’s Alpha. Then Pearson’s Correlation analysis was used to calculate the correlation between the variables. Finally, according to research model, regression analysis were conducted to test the hypotheses.

4.1. Factor and Reliability Analysis of “Resistance to Change” Instrument

Factor analysis was conducted with varimax rotation in order to determine the factors of

“Resistance to change” variable. As a result of the analysis, “Resistance to change” items were collected under two factors that factors which account for 69,981 % of the total variance. Item 15 was deleted since its factor loading was less than 0.50. Items 12, 7, 2 were discarded since they were loaded on more than one factor. After reliability analysis, items 6, 9, 14,16 were discarded due to their low reliability scores.

According to the nature of items, these two factors were named as “routine seeking” and “emotional reactions”. Moreover, the Cronbach Alpha values of each factor was determined as 0.841 and 0.836 respectively.

Table 1: Results of the Factor Analysis for Resistance to Change

Factors	Factor Loadings	Variance Explained (%)	Alpha (%)
Factor 1: Routine Seeking			
D11. Often, I feel a bit uncomfortable even about changes that may potentially improve my life.	.843		
D13. I sometimes find myself avoiding changes that I know will be good for me.	.811		
D4. I generally consider changes to be a negative thing.	.800		
D5. I'd rather be bored than surprised.	.786		
D10. Changing plans seems like a real hassle to me.	.770		
		48.42	.841
Factor 2: Emotional Reactions			
D8. When things don't go according to plans, it stresses me out.	.919		
D9. If my manager changed my responsibilities, it would probably make me feel uncomfortable even if I thought I'd do just as well without having to do any extra work.	.712		
		21.56	.836
KMO Measure of Sampling Adequacy		.871	
Bartlett's Test of Sphericity			
Approx. Chi-Square		1737.72	
df		21	
sig.		.000	

4.2. Factor and Reliability Analysis of "Psychological Capital" Instrument

Factor analysis was conducted with varimax rotation in order to determine the factors of "Psychological capital" variable. As a result of the first step of the factor analysis, "Psychological capital" items were loaded on four different factors. Item 6, 4, 24, 5 were deleted since they were loaded on more than one factor. After reliability analysis, items 1, 19, 2, 3, 7 were deleted due to their low reliability scores.

The fifteen items loaded under four factors which account for 73,176 % of the total variance. According to nature of items, these four factors were named as "resiliency" having six items, "self-efficacy" having five items, "optimism" having two items and "pessimism" with two items. Moreover, the Cronbach Alpha values of each factor was determined as 0.903, 0.905, 0.756 and 0.682 respectively.

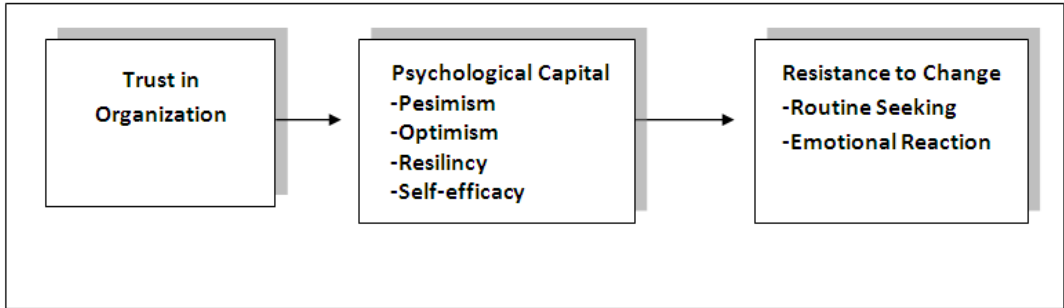
Table 2: Results of the Factor Analysis for Psychological Capital

Factors	Factor Loadings	Variance Explained (%)	Alpha (%)
Factor 1: Resiliency			
R3. I can be “on my own,” so to speak, at work if I have to.	0.824		
R4. I usually take stressful things at work in stride.	0.797		
R5. I can get through difficult times at work because I’ve experienced difficulty before.	0.787		
R6. I feel I can handle many things at a time at this job.	0.714		
SE1. I feel confident analyzing a long-term problem to find a solution.	0.660		
R2. I usually manage difficulties one way or another at work.	0.626		
		25.86	0.90
Factor 2: Self-efficacy			
SE 4. I feel confident helping to set targets/goals in my work area.	0.812		
SE 3. I feel confident contributing to discussions about the company’s strategy.	0.794		
SE 5. I feel confident contacting people outside the company (e.g. , suppliers, customers) to discuss problems.	0.788		
SE 2. I feel confident representing my work area in meetings with management.	0.756		
SE 6. I feel confident presenting information to a group of colleagues.	0.739		
		24.80	0.90
Factor 3: Optimism			
O4. I’m optimistic about what will happen to me in the future as it pertains to work.	0.858		
O 3. I always look on the bright side of things regarding my job.	0.853		
		12.01	0.75
Factor 4: Pessimism			
O 5. In this job, things never work out the way I want them to.	0.859		
O 2. If something can go wrong for me work-wise, it will	0.858		
		10.51	0.68
KMO Measure of Sampling Adequacy		.921	
Bartlett’s Test of Sphericity		5199.71	
Approx. Chi-Square		105	
df		000	
sig.			

Revised Research Model

The study model after factor analysis

Figure 2: Revised Research Model



4.3. Means, Standard Deviations and Correlations

As it was indicated table below, the correlation between resistance to change and other variables was very low and negative as expected. The presence of high correlation (generally 0.90 and higher) is the first indication of substantial collinearity (Hair, Black, Babin & Anderson, 2010). Since correlation results were not close to the value of .90, it was ensured that there was no multicollinearity between the variables. In addition, the second measure of multicollinearity is the variance inflation factor (VIF) . If VIF value is lower than 10, then it means there would be no multicollinearity between the variables.(Sipahi, Yurtkoru, Cinko, 2008). It was found that VIF value was lower than 10 for regression analyses. Consequently, we can say that there is no multicollinearity between research variables.

Table 3: Descriptive Statistics and Correlations

	Means	Standrad Deviatiaion	(1)	(2)	(3)	(4)	(5)	(6)	(7)
(1)Routine seeking	2.10	0.94	1						
(2)Emotional reaction	3.02	1.15	.431**	1					
(3)Trust in organization	4.66	0.91	-.191**	-.039	1				
(4) Resiliency	4.90	0.75	-.321**	-.098*	.352**	1			
(5) Self-efficacy	5.07	0.79	-.327**	-.086*	.357**	.708**	1		
(6) Optimism	4.74	0.90	-.236**	-.028	.389**	.526**	.461**	1	
(7) Pessimism	3.75	1.10	-.263**	-.122**	.265**	.220**	.233*	.173**	1

*Correlation is significant at 0.05 **Correlation is significant at 0.01

4.4. Regression Analysis

4.4.1. The Mediating Role of Psychological Capital between Trust in Organization and Resistance to Change- Main Model

In order to test mediating role of psychological capital between trust in organization and resistance to change, Baron & Kenny's (1986) method was used. Baron & Kenny (1986) mentioned three regression equations to test the linkages of the meditational model.

For testing Hypothesis "The relationship between trust in organization and resistance to change is mediated by psychological capital." multiple regression analysis was conducted. "Trust in Organization" is the independent variable, "Psychological Capital" is the mediator and "Resistance to Change" is the dependent variable.

In the first regression analysis, "Trust in Organization" was regressed on "Psychological Capital". The regression analysis revealed that "Trust in Organization" had a significant contribution on the prediction of "Psychological Capital" ($\beta = .404$, $p = .000$). The second regression analysis was conducted between "Trust in Organization" and "Resistance to Change". The regression analysis revealed that "Trust in Organization" had a significant contribution on the prediction of "Resistance to Change" ($\beta = -.141$, $p = .001$). The third regression analysis was conducted for the mediating variable analysis. "Psychological Capital" and "Trust in Organization" were entered as independent variables to examine their contribution on the dependent variable (Resistance to Change).

The result showed that only "Psychological Capital", which was the mediating variable, had a significant effect on "Resistance to Change" ($\beta = -.192$, $p = .000$) while the significant contribution of "Trust in Organization" on "Resistance to Change" in second regression disappeared during multiple regression ($\beta = -.0063$, $p = .152$). This result showed that "Psychological Capital" fully mediated the effect of "Trust in Organization" on "Resistance to Change".

Table 4: The Mediating role of “Psychological Capital” between “Trust in Organization” and “Resistance to Change”

	R	Adj R²	F	B	t	p
Analysis I	0.404	0.162	113,398			
Independent Variable: Trust in Organization				0.404	10.649	0.000
Dependent Variable: Psychological capital						
	R	Adj R²	F	B	t	p
Analysis II	0.141	0.018	11,800			
Independent Variable: Trust in Organization				-0.141	-3.435	0.001
Dependent Variable : Resistance to change						
	R	Adj R²	F	B	t	p
Analysis III	0.226	0.048	15,539			0.000
Independent Variable: Trust in Organization				-0.063	-1.433	0.152
Mediating Variable: : Psychological capital				-0.192	-4.349	0.000
Dependent Variable: Resistance to change						

4.4.2. The Mediating Role of all Psychological Capital factors between Trust in Organization and all Resistance to Change factors

The Mediating role of all psychological capital factors (self-efficacy, optimism, pessimism, resiliency) was tested by four multiple regression analysis.

“Trust in Organization” is the independent variable, “all Psychological Capital factors” are the mediators and “all Resistance to Change factors” are the dependent variables.

- In the first regression analysis, “Trust in Organization “was regressed on “all Psychological Capital factors (self-efficacy, optimism, pessimism, and resiliency)”. The regression analysis revealed that “Trust in Organization” had a significant contribution on the prediction of on “Psychological Capital factors (self-efficacy ($\beta=.357, p=,000$), optimism ($\beta=.389, p=,000$), pessimism ($\beta=.265, p=,000$), resiliency ($\beta=.352, p=,000$))”
- The second regression analysis was conducted between “Trust in Organization” and “Resistance to Change- routine seeing”. The regression analysis revealed that “Trust in Organization” had a significant contribution on the prediction of “Resistance to Change-routine seeking” ($\beta=-.191, p=,000$).
- The third regression analysis was conducted for the mediating variable analysis. “All Psychological Capital factors” and “Trust in Organization” were entered as independent variables to examine their contribution on the dependent variable (Resistance to Change-routine seeking).

The results showed that “all Psychological Capital factors”, which were the mediating variables, had a significant effects on “Resistance to Change- routine seeking” ((self-efficacy ($\beta=-.297$, $p=.000$), optimism ($\beta=-.191$, $p=.000$), pessimism ($\beta=-.228$, $p=.000$), resiliency ($\beta=-.290$, $p=.000$))” while the significant contribution of “Trust in Organization” on “Resistance to Change- routine seeking” in second regression did not disappeared during multiple regression ((self-efficacy ($\beta=-.086$, $p=.041$), optimism ($\beta=-.117$, $p=.007$), pessimism ($\beta=-.131$, $p=.002$), resiliency ($\beta=-.089$, $p=.033$)). This result showed that “all Psychological Capital factors” did not play a mediation role between “Trust in Organization” on “Resistance to Change- routine seeking”. The regression analyses are shown in table 6- 8.

Table 5: The mediating role of psychological capital (self efficacy) between trust in organization and resistance to change (routine seeking).

	R	Adj R ²	F	B	T	p
Analysis I	0.357	0.126	84,938			
Independent Variable: Organizational Trust				0.357	9.216	0.000
Dependent Variable: Psychological capital (self-efficacy)						
Analysis II	0.191	0.035	22,102			
Independent Variable: Organizational Trust				-0.191	-4.407	0.000
Dependent Variable : Resistance to change (routine seeking)						
Analysis III	0.337	0.110	37,085			0.000
Independent Variable: Organizational Trust				-0.086	-2.043	0.041
Mediating Variable: : Psychological capital (self-efficacy)				-0.297	-7.085	0.000
Dependent Variable: Resistance to change (routine seeking)						

Table 6: The mediating role of psychological capital (optimism) between trust in organization and resistance to change (routine seeking).

	R	Adj R²	F	B	T	p
Analysis I	0.389	0.150	103,431			
Independent Variable: Organizational Trust				0.389	10.179	0.000
Dependent Variable: Psychological Capital (optimism)						
Analysis II	0.191	0.035	22,102			
Independent Variable: Organizational Trust				-0.191	-4.407	0.000
Dependent Variable : Resistance to Change (routine seeking)						
Analysis III	0.260	0.067	20,990			0.000
Independent Variable: Organizational Trust				-0.117	-2.696	0.007
Mediating Variable: : Psychological Capital (optimism)				-0.191	-4.380	0.000
Dependent Variable: Resistance to Change (routine seeking)						

Table 7: The mediating role of psychological capital (pessimism) between trust in organization and resistance to change (routine seeking).

	R	Adj R²	F	B	T	p
Analysis I	0.265	0.069	43,954			
Independent Variable: Organizational Trust				0.265	6.630	0.000
Dependent Variable: Psychological Capital (pessimism)						
Analysis II	0.191	0.035	22,102			
Independent Variable: Organizational Trust				-0.191	-4.407	0.000
Dependent Variable : Resistance to Change (routine seeking)						
Analysis III	0.291	0.082	26,917			0.000
Independent Variable: Organizational Trust				-0.131	-3.180	0.002
Mediating Variable: : Psychological Capital (pessimism)				-0.228	-5.532	0.000
Dependent Variable: Resistance to Change (routine seeking)						

Table 8: The mediating role of psychological capital (resiliency) between trust in organization and resistance to change (routine seeking).

	R	Adj R ²	F	B	T	p
Analysis I	0.352	0.122	82,040			
Independent Variable: Organizational Trust				0.352	9.058	0.000
Dependent Variable: Psychological Capital (resiliency)						
Analysis II	0.191	0.035	22,102			
Independent Variable: Organizational Trust				-0.191	-4.407	0.000
Dependent Variable : Resistance to Change (routine seeking)						
Analysis III	0.332	0.107	37,968			0.000
Independent Variable: Organizational Trust				-0.089	-2.137	0.033
Mediating Variable : Psychological Capital (resiliency)				-0.290	-6.931	0.000
Dependent Variable: Resistance to Change (routine seeking)						

For last mediating analysis, the independent variable “Trust in Organization” was regressed to “Resistance to Change- emotional reaction”. The result of analysis showed that “Trust in Organization” did not have a significant contribution on the prediction of “Resistance to Change-emotional reaction” ($\beta = -.035$, $p = .394$). So, further analysis was not conducted for “Resistance to Change- emotional reaction” due to this result. The result of regression analysis is presented in table9.

Table 9: The mediating Role of Psychological Capital (self-efficacy, optimism, pessimism, resiliency) between Trust inOrganization and Resistance to Change (emotional reaction)

	R	Adj R ²	F	β	t	P
Trust in Organization	.035	.000	.727	-.035	-.853	.394
Dependent Variable: Emotional Reaction						

5. CONCLUSION

Unstable economic and political conditions have increased number of change efforts within organizations. Several studies attempt to explain why change efforts in technology, production methods, management practices and compensation systems have fallen short of expectations or resulted in failure (Oreg, 2006).

There are several factors such as technological difficulties, lack of time and money investment during organizational change implementation process, but the most important factor is the reaction of employee towards change efforts.

At this point, trust has become an important issue for the success of today's organizations. As noted in the literature review, trust in organization indicates that management does not exhibit any behavior that results in unfavorable conditions to employees during the change process (Boon & Holmes, 1991). Several empirical studies showed a strong and negative relationship between trust in organization and resistance to change (Stanley et. al., 2005; Oreg, 2006; Holoviak, 1999) and the important role of trust in organization during organizational change efforts (Cashman, 1998). In line with the literature, the correlation analysis in this research between resistance to change and trust in organization revealed a significant and negative relationship.

Even organizational studies have shown the importance of trust in a range of organizational activities, such as individual performance (Oldham, 1975; Rich, 1997), conflict management (Porter & Lilly, 1996; Zaheer et al., 1997), unit performance (Dirks, 1999) and goal acceptance (Oldham, 1975; Kim & Mauborgne, 1993), there is a limited empirical research examining the relationship between psychological capital and trust in organization. Thus, this research initiates further studies on these concepts.

It was found that there was a significant and negative relationship between psychological capital and resistance to change. Individuals with high psychological capital will present more favorable behaviors towards organizational change. This is consistent with Peterson et al.'s study (2011), who noted that psychological capital is considered critical to motivation, cognitive processing, striving for success and the resulting performance in the workplace. Avey et al. (2008) found that employees' positive psychological capital is important for combating negative attitudes (i.e., cynicism and deviance). These attitudes (i.e., cynicism and deviance) usually negatively associated with organizational change and affected employees' adaptation to new working conditions. Avey et al. (2008) also stated that employees' positive resources are positively associated with desired attitudes (emotional engagement) and behaviors (organizational citizenship). These behaviors assist employees to accept organization change outcomes. One can thus conclude that positive psychological capital and trust in organization may strongly support organizational change efforts.

So, it was hypothesized that the relationship between trust in organization and resistance to change is mediated by psychological capital.

The regression analysis showed that psychological capital has a mediating role between trust in organization and resistance to change. Trust within the organization will increase employees' psychological capital. Then, high psychological capital will have a negative effect on resistance to change and thus employees' resistance to change will decrease during the change process. This finding is consistent with the notion that to be successful in organizational change efforts, characteristics of the work environment must support and enhance employees' strengths in order to motivate positive behavior. For example, as it was indicated in this research, both trust in organization and psychological capital have a positive effect on decrease of employees' aversive reaction to organizational change process. However, trust in organization is not always enough to result in less employee resistance to organization change. So, trust in organization would create

positive outcomes on employees' resistance to change process through first enhancing psychological capitals' of employees.

Further regression analyses were conducted with factors of psychological capital (self-efficacy, pessimism, optimism and resilience), the factors of resistance to change (routine seeking and emotional reactions) and trust in organization. Interestingly, the results of the analysis showed that the factors of psychological capital did not play mediating roles between trust in organization and factors of resistance to change. It can be conclude that psychological capital is a recently studied concept in the organizational studies literature. So, further research with different sample compositions and bigger sample sizes should be conducted to better understand the contribution of psychological capital on the relationship between trust in organization and resistance to change.

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