

## **THE COMBINED EFFECTS OF TRUST AND EMPLOYEE IDENTIFICATION ON INTENTION TO QUIT**

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### **ABSTRACT**

The aim of this study is to investigate the relationships between trust in supervisor, organizational identification and intention to quit the organization. Data for this study are obtained from 133 middle level managers from 35 firms and used to examine the hypothesized relationships among variables. All constructs are measured with already existing reliable scales. After calculating the mean scale scores for all measures, regression models are developed by using the (composite) constructs of the study. It is found that when trust in supervisor and organizational identification were considered as independents, it is trust in supervisor but not the organizational identification that is related to employees' intention to quit the organization.

### **ÖZET**

Bu çalışma, yöneticiye (üst amire) güven, örgütsel kimlik ve işten ayrılma niyeti arasındaki ilişkileri incelemektedir. Çalışmada kullanılan veriler, 35 firmada çalışmakta olan 133 orta seviye yöneticiye sorulan anket soruları ile elde edilmiş olup, bu verilerle, söz konusu değişkenler arasındaki ilişkiler üzerine kurulan hipotezler test edilmiştir. Anketi oluşturan soruların tamamı geçmişte kullanılmış güvenilir anket ölçeklerinden alınmıştır. Anket sorularına verilen cevapların ortalama değerleri alınarak oluşturulan (bileşik) değişkenler regresyon analizlerine tabii tutulduğunda, yöneticiye güven ve örgütsel kimlik bağımsız değişken olarak alındığında, örgütsel kimliğin değil yöneticiye güvenin daha çok işten ayrılma niyeti ile ilişkili olduğu bulunmuştur.

## **INTRODUCTION**

The concept of organizational identification has been studied by researchers in terms of positive work attitudes and beneficial organizational outcomes, and defined as ‘the degree to which a member defines him-/herself by the same attributes that he/she believes define the organization’ (Dutton et al., 1994: 239). The organization, as a social category, may be perceived as embodying attributes that are prototypical of the members or of the organization as an abstraction. In identifying with the organization, people often internalize these attributes as their own. In a real sense, people who identify may see themselves as personifying the organization. Despite the fact that the importance of organizational identification has long been recognized (e.g. Brown, 1969; Hall and Schneider, 1972; Lee, 1971; Rotondi, 1975), there appears to be some controversy regarding the theoretical position of the organizational identification concept.

Mayer, Davis, and Schoorman (1995: 712) defined trust as ‘the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other party will perform a particular action important to the trust or irrespective of the ability to monitor or control that other party.’ According to Butler (1991: 647), “the literature on trust has converged on the beliefs that (a) trust is an important aspect of interpersonal relationships, (b) trust is essential to managerial careers, and (c) trust in a specific person is more relevant in terms of predicting outcomes than is the global attitude of trust in generalized others.” Thus, trust and its consequences are likely to be important in the context of positive work attitudes and organizational outcomes (Podsakoff et al., 1990). This study investigates whether sense of identification with the organization may be viewed as a consequence of trust in supervisors and as an antecedent of the intent to quit the organization. In addition to their theoretical relevance, we selected these variables because of their substantive importance. Although many researches have shown that trust (e.g. Aryee et al., 2002) and employee identification (e.g. Knippenberg and Schie, 2000) should predict the employees’ intention to quit the organization, very few studies have investigated why these constructs are important and how they appear to be linked in a conceptual model. In accordance with this aim, samples from Turkish private organizations were derived to examine relationships proposed in the research model (see Figure 1).

## **RESEARCH MODEL AND HYPOTHESES**

Organizational identification can be defined as “perceived oneness with an organization and the experience of the organization’s successes or failures as one’s own” (Mael and Ashforth, 1992: 103). Organizational identification is a specific form of social identification, and that, to the extent that an individual identifies with an organization, the organization provides the individual with a sense of identity. Thus, organizational identification provides a basis for organizational attitudes and behaviors just as social identification provides a basis for attitudes and behavior. This essentially underlies organizational identification’s potential beneficial effects on organizational functioning. The more an individual identifies with an organization, the more likely he or she is to take the organization’s perspective and to act in the organization’s best interest (Dutton et al., 1994; Mael and Ashforth, 1992).

There is also empirical evidence linking trust in organization to organizational commitment, intention to remain, and the civic virtue dimension of citizenship behavior (Liou, 1995; Robinson, 1996; Robinson and Morrison, 1995; Konovsky and Pugh, 1994). Trust in supervisor has also been shown to be related to the supervisor-directed citizenship behavior dimensions of altruism, courtesy, and conscientiousness (Podsakoff et al. 1990). Therefore we expect trust in supervisors to be positively related to employee identification (Hypothesis 1).

According to Dutton, Dukerich, and Harquail (1994), organizational identification aligns individuals’ interests and behaviors with interests and behaviors that benefit the organization. Employees who strongly identify with the organization are likely to focus on tasks that benefit the whole organization rather than purely self-interested objectives. Several authors argue that as the organizational identification increases, employees not only perform tasks that contribute to the well being of the organization but also demonstrate increased cooperation with other organizational members. (e.g., Festinger, 1957). The alignment of employee and organizational interests enables an employee to contribute simultaneously to both the organization and him or herself (Dutton et al., 1994). Besides, a sense of organizational identification may prevent employees from becoming alienated and may be an important precondition for general feelings of job satisfaction. Moreover, members that identify with an organization may be more likely to remain with the organization and to expend effort on behalf of the organization (Dutton et al., 1994).

Based on the above literature we expect trust in supervisors (Hypothesis 2) and employee identification (Hypothesis 3) to be negatively related to intention to quit the organization, because employees who strongly trust their supervisors and identify with their organization should value the

organization and organizational membership more and hence should be less willing to leave the organization (Mael and Ashforth, 1992). Thus we propose the following research model.



Figure 1. Theoretical model

## METHODOLOGY AND FINDINGS

### Sample, Procedure and Measures

This research has been conducted on small and medium sized Turkish manufacturing organizations. Data for this study were obtained from 133 middle level managers from 35 firms with a response rate of 38%. After deleting records with missing cases 107 completed questionnaires were remained and constituted the sample for this study. The 91% of the respondents were between 20-36 years of age and 93% of the respondents had worked at least five years for their organization. The sample included 56% male and 44% female, and 43% of the respondents were married. 88% of the respondents were at least high school and 12% of the respondents were at least university graduates.

All constructs were adapted from existing scales. All items were measured on a five point Likert-type scale where 1 = strongly disagree and 5= strongly agree. Mean scale scores were calculated for all measures. We used the Cronbach's Alpha to estimate reliability for scales. Trust in supervisor was measured with six items from Nyhan and Marlowe (1997)'s trust in supervisor scale. Organizational identification was measured with the five-item scale developed by Mael and Ashforth (1992). Four items from Bluedorn (1982) were used to measure employees' intention to quit the organization.

### Factor Analysis and Correlations

Since the scales were used with a new sample, eight items of trust in supervisor, five items of organizational identification and four items of intention to quit were submitted to exploratory factor analysis. The best fit of data was obtained with a factor analysis with a varimax rotation and screen

pilot indicated that three factors should be retained. The factor loadings of all scale items are displayed in Table 1.

**Table 1.** Factor Loadings of All Scale Items.

Item	Factor 1 Intention to Quit	Factor 2 Trust in Supervisor	Factor 3 Organizational identification
1	0,903		
2	0,855		
3	0,744		
4	0,728		
5		0,791	
6		0,759	
7		0,753	
8		0,735	
9		0,548	
10			0,821
11			0,736
12			0,720

Factor 1 consisted four items of intention to quit. After omitting one item, factor 2 included five items of trust in supervisor. Factor 3 included three organizational identification items after omitting two poor performing items. The alpha reliabilities of the factors were 0.81, 0.78, and 0.68 respectively.

**Table 2:** Descriptives, Correlations and Alpha Reliabilities of the Measures

Variables	Mean	S.D.	Alpha 1	2	3
1 Trust in supervisor	4.072	0.546	0.78	-	-
2 Employee identification	4.479	0.477	0.68	<b>0.390**</b>	-
3 Intention to quit	1.452	0.631	0.81	<b>-0.256**</b>	<b>-0.212**</b>

\*\* Correlation is significant at 0.05

As seen above, both trust in supervisor and employee identification are negatively and significantly related to employees intention to quit the organization. Additionally, trust in supervisor is positively and strongly related to employee identification as expected. Thus the correlation analysis confirmed all our predictions.

### Regression Analysis

In order to compare the effects of employee identification and trust in supervisor on intention to quit, a multiple regression model is required. Therefore the regression model included trust in supervisor and organizational identification as independents whereas turnover intentions were

considered as a dependant variable. Table 3 presents, simple regression models and a multiple regression model that shows the separate and combined effects of trust in supervisor and employee identification on intention to quit.

**Table 3.** Results of Simple and Multiple Regression Models.

Independents	Model 1 Intention to quit		Model 2 Intention to quit		Model 3 Intention to quit	
	$\beta$	T	$\beta$	T	$\beta$	T
Trust in supervisor	<b>-0.256</b>	<b>-2.686**</b>	-	-	<b>-0.202</b>	<b>-1.961*</b>
Organizational identification	-	-	<b>-0.212</b>	<b>-2.211*</b>	-0.138	-1.340
F	7.213**		4.889**		4.533**	
R <sup>2</sup>	0.065		0.045		0.082	
Adjusted R <sup>2</sup>	0.056		0.036		0.064	
* Coefficient is significant at 0.05 ** Coefficient is significant at 0.01						

As seen above, the effects of trust in supervisor and organizational identification on intention to quit were tested with three regression models and all models were found statistically significant ( $p < 0.01$ ). We predicted that lower scores on a measure of trust in supervisor would be related to stronger intention to quit the organization. Accordingly in model 1 when only trust in supervisor was included, it was found to be negatively related to intent to quit the organization ( $\beta = -0.256$ ,  $p < 0.001$ ). Similarly in model 2, organizational identification was also negatively ( $\beta = -0.212$ ,  $p < 0.05$ ), related to intent to quit. Third model examined the effects of both trust in supervisor and employee identification on intention to quit and revealed that when these two construct were considered as independents together only trust in supervisor is negatively related to intent to quit.

## DISCUSSION

This study examined the relationships between trust in supervisors, organizational identification and employees' intent to quit the organization in Turkish manufacturing organizations. This study provides empirical evidence that employees' trust in supervisors help us understand variation in employee identification with the organization. The results of correlation analysis and simple regression models revealed that trust in authorities and identification are negatively and significantly related to employees' intent to quit. This study also investigated the combined effects

of trust in supervisor and organizational identification on intent to quit the organization by multiple regression analysis in 35 Turkish manufacturing organizations. Although this study did not analyze all of the possible variables considered as antecedents, correlates or consequences of organizational identification, it offered a further investigation into an important organizational phenomenon in the Turkish context.

The study hypothesized that trust in supervisor and employee identification both partially and collectively impact turnover intention of employees. According to the findings, one way that organizations attempt to reduce the turnover intention is to increase employee trust in supervisor which can be managed not only by performance appraisal related issues but also by participative and empowering leadership style. The findings also showed that another way of reducing employees' intention to quit the organization is to encourage employees' identification with the organization. It is also found that when trust in supervisor and organizational identification are taken as independents, it is trust in supervisor but not the organizational identification that is related to employees' intention to quit their organization. Thus, H1 and H3 were fully supported, but H2 was rejected. This implies that employees, who work in organizations characterized with high trust in supervisory, feel more identified with their organization and less willing to leave the organization.

The results of this study should be examined with its limitations in mind. First, the data were collected from middle level from 35 firms at a single point in time. The low return rate limits the generalizability of the results. Second, employees were asked to complete the survey at one point in time and there is the possibility of a self-report variance. Third, given high unemployment and limited job opportunities in Turkey, turnover intention may not be satisfactorily reflected in the study. Thus, further longitudinal research is needed to examine whether the intent to quit an organization is consistent with the actual turnover withdrawal behavior.

Despite these limitations our results have both theoretical and empirical implications. On a theoretical level the study indicates that trust in supervisor and organizational identification are directly related to turnover intention. The results also imply that when combined effects of supervisory trust and identification are considered, only trust in supervisor is significantly related to turnover intention. On a practical level, the present findings is that if reduced turnover intention is a goal, managers will generally benefit from enhancing their employees' level of trust and feelings of identification.

These findings may have important implications for researchers given our current lack of understanding of human resources issues in Turkey. Since the results revealed that the beliefs about

the appropriate trust level between supervisors and subordinates strongly effect employees identification with their organization and intent to continue to be a member of the organization, organizations need to discover how to obtain employees' commitment and identification by the effects of trust. In other words, if organizations desire to have employees who are not willing to leave the organization, they should consider the evaluation of authorities by employees in terms of trust and they should attempt to acquire employees' identification with the organization. We also offer several recommendations for those interested in pursuing these issues from a research perspective. First in terms of empirical research on actual turnover and turnover intentions, future studies should investigate the interactive effects of trust and identification on turnover intentions. Also future studies might engage front line workers employed in service industries. The issues under consideration might also be tested with front line employees in other countries where different issues may change the nature of supervisory trust and employee identification

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