The Role of Trust to Manager in The Effect of Leadership Behavior on Employee Performance

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Abstract: The study aims to investigate the role of trust in the manager in the effect of leadership behavior on employee performance. In this direction, a literature review has been made for studies on this subject. A sample of 252 people was selected through appropriate sampling. Collected data were analyzed using SmartPLS 3.2.9. Leadership behavior is very effective on the performance of employees and trust in the manager. In addition, trust in the manager affects the performance of the employees. Trust to manager, on the other hand, has a mediating role in the relationship between leadership behavior and employee performance.

Key words: Trust to Manager, Leadership Behavior, Employee Performance

1. INTRODUCTION

The concept of leadership means that the movements of the organization are under control for a common purpose. It is the general behavior of the individual to keep it. In addition, leadership provides mutual communication. It is the stage of initiating a movement and continuing this movement by melting the interpersonal communication process and behaviors in the same area, which are directed in order to achieve predetermined goals within this scope. Trust term means that a person’s words, behaviors and decisions only have a certain expectation in line with his own wishes and interests. It is the association of one's own purpose and desire with doing others a favor. These concepts manifest themselves in business life as leadership behaviors and trust to managers. In today's modern world, improving productivity and efficiency in workplaces is a very important issue. In business life, it is aimed to increase employee performance and is associated with the concepts of trust to manager and leadership behavior. It is possible to say that there are many studies on this subject in the literature. For example, according to Bateman and Snell (2007), job performance in the form of performance appraisal and management is an essential part of effective management and is the most sought-after developmental intervention in a manager's portfolio. According to Hellriegel et al. (1999), the term "employee performance" refers to a person's job success after making the necessary effort in the work associated with obtaining a meaningful job, a committed profile, and finding compassionate colleagues / employers. In addition, the performance-oriented goal is expected to be in line with the organizational policies, so that the whole process moves away from event-oriented and becomes a more strategic and human-centered perspective (Jena & Pradhan, 2014).

The aim of this study is to investigate and emphasize the role of trust in manager in the effect of leadership behavior on employee performance. In this context; trust; manager trust, leadership behavior and employee performance are discussed and analyzed under separate headings. The study has been prepared with the literature search technique.

2. MANAGER TRUST

Trust is the readiness of someone to be powerless against the activities of other. Trust is the choice to depend on another gathering in a danger condition (Currall SC. & Epstein MJ., 2003). Trust is the result or positive impressions from shared collaborations (Brockner J., et al., 1997).

Trust is the readiness to build the assets that put resources into another gathering, in light of inspirational desires coming about because of past sure common collaborations (Tzafrir & Eitam-Meiliki, 2005).

According to Özdere (2015), all behaviors of managers based on encouraging employees without prejudice constitute a trust to manager. Peltekoğlu (2001) argues that there are main factors that can be effective in establishing trust in the manager. For example, employees' trust in matters
that will affect them and their work from external news sources weakens their confidence and negatively affects communication. To prevent this, employees should be informed. In addition, the manager must provide both good and bad news, because positive news should not be subjected to discrimination in order to lose confidence in the messages that will be given to employees over time and cause loss of trust in the organization. Employees must be informed in a timely manner. This must be done in a timely manner to convey potentially important news and disseminate news quickly and accurately without losing the importance of employees. Employees should be informed about specific topics such as future corporate plans, career opportunities, business, productivity improvements, personnel policies and practices, especially where they want to be informed. Although the trust in the manager increases the productivity of the employees in organizations, it is observed that the cost of doing business increases and the personal and group health deteriorates in organizations where trust in the manager is low. In addition, alienation, loneliness and hostility begin to appear in the institution as a result of decreased trust in the leader and increased fear.

According to Morgan & Hunt (1994), trust is a conviction of the two players to never act in a manner that carries drawback to the next gathering or to exploit their shortcomings. Trust is the desire and confidence upon which two community will act to make sure about shared advantage. Trust is set up by commonly gainful conduct. Trust and participation are improved by meeting desires for commonly valuable conduct in the present (Bijlsma & van de Bunt, 2003). Also, trust is restricted by vulnerability between two gatherings about thought processes, expectations, and activities (Gilson L., 2003).

Trust is basically relational. Be that as it may, in business conditions, there is likewise a worldwide component of trust; "trust is a worldwide assessment of the association's reliability as seen by the employees (the trustors)". The representatives' conviction that the association will act in a manner that is gainful, or if there is nothing else impeding that, to them, is additionally significant (Tan HH. & Tan CSF., 2000). Trust makes added an incentive in an association; trust upgrades data stream and information creation (McElroy MW., 2002). Connell J. et al. (2003) indicated that trust upgrades connections, communication, and participation.

A considerable amount of studies reveals that there are strong links between leadership behavior and employees' trust in them. For example, Butler (1991) states that leader behaviors such as transparency, justice, loyalty, consistency, and honesty interact with the trust in the leader and affect the trust in the leader. In addition, there are studies showing a relationship between trust in the leader and transformational leadership behaviors, as in the study conducted by Kirkpatrick and Locke (1996).

Many researchers state that relying on the leader also increases the employees' support to management, their commitment to management, their tendency to accept management's decisions, and makes employees more willing to strive for organizational goals. Again, from a similar perspective, it is stated that employees' trust in the leader is essential for effective leadership. For instance, Yang and Mossholder (2004) state that the trust in the leader increases the performance of the employees towards and outside of their duties, thus creating an effective input on the organizational citizenship behavior of the employee. Although there is a reciprocity in the leader-subordinate interaction, it is stated that there is no such requirement for trust, this situation was deemed important as it is one of the most important results expected from the employee when the bond of trust is established between the employee and the leader. As the level of trust of employees in the leader increases, it is expected that there will be an increase in task-oriented and organizational citizenship behaviors (Colquitt, Scott, and LePine, 2007).

3. LEADERSHIP BEHAVIOR

Leadership is an ancient concept that goes back to the beginning of humanity. At every point where social structures are formed, there is also leadership that underlies humanity (Akan, Yıldırım, & Yağcı, 2014; Hackman & Johnson, 2013). Leadership is the ability to keep a community together in line with certain goals by encouraging and motivating the members to achieve these goals. Leaders should have attributes and qualities such as innovative, willing, reassuring, courage, risk taking, and being professional. In light of this, it can be said that the existence of leadership is seen as a phenomenon in all sub-units such as the state, labor force, market, schools that make up the society. The phenomenon of leadership has spread to all social life spheres such as administratorship in schools or workplace starting from these social sub-units (Gardner, 1990).

It has been debated that leadership behavior is an important factor in increasing the level of trust in the organization. Leaders maintain confidence in
themselves through their behavior. Also, trust to the leader is primarily influenced by the behavioral consistency, integrity of the leader, authority sharing and delegation, communication and attention (Whitener et al., 1998). In addition to this information, according to many studies, there is a relationship between trust in the leader and transformational leadership behaviors (Podsakoff et al., 1990; Shamir & Lapidot, 2003).

Management in organizations is the act of coordinating the groups’ efforts and directing staff to these goals. The executive is the person responsible for creating an effective organization that allows the members of the organization to act in accordance with specific goals. Because trust in managers in an organization is attributed to the employees of the entire organization, managers are seen as initiators of trust in literature. At the same time, adhering to the principles and rules supported by the management of the organization without prejudice, that is, the bureaucratic behavior of the manager can also ensure the safety of the employees (Özdere, 2015: 27).

According to the statement of Colquitt, Scott, and LePine (2007), as long as interactional leadership behaviors help the leader to be perceived as honest and fair and reduce uncertainties in leader-subordinate interaction, subordinates increase their confidence in the leader and contribute to their performance beyond what is expected of them. Trust in administration can likewise be identified with main concern results for groups and work gatherings, as shown in Dirks’ (2000) investigation of NCAA ball groups. In the investigation, consideration was attracted to how authority influences representative achievement. As per discoveries of the examination; despite the fact that trust in pioneer may undoubtedly be higher for groups that are winning than groups that are losing, the connection between trust and execution is fundamentally more prominent when the group is doing inadequately. In particular, for groups that had been performing admirably or tolerably well, there was practically no connection between trust and execution. Notwithstanding, for groups that had been performing inadequately, the relationship was positive and solid. One understanding of these outcomes is that trust in pioneer may not be remarkable or may not be seen by workers as basic during times in which the climate is positive (the group is progressing admirably). Dirks argues with this study that leadership significantly affects employee performance.

4. EMPLOYEE PERFORMANCE

Performance is a multicomponent idea and on the crucial level one can recognize the cycle part of execution, that is, conduct commitment from a normal result (Borman, and Motowidlo, 1993; Campbell et al., 1993; Roe, 1999). According to Campbell (1990), the conduct here indicates the activity of individuals show to achieve a work, while the result perspective states about the outcome of person’s employment conduct. Obviously, in a work environment, the conduct commitment and expected result are identified with one another (Borman, and Motowidlo, 1993), however, the thorough cover between both the builds are not apparent yet, as the normal result is impacted by variables, for example, motivation and intellectual capacities than the social angle.

Execution consolidates the subsequent results of the performed activities of representatives dependent on their ability and aptitudes. In the cutting edge world, the furious rivalry in the business market, risen because of globalization, has constrained associations to make an upper hand for their endurance or to move away from the market. Hence, because of such developing rivalry, the significance of human asset has likewise been risen as workers are the significant wellspring of upper hand (Rich, Lepine and Crawford, 2010). Associations can appreciate the advantages of such upper hand if representatives are performing up to the necessary levels for example; contributing decidedly in the hierarchical development and objective achievement (Liao and Chang, 2004). In this manner, associations are needed to zero in on the variables that may contribute decidedly in improving representatives’ exhibition to create and hold the upper hand for them.

Performance as errand execution involves work expressing practices which incorporate major employment obligations relegated as a piece of expected set of responsibilities. Assignment execution requires more intellectual capacity and is basically encouraged through errand information, task aptitude, and undertaking propensities. (Conway, 1999). On the other hand, authority task execution is marked through defining vital objectives, maintaining the essential exhibition guidelines, propelling and guiding subordinates to achieve the occupation through support, acknowledgment, and productive criticisms (Borman, and Brush, 1993; Tripathy, 2014).

Borman, and Motowidlo (1997) characterized work performance with regard to task execution as “viability with which work inhabitants execute their relegated undertakings, that understands the
satisfaction of association’s vision while compensating association and individual proportionately.” Werner (1994) has incorporated the prior suggestions of assignment execution through relating it to hierarchical conventional prize expressing as “the showed expertise and conduct that impacts the immediate creation of merchandise or administration, or any sort of exercises that gives roundabout supports to association’s center specialized cycles.”

In hierarchical settings, workers’ exhibition is the aggregates’ aftereffect of the aptitudes, endeavors and capacities of the apparent multitude of representatives contributed in authoritative improved profitability driving towards its objective accomplishment. Improved authoritative execution demonstrates the endeavors towards objective accomplishment while requiring more endeavors regarding improved representative execution (Ellinger et al, 2003).

Worker execution is among the basic factors that contribute fundamentally in hierarchical achievement. Learning associations assume significant part in upgrading worker execution through giving trainings and advancements to their representatives (Gitongu et al, 2016). Besides, the executives’ guidelines to assess representative execution likewise assume basic part in improving worker execution as they give the image of genuine execution and its arrangement with the benchmarks. On the off chance that errors discovered, at that point these guidelines help bringing the yields again towards their necessary levels (Mackay et al, 2004). Representatives’ execution likewise relies upon their interior fulfillment towards their work. On the off chance that workers are fulfilled from their positions just as the association than they are all the more definitely intrigued to perform well towards authoritative objective accomplishment (Harter et al, 2002).

5. METHOD

5.1. Research Model and Hypotheses

The models and hypotheses created in accordance with the purpose of the research as a result of the literature review are shown below.

Figure 1. Research Model

Leadership behaviors were measured using the 24-item scale. Leadership behavior scale consists of 6 dimensions: Articulating a Vision, Being Creative and Risk-taking, Monitoring Operations, Relating and Communicating, Showing Benevolence, and Being Authoritative (Wang, H., Tsui, A. S., & Xin, K. R., 2011: 98). The scale ranged from 1 (strongly disagree) to 5 (strongly agree).

H₁: Leadership Behaviors significantly influences Employee Performance
H₂: Leadership Behaviors significantly influences Trust to Manager
H₃: Trust to Manager significantly influences Employee Performance
H₄: Trust to Manager significantly mediates the relationship between Leadership Behaviors and Employee Performance

5.2. Data Analysis and Results

Indicator Reliability

Indicator reliability is first checked to ensure that the associated indicators have much in common than what is captured by the latent constructs. After examining the outer loadings for all latent variables, the 1 indicator that forms Being Creative and Risk-Taking (lyrt_5) is removed because outer loading is smaller than the 0.4 threshold level (Hair et al., 2013). Meanwhile, 4 indicators (lyrd_4, iprf_2, yg_1 and yg_2) are found to have loadings between 0.4 to 0.7. In a loading relevance test,
problematic indicators should be deleted only if their removal from the PLS model leads to an increase of AVE and composite reliability of their constructs over the 0.5 thresholds (Ken Kwong-Kay Wong, 2016: 7).

### Table 1. Measurement - Model Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Statement</th>
<th>Outer Loading</th>
<th>Cronbach Alfa</th>
<th>CR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leadership Behaviors</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Being Creative and Risk-taking</td>
<td>lyrt_1 Willing to take risks</td>
<td>0.771</td>
<td>0.874</td>
<td>0.874</td>
<td>0.635</td>
</tr>
<tr>
<td></td>
<td>lyrt_2 Being bold with innovation</td>
<td>0.827</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>lyrt_3 Willing to try new projects and ideas</td>
<td>0.802</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>lyrt_4 Having rich entrepreneurial spirit</td>
<td>0.786</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Relating and Communicating</td>
<td>liş_1 Having good skills in dealing with interpersonal relationships effectively</td>
<td>0.776</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>liş_2 Being able to communicate well with employees</td>
<td>0.782</td>
<td></td>
<td></td>
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<td></td>
<td>liş_3 Being good at balancing interpersonal relationships</td>
<td></td>
<td>0.906</td>
<td>0.906</td>
<td>0.659</td>
</tr>
<tr>
<td></td>
<td>liş_4 Getting along with employees very well</td>
<td></td>
<td>0.840</td>
<td></td>
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<tr>
<td></td>
<td>liş_5 Being able to facilitate interpersonal relationships</td>
<td>0.865</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Showing Benevolence</td>
<td>lyrd_1 Showing concern for employee’s family members</td>
<td>0.824</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>lyrd_2 Showing concern for employee’s personal life</td>
<td>0.815</td>
<td>0.886</td>
<td>0.886</td>
<td>0.722</td>
</tr>
<tr>
<td></td>
<td>lyrd_3 Treating employees like family members</td>
<td>0.905</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Articulating a Vision</td>
<td>lvzy_1 Clearly communicating his/her vision about the future of the company</td>
<td>0.758</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>lvzy_2 Articulating a bright future for employees</td>
<td>0.889</td>
<td>0.855</td>
<td>0.856</td>
<td>0.600</td>
</tr>
<tr>
<td></td>
<td>lvzy_3 Clearly handling on the development of the company in the next five years</td>
<td>0.736</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>lvzy_4 Emphasizing the long-term planning of the company</td>
<td>0.702</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust to Manager</td>
<td>yg_3 I trust that my manager will act according to the rules.</td>
<td>0.759</td>
<td>0.906</td>
<td>0.906</td>
<td>0.618</td>
</tr>
<tr>
<td></td>
<td>yg_4 I trust that my manager has an adequate understanding of her/his job.</td>
<td>0.720</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>yg_5 I trust that my manager will do her/his job in the most appropriate way.</td>
<td>0.778</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>yg_6 I believe what my manager told me.</td>
<td>0.833</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>yg_7 When my manager does a job, I believe that this job will not cause any other problems.</td>
<td>0.799</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>yg_8 I believe that my manager will do business by thinking carefully.</td>
<td>0.822</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Performance</td>
<td>iprf_1 I complete my tasks on time.</td>
<td>0.799</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>iprf_3 I am sure that I have gone beyond the standards in the service quality I offer.</td>
<td>0.698</td>
<td>0.784</td>
<td>0.784</td>
<td>0.549</td>
</tr>
<tr>
<td></td>
<td>iprf_4 When a problem arises, I produce the fastest solution</td>
<td>0.721</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Internal Consistency Reliability

The composite reliability for the constructs of Leadership Behaviors, Trust to Manager and Employee Performance are shown to be 0.947, 0.906, and 0.784 respectively, indicating high levels of internal consistency reliability (Nunnally & Bernstein, 1994).

It can be stated that the internal consistency reliability of the structures was realized since the Cronbach Alpha coefficients were between 0.784 and 0.947 and the CR coefficients were between 0.784 and 0.906.

Convergent Validity

Convergent validity refers to the model’s ability to explain the indicator’s variance. Bagozzi and Yi (1988) suggest an AVE threshold level of 0.5 as evidence of convergent validity. When the results in Table 1 are examined, the factor loads are between 0.698 and 0.905; Since the AVE values are between 0.549 and 0.722, it can be said that the convergent validity is provided.

Discriminant Validity

Discriminant validity can be determined by examining the cross loads, whose load on the latent structure of the indicator should be higher than the other structures. It has been observed that each indicator has a high factor loading in the structure it is associated with, whereas it has a low factor loading in other structures.

Collinearity Assessment

When the VIF (Variance Inflation Factor) values between the variables were examined, it was understood that there was no linearity problem between the variables because the values were below the threshold value of 5 (Hair et al., 2014).

5.3. Research Model and Results

The structural equation model created to test the hypotheses of the research is shown in Figure 2.
the significance of the path coefficients, the t-values calculated by taking 5000 subsamples from the sample by bootstrapping are given in Table 2.

Table 2: Significance of Testing Results of the Structural Model Path Coefficients

<table>
<thead>
<tr>
<th>Model Where Any Mediator Variable Does Not Exist</th>
<th>Standardized β</th>
<th>Standard Deviation</th>
<th>t-Statistic</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership Behaviors -&gt; Employee Performance</td>
<td>0.614</td>
<td>0.066</td>
<td>9.275</td>
<td>0.000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Model Where the Mediator Variable Exists</th>
<th>Standardized β</th>
<th>Standard Deviation</th>
<th>t-Statistic</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership Behaviors -&gt; Employee Performance</td>
<td>0.292</td>
<td>0.142</td>
<td>2.011</td>
<td>0.044</td>
</tr>
<tr>
<td>Leadership Behaviors -&gt; Trust to Manager</td>
<td>0.790</td>
<td>0.044</td>
<td>17.988</td>
<td>0.000</td>
</tr>
<tr>
<td>Trust to Manager -&gt; Employee Performance</td>
<td>0.412</td>
<td>0.159</td>
<td>2.594</td>
<td>0.010</td>
</tr>
<tr>
<td>Leadership Behaviors -&gt; Trust to Manager -&gt; Employee Performance</td>
<td>0.326</td>
<td>0.128</td>
<td>2.550</td>
<td>0.011</td>
</tr>
</tbody>
</table>

In order to investigate the mediation effect, the mediator variable was removed from the research model and the significance of the path coefficients was tested. Leadership behavior was found to have a significant effect (= 0.614, p = 0.000) on employee performance (Table 2).

In the next step, the mediator variable was included in the model and the significance of the path coefficients was tested. At this stage, although the effect of leadership behavior on imposed performance is still significant, it has been observed that its effect has decreased (β = 0.292), and according to Baron & Kanny (1986), it can be said that leadership behavior has a partial mediating effect on employee performance. It seems that all hypotheses are accepted.

6. DISCUSSION

A sample of 252 people was selected for the research and the data obtained were analyzed through SmartPLS 3.2.9. In the article, "the role of trust to manager in the effect of leadership behavior on employee performance" was researched and explained. The envisaged framework presents the presence of leadership behavior's influence on employee performance and the role of trust. Adopting appropriate leadership behaviors for managers to create and maintain a better working environment is related to the performance of the employees and therefore the trust of the employees in the manager.

When we look at the literature, it shows that the behavior of the leader and the ability to communicate with his employees form the basis of the future trust relationship. In terms of employees, the degree of trust in the leader constitutes an important input affecting job satisfaction, organizational commitment, organizational citizenship behavior and job performance (Yang & Mossholder, 2004). The communication ability of leaders strengthens the corporate belonging of employees and makes them feel valued, which increases the employees' trust in the leader, as there is an organizational benefit, both in terms of individuals and productivity, as stated before. It is possible to clearly say that leadership behavior is very effective on the performance of employees and trust to manager. In addition, trust in the manager directly affects the performance of the employees. Trust to manager plays an instrumental role in the relationship between leadership behavior and employees' performance.

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