

INTERPERSONAL TRUST AND WORK GROUP PERFORMANCE IN SELECTED PUBLIC ORGANIZATIONS

DR. JOY, NONYELUM UGWU

DEPARTMENT OF BUSINESS ADMINISTRATION
FEDERAL UNIVERSITY, NDUFU-ALIKE IKWO

DR. ESTHER, NNEKA MADUAGWU

DEPARTMENT OF BUSINESS ADMINISTRATION
ENUGU STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

ABSTRACT

This paper examined Interpersonal Trust and Work Group Performance in Selected Public Organizations in Enugu State. The study adopted descriptive survey research design and covered a population of 515 members of staff from six federal establishments in Enugu state. Purposive sampling was however used to select 378 personnel as the sampled group. The data used for the study was generated from both primary and secondary sources. The major instrument for data collection was a five point likert scale questionnaire titled interpersonal trust and workgroup performance questionnaire (ITandWPQ). The statistical tool used for data analysis is the Non-Parametric Kruskalwallis test using 17.0 version of statistical package for social sciences (SPSS). The study concluded that interpersonal trust plays significant role in the determination of workgroup performance in Nigerian public organizations. The paper therefore recommends that interpersonal trust building must be made a strategic concern in workgroup processes; this will ensure cohesion and enhanced performance in the workgroup. Furthermore, open communication and organizational justice must be made a policy matter in order to establish and sustain trustworthiness among workgroup members.

KEYWORDS: Performance, Productivity, Trust, Trusting intentions, Workgroup cohesion

INTRODUCTION

Increased competitive pressures have put organizations on their toes for greater flexibility, thereby challenging the traditional hierarchical structures that organizations operate with. This has led to greater use of workgroups who are empowered to take certain decision in the course of performing their responsibilities. The availability of communication technologies, such as the Internet, has

introduced virtual workgroups who are separated in space but integrated by technology, hence the building and sustaining of quality interpersonal relations and trust has become an integral drive of workgroups. Managers have often said that people are their most important resource. Despite the truism in this ubiquitous statement, recent issues of corporate failure as a result of managers and workgroup members having integrity questions from diverse industries across Nigeria and indeed globally, reveals that a great deal of interpersonal trust questions among workgroups are yet to be answered. While plethora of researchers and practitioners has concentrated attention on subjects such as firm-level innovation, strategy, knowledge management, corporate reputation and organizational learning, etc., interpersonal trust which is one of the major drivers in the performance of the human factor stressed by organizational psychology appears to be taking a back seat. In many ways, Emerson's quote captures the essence and dynamics of trust in relationships. Trust is widely considered to be a necessary, if not sufficient, condition of successful relationships (Fletcher, Simpson, & Thomas, 2000). Important questions remain, however, about why trust is so critical, and what can be done to develop trust in relationships. Emerson's quote alludes to the importance of interpersonal treatment and the norm of reciprocity as the driving force for trust building. Undoubtedly the importance of 'treating others greatly' is a truism, but surprisingly little is known about what this actually entails. That is, what kinds of treatment are readily translated into interpersonal trust? Trust is considered the social lubricant that promotes cooperation between group members, sustains social order and permits beneficial long-term exchanges that otherwise might not occur (Simpson, 2007). In most of organizations, employees work together or have at least some kind of interaction with other co-workers and often also with customers or vendors. For that reason, there has been a remarkable amount of research related to group work, aiming to understand the structure and performance of small operational groups and teams, that is, how the members are behaving in them and influencing within. Nowadays, groups are the basic units of performance in many organizations. They melt together abilities, experiences, and insights of many different people (Katzenbach & Smith 1998).

In the view of French, Fremong & James (1985), a group is a number of persons who, for at least a brief period of time, have some psychological and/or task interdependency, which includes interaction with each other in face-to-face situation. Groups in organizations can be divided into two different kinds: formal and informal. Formal groups are approved by the hierarchy and they have particular tasks to perform. Informal groups are formed voluntarily by the employees themselves. A reason to create such a group can be the similarity of work, mutual attraction and a common need of fulfilment or even a mixture of all the above. Workgroups are identified with different

characteristics which include but not limited to the followings; firstly, members in a workgroup interact and communicate in order to create and organize tasks and relationships. Secondly, workgroups have purposes and goals that define what members seek to accomplish. Thirdly, Members in a workgroup have interdependence and influence each other. Fourthly, workgroups are organized units with norms and rule systems and their members take on different roles. Finally, workgroups are cohesive social arrangements that individuals can identify as a unit.

STATEMENT OF THE PROBLEMS

Over the years, the shift to group system of operation in workplaces is gaining prominence, hence, organizations are now deploying more of workgroups to accomplish organizational task. Although this confers varying benefits, it is challenged by the demand for thorough understanding and trust among and within workgroup members. In the instance where there is mistrust among the workgroup members, suspicion and information hoarding may become the defects of the workgroup relationship and this can ruin the confidence of workgroup members, fracture group cohesion and hamper productivity. Groups cannot deliver on their task (perform) if they are lacking in cohesion. However, how cohesive and innovative a work group becomes is a function of the level of trust in the workgroup. To build a sustainable trust climate, workgroup members must be willing to take risk and must be seen to be trustworthy. Therefore, when workgroup members are not willing to take the risk to trust others or are seen as not trustworthy, there will be a bridge in communication in the group and this will certainly slow down the workflow, disrupt the unity or cohesion in the workgroup which at the long-run cripples the performance of the group. This paper is therefore faced with the problem of x-raying the effects interpersonal trust can have on workgroup performance.

OBJECTIVES OF THE STUDY

This paper is aimed at the following objectives;

- i. Examine effects of interpersonal trusting intention on workgroup productivity
- ii. Examine the effects of interpersonal trustworthiness on workgroup cohesion

RESEARCH HYPOTHESES

This study guided by the following null hypothetical statements;

H₀₁: interpersonal trusting intention does not have significant effect on workgroup productivity

H₀₂: interpersonal trustworthiness does not have significant effect on workgroup cohesion

REVIEW OF RELATED LITERATURES

INTERPERSONAL TRUST

Interpersonal trust is defined as an individual's beliefs about the dependability and integrity of a peer or supervisor (Ferrin, et al., 2006). These beliefs are related to attributions made between

individual dyads within the workplace. Specifically, these attributions are usually measured by looking at the perceptions of both individuals within the dyad regarding ability, benevolence, and integrity (Colquitt, LePine, Piccolo, Zapata, & Rich, 2007). Researchers have found that perceptions of ability are important in displaying competency and skill to those around the individual (Dirks & Ferrin, 2001). Perceptions of benevolence are also a key predictor of interpersonal trust, in that sympathy and cooperation with others tends to increase feelings of trust between individuals. Integrity, which refers to word-deed consistency, including keeping promises and enacting espoused values, has been shown to be positively correlated with trust in another individual (Palanski & Yammarino, 2009). Six (2007) defines the interpersonal trust as a psychological state comprising the intention to accept vulnerability to the actions of another party, based upon the expectation that the other will perform a particular action that is important to you. McAllester (1995) defines interpersonal trust as the extent to which a person is confident in, and willing to act on the basis of, the words, actions, and decisions of another. The literature on interpersonal trust within a work culture is very limited (Geller, 1999). Geller in his study observed two dimensions of interpersonal trust which are confidence in the intentions of others, and confidence in the ability of others. Interpersonal trust in a work culture should also refer to the extent people ascribe good intentions and abilities to their peers. Geller states that workers have two perspectives in terms of interpersonal trust; one of them is when a worker trusts a co-worker's ability but mistrust on his/her intentions, the other is when a worker trusts on co-worker's intention but mistrusts in his/her capability on a particular job assignment. Geller further stated that most frequent practitioners and consultants 'recommendation on facilitation of interpersonal trust is to be trustworthy. He provided a brainstorming with his students to discover what the trust building behaviors are. Geller's findings consist of seven C-words which offer distinct directives for trust-building behavior which are communicating, consistency, character, commitment, caring appreciation, continuous trust-building and coaching. Geller explained his seven C-words of the interpersonal trust definition as follows: Communicating these guidelines to others in a candid and caring way opens up the kind of dialogue that starts people on a journey of interpersonal trust-building. Then people need to give each other consistent and candid feedback regarding those behaviors that reflect these trust-building principles. With character and commitment, they need to recognize others for doing it right and offer corrective feedback when there's room for improvement. And of course it's critical for the recipient of such behavior-based feedback to accept it with caring appreciation and a commitment to improve. Then the feedback recipient needs to show the character to thank the observer for the feedback, even when the communication is not all positive and is not delivered well. The feedback

recipient might offer feedback on how to make the behavior based feedback more useful. Dialogue like this is necessary to build consensus and sustain a journey of continuous trust-building. Such a journey is essential for an effective interdependent coaching process that prevents unintentional injury. Interpersonal trust in organizations is viewed both on organizational and individual levels (McAllister, 1995). McAllister argues that efficiency in organizations is only possible when interdependent parties work together. On the other hand, DePasquale and Geller (1999) state that it is widely accepted that high level of interpersonal trust is advantageous for organizational functioning.

TYPES OF TRUST IN A GROUP

Andrey and Irina (2013), posits that there are three major fields of social activity of an individual, a subgroup and a group: performance, communication, and moral actions. In each field of activity a type of trust corresponding to it is manifested: activity-coping, information-influential, and confidentially-protective trust. Each type of trust includes three components: cognitive (conviction of a subject in presence absence of certain characteristics, inherent in the object of trust), affective (positive negative evaluation of the object of trust), behavioral (readiness of a subject to interact with an object of trust in a certain way). Activity-coping trust (ACT) is based on a positive–negative evaluation of knowledge and skills of another individual (subgroup, group) and represents a conviction in its ability to efficiently perform an activity or to contribute to the common cause, as well as a readiness to cooperate with it. Such trust is determined by the competence and responsibility of another subject in the process in doing certain work. In respect of this trust, the following utterances are typical: ‘I am sure he (she) will do the job the way it should be done’, ‘I am sure that the group/subgroup will be able to join efforts and complete the set task’. Information-influential trust (IIT) is based on a positive–negative individual estimation of a viewpoint of another object, and it represents confidence in the rightness of his/her opinion, as well as a readiness to perceive information and to be influenced by him/her. Such trust is determined by the competence of another individual (subgroup, group) in respect of questions which are indefinite and significant for the one who trusts. The following utterances are typical for such a type of trust: I am sure he (she) can size up the situation comprehensively and take the correct decision’, ‘I am sure that the group/subgroup is thinking in the right direction. Confidentially-protective trust (CPT) is based on positive–negative individuals’ estimation of the moral portrait of another object, and it represents confidence in his (her) decency, as well as readiness to be open with him (her) and to rely on him (her) on the basis of the feeling of personal safety. For such a type of trust the following utterances are typical: ‘I could tell him (her) my secret thoughts and be sure that he (she) will not betray me’, ‘I

am sure that the group/subgroup will support me if anything threatens me'. So as fields of social activity (performance, communication, and moral actions) are often presented in these or those reality situations, types of trust are interconnected.

WORKGROUP

While the concept of the workgroup has not been clearly defined in theory, it has its basis in the sociological categorization of a team (Johnson & Johnson, 2013). This concept has been through examination of a wide range of different aspects related to both individual and unit level. While the dynamics of groups are not considered to be fully understood, the research area can be considered to be in a mature stage (Hogg & Vaughan, 2011). Hogg (2001) points out that there is limited agreement on the social psychological definition of a group. Thus, some researchers have prudently tried to capture the common nominator of most of these definitions. Accordingly, Forsyth (2010) defines a group as two or more individuals who are connected by and within social relationships. This definition is broad and covers all types of social groups. Some researchers are more specific and defined the characteristics of groups in the professional environment. Cohen and Bailey (1997) have focused on groups in an organizational context and have reached a more narrow definition. To them, a group is a collection of individuals who are interdependent in their tasks, who share responsibility for outcomes, who see themselves and who are seen by others as an intact social entity embedded in one or more larger social systems (for example, business unit or the corporation), and who manage their relationships across organizational boundaries.

WORKGROUP OUTCOMES

A number of key conditions have been identified in groups that succeed in terms of achieving desired group outcomes. In more detail, a great number of determinants have been identified that relate to the external environment, leadership, individual composition and communication (Northouse, 2013). Factors commonly discussed in literatures include;

❖ **Group Cohesiveness:** Group cohesiveness defines the solidarity of group members and their tendency to stick together, and thus resembles forces that bind groups together (Tekleab, Quigley, & Tesluk, 2009). Group membership and group cohesiveness develops over time, similarly to a social process. This has been captured in models that divide the developments of workgroups into different stages (Wheelan, 2013). As the workgroup is reaching higher stages, the efficiency and effectiveness of the unit is improved. It has also been documented that individual commitment towards a workgroup increases over time, until it is fully developed. In general, group tenure is a predictor for groupness (Katzenbach & Smith, 2005) or group cohesiveness. Thus, the longer time the workgroup has existed, the better it should perform and the higher functionality it should have

(Hogg & Vaughan, 2011). As Harrison, Price and Bell (1998) point out, the time that people spend together allows for sharing information between individuals, which in turn can build group cohesiveness. It should be noted however, that group tenure does not equal group development, and many groups can experience setbacks in their groupness.

❖ **Group Size:** Group size has been documented to increase pressure on conformity among members (Giddens & Sutton, 2013). On the other hand, as groups become larger, satisfaction among members generally decline and cohesiveness declines (O'Reilly III, Caldwell, & Barnett, 1989). Individual effort on group tasks usually diminishes as the size of a workgroup increases. This phenomenon is connected with social loafing and is referred to as the Ringelmann effect (Hogg & Vaughan, 2011). Group size is, hence, important to consider when examining group level outcomes.

❖ **Workgroup Outcomes:** While several outcomes on the group level are similar to individual outputs in an organization, workgroups have a few advantages compared to individuals and are a necessity for achieving both effectiveness and efficiency in many modern organizations (Hoegl, Praveen Parboteeah, & Gemuenden, 2003). For instance, positive effects of innovation and problem solving workgroups can achieve have been documented (Curral, Forrester, Dawson, & West, 2001). For solving complex problems and task of an intricate character, professional workgroups show higher competence than individuals (Salas, Cooke, & Rosen, 2008)

THEORETICAL REVIEW

This study was guided by the theory of integrative Model of Organizational Trust

The Integrative Model of Organizational Trust: Mayer et al.'s (1995) integrative model of organizational trust proposes that two factors will affect or determine the level of trust one party (the trustor) has for another (the trustee): 1) the perceived characteristics or attributes of the trustee represented by three trustworthiness factors; ability, benevolence and integrity, and 2) the characteristics or traits of the trustor represented by the trustor's propensity to trust. Concerning the characteristics of the trustee (or the characteristics/factors of trustworthiness), Mayer et al. noted that the characteristics and actions of the trustee will lead the trustee to be more or less trusted by others and they further argue that these characteristics are important for understanding why some parties are more trusted than others.

METHODOLOGY

The study adopted descriptive survey research design and covered a population of 515 members of staff from six federal establishments in Enugu state. Purposive sampling was however used to select 378 personnel as the sampled group. The data used for the study was generated from both primary and secondary. The major instrument for data collection was a five point likert scale questionnaire

titled interpersonal trust and workgroup performance questionnaire (ITandWPQ). The statistical tool used for data analysis is the Non-Parametric Kruskalwallis test using 17.0 version of statistical package for social sciences (SPSS). The kruskawalis which is a non-parametric equivalent for one-way

$$\text{ANOVA may be described thus: } T = H = \frac{12}{N(N+1)} \sum_{i=1}^k \frac{R_i^2}{n_i} - 3(N+1)$$

RESULTS AND DISCUSSIONS

SPSS OUTPUT FOR HYPOTHESIS ONE

NPAR TESTS/K-W=ITlandWP BY RANKS (1 5)/STATISTICS DESCRIPTIVES QUANTILES /MISSING ANALYSIS.

Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
ITlandWP	25	75.9200	31.84850	.00	141.00	50.0000	76.0000	100.0000
RANKS	25	3.0000	1.44338	1.00	5.00	2.0000	3.0000	4.0000

Kruskal-Wallis Test

Ranks

	RANKS	N	Mean Rank
ITlandWP	1.00	5	7.40
	2.00	5	16.80
	3.00	5	9.60
	4.00	5	22.40
	5.00	5	8.80
	Total	25	

Test Statistics^{a,b}

	ITlandWP
Chi-Square	15.085
Df	4
Asymp. Sig.	.005

a. Kruskal Wallis Test

b. Grouping Variable:

RANKS

From the SPSS output, the value for H (Asymp. Sig) is 0.005, this is less than the 0.05 level of significance ($0.005 < 0.05$). We therefore reject the H_0 and accept H_1 . The implication of this finding is that the trusting intention of members of a workgroup affects the level of the group's productivity

SPSS OUTPUT FOR HYPOTHESIS TWO

NPARTESTS/K-W=ITWandWPC BY RANKS (1 5)/STATISTICS DESCRIPTIVES QUANTILES /MISSING ANALYSIS

Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum	Percentiles		
						25th	50th (Median)	75th
ITWandWPC	25	75.9200	55.27049	.00	159.00	16.5000	91.0000	120.0000
RANKS	25	3.0000	1.44338	1.00	5.00	2.0000	3.0000	4.0000

Kruskal-Wallis Test

Ranks

	RANKS	N	Mean Rank
ITWandWPC	1.00	5	5.90
	2.00	5	10.20
	3.00	5	12.50
	4.00	5	21.20
	5.00	5	15.20
	Total	25	

Test Statistics^{a,b}

	ITWandWPC
Chi-Square	12.218
Df	4
Asymp. Sig.	.016

a. Kruskal Wallis Test

b. Grouping Variable: RANKS

From the SPSS output, the value for H (Asymp. Sig) is 0.016, this is less than the 0.05 level of significance ($0.016 < 0.05$). We therefore reject the H_0 and accept H_1 . The implication of this finding is

that the trustworthiness of workgroup group members has significant effect on the cohesion of the group

CONCLUSION AND RECOMMENDATIONS

The relationship that subsists among workgroup members determines the confidence and cohesion level in the group especially in Nigerian public organizations that are associated with workers from diverse ethnic, cultural and lingual difference. Interpersonal trust and confidence are precursors to the performance of workgroups hence should be seen as an intricate character of workgroups. This study concludes that interpersonal trust plays significant role in the determination of workgroup performance in Nigerian public organizations. The paper therefore recommends that interpersonal trust building must be made a strategic concern in workgroup processes; this will ensure cohesion and enhanced performance in the workgroup. Furthermore, open communication and organizational justice must be made a policy matter in order to establish and sustain trustworthiness among workgroup members.

REFERENCES

- Andrey V. S, and Irina I. S (2013). Model of trust in work groups. *Psychology in Russia: State of the Art* Volume 6, Issue 3,
- Cohen, S.G. and D.E. Bailey, (1997). What makes teams work: Group effectiveness research from the shop floor to the executive suite. *Journal of Management*, 23(3): 239-290.
- Colquitt, J., Scott, B., and LePine, J. (2007). Trust, Trustworthiness, and Trust Propensity: A Meta-Analytic Test of Their Unique Relationships with Risk Taking and Job Performance. *Journal of Applied Psychology*, 92 (4), 909-927.
- Currall, S. C. & Judge, T. A. (1995). Measuring trust between organizational boundary role persons. *Organizational Behavior and Human Decision Processes*, 64, 151-170.
- DePasquale, J. P. and Geller, E. S., (1999). Critical Success Factors for Behavior-Based Safety: A Study of Twenty Industry-wide Applications. *Journal of Safety Research*, 30 (4), 237-249.
- Dirks, K. T., and Ferrin, D. L. (2001). Trust in Leadership: Meta-Analytic Findings and Implications for Research and Practice. *Journal of Applied Psychology*, 87 (4), 611-628.
- Dirks, K. T. (1999). The effects of interpersonal trust on work group performance. *Journal of Applied Psychology*, 84(3), 445-455.
- Ferrin, D. L., Bligh, M. C., and Kohles, J. C. (2008). It takes two to Tango: An Interdependence Analysis of the Spiraling of Perceived Trustworthiness and Cooperation in Interpersonal and

- Intergroup Relationships. *Organizational Behavior and Human Decision Processes*, 107 (2), 161-178.
- Ferrin, D. L., Dirks, K. T., and Shah, P. P. (2006). Direct and Indirect Effects of Third- Party Relationships on Interpersonal Trust. *Journal of Applied Psychology*, 91 (4), 870-883.
- Fletcher, G. J., Simpson, J. A., & Thomas, G. (2000). The measurement of perceived relationship quality components: A confirmatory factor analytic approach. *Personality and Social Psychology Bulletin*, 26, 340-354
- French, W.L. & Fremong E. K & James E. R (1985). *Understanding Human Behavior in Organizations*. New York: Harper & Row, Publishers.
- Forsyth, D.R., 2010. *Group dynamics*. Wadsworth: Cengage Learning
- Geller, E. S. (1999). Interpersonal trust: Key to getting the best from behavior-based safety coaching. *Professional Safety*, 44 (4), 16-19.
- Harrison, D. A., Price, K. H., & Bell, M. P. (1998). Beyond relational demography: Time and the effects of surface-and deep-level diversity on work group cohesion. *Academy of Management Journal*, 41(1), 96-107.
- Hoegl, M., Parboteeah, K.P., Gemuenden, H.G., (2003). When teamwork really matters: task innovativeness as a moderator of the teamwork-performance relationship in software development projects. *Journal of Engineering and Technology Management* 20, 281–302.
- Hogg, M. A., & Vaughan, G. M. (2011). *Social psychology (Sixth edition ed.)*. Harlow: Pearson Education.
- Hogg, M. A. (2001). Group processes, social psychology of. In N. J. Smelser, & P. B. Baltes (Eds.), *International encyclopedia of the social & behavioral sciences* (pp. 6417-6423). Oxford: Pergamon.
- Johnson D.W, Johnson F.P. (1996). *Joining together: Group theory and group skills*. Englewood Cliffs, NJ: Prentice Hall
- Katzenbach, J. R., & Smith, D. K. (2005). The discipline of teams. *Harvard Business Review*, 83(7), 162
- Katzenbach, Jon R. & Douglas K. (1998). *Smith the Wisdom of Teams – Creating the High-Performance Organization*. Berkshire, McGraw-Hill Publishing Company
- Mayer, R. C., and Davis, J. H. (1999). The Effect of the Performance Appraisal System on Trust for Management: A Field Quasi-Experiment. *Journal of Applied Psychology*, 84 (1), 123-136.
- Mayer, R. C., Davis, J. H., and Schoorman, F. D. (1995). An Integrative Model of Organizational Trust. *Academy of Management Review*, 20 (3), 709-734.



- McAllister, D. J. (1995). Affect- and Cognition-Based Trust as Foundations for Interpersonal Cooperation in Organizations. *The Academy of Management Journal*, 38 (1), 24-59.
- Myers, D. G. (2005). *Social Psychology*. 8th edition. Boston: McGraw-Hill.
- Northouse, P.G., (2013). *Leadership: Theory and practice*. 6th Edn., Thousand Oaks, CA: Sage
- O'Reilly III, C. A., Caldwell, D. F., & Barnett, W. P. (1989). Work group demography, social integration, and turnover. *Administrative Science Quarterly*, , 21-37
- Palanski, M. E., & Yammarino, F. J. (2009). Integrity and leadership: A multi-level conceptual
- Salas, E., Cooke N.J. and Rosen, M.A. (2008). On teams, teamwork, and team performance: Discoveries and developments. *Human Factors*, 50(3): 540-547
- Simpson, J. A. (2007). Psychological foundations of trust. *Current Directions in Psychological Science*, 16, 264-268.
- Six, F. E., (2007). Building Interpersonal Trust within Organizations: A Relational Signaling Perspective. *J Manage Governance*, 11, 285–309
- Tekleab, A. G., Quigley, N. R., & Tesluk, P. E. (2009). A longitudinal study of team conflict, conflict management, cohesion, and team effectiveness. *Group & Organization Management*, 34(2), 170-205
- Wheelan, S.A., (2013). *Creating effective teams: A guide for members and leaders*. 4th Edn., Thousand Oaks, CA: Sage.