
Perceptions of Integrity, Competence and Trust in Senior Management as Determinants of Cynicism Toward Change

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Abstract

As Public Sector organizations continue to undergo transformational change, it is important to identify organizational factors that impact on employee attitudes to change. There is limited empirical evidence about the determinants of cynicism toward change. In this paper, a model is proposed which identifies three key trust-related antecedents of cynicism toward change: perceptions of integrity, competence, and trust in senior management. Data were collected from two Public Sector organizations to identify levels and correlates of cynicism toward change and to test the proposed model. The results of confirmatory factor analysis and structural equation modeling suggest that perceptions of integrity and trust in senior management influence cynicism toward change. Integrity, as an element of trustworthiness, was found to directly influence trust in senior management as well as cynicism toward change. Contrary to expectations, employee perceptions of the competence of senior management did not have a direct influence on trust nor on cynicism toward change. Collectively the antecedent variables accounted for approximately forty percent of the variance in cynicism toward change. In general terms, the findings will prove helpful to human resource practitioners interested in diagnosing and managing organizational trust and attitudes toward organizational change.

Introduction

Senior management clearly plays a key role in organizational change. In both the private and the public sector, it is senior management who take the primary responsibility and accountability for designing, and

managing organizational change. It is widely acknowledged (Halligan & Power, 1992; Hughes, 1994; O'Neill, 2000; Pollitt, 1993) that public sector executives have overseen fundamental changes in the size, structure and administration of public sector functions over the past decade or so.

Recent literature suggests a strong relation between trust in senior management and employee attitudes to change (Rousseau & Tijoriwala, 1999; Kramer, 1996; Kanter & Mirvis, 1989). The research suggests that trust is a central factor in the way that employees experience aspects of organizational change. In this paper an attempt is made to empirically identify trust-related factors that predispose employees to be less cynical toward change. Consideration will be given to both trust and trustworthiness, with a particular focus on integrity and competence.

Trust and Trustworthiness in Organizational Settings

The influence of trust in organizational settings has attracted increasing interest in recent years (Clark & Payne, 1997; Dirks & Ferrin, 2001; Kramer & Tyler, 1996; Mayer & Davis, 1999; Mayer, Davis & Schoorman, 1995). An entire issue of the *Academy of Management Review* (1998) was devoted to the topic, as was a chapter from a recent *Annual Review of Psychology* (Kramer, 1999). Researchers and practitioners continue to recognize that trust is an important factor in determining organizational success, organizational stability and the well-being of employees (Cook & Wall, 1980; Tyler & Kramer, 1996; Shaw, 1997).

Trust has been defined as a “willingness to engage in risk-taking with a focal party” (Mayer & Davis, 1999, p. 124). Rousseau, et al. (1998) defined trust as “a psychological state comprising the intention to accept vulnerability based on the positive expectations of the intentions or behavior of another” (p. 395). McAllister (1995) defined trust “the extent to which a person is confident in, and willing to act on the basis of, the words, action, and decisions of another” (p. 25). A number of elements are common to these definitions. First trust is a psychological state represented by a ‘willingness’ to behave or act. Second, vulnerability, uncertainty and risk are important components of trust. Third, trust emerges from ‘conditions’ such as ‘positive expectations’ or performance of particular actions.

The ‘conditions’ that enable trust, as distinct from trust itself, define trustworthiness. While, as previously argued, trust is a psychological state defined in terms of a willingness to act in the face of uncertainty,

trustworthiness refers to a set of attributions or beliefs about the motives, intentions, qualities or 'trustworthiness' of some influential other. Mayer Davis and Schoorman (1995, p. 717) argued that the "characteristics of the trustee that determine trustworthiness ... although not trust per se, ... help build the foundation for the development of trust." Evaluations of trustworthiness are thus central to the conceptualisation of trust (Kramer, 1996).

A review of the literature reveals that trustworthiness has been conceptualized in a variety of ways. It has been variously defined as having one dimension (Barber, 1983), two dimensions (Cook & Wall, 1980), three dimensions (Cummings & Bromiley, 1996), four dimensions (Mishra, 1996), five dimensions (Clark & Payne, 1997), and up to ten dimensions (Butler, 1991). While perceived competence, integrity, and benevolence have consistently been cited as markers of trustworthiness (Mayer, Davis & Schoorman, 1995; Tan & Tan, 2000), Butler (1981) argued that integrity is the condition most similar to and important to trust. Davis, Schoorman, Mayer and Tan (2000) found that trust was significantly related to employees' perceptions of their manager's integrity and competence.

Integrity refers to employees perceiving that trust referents espouse, demonstrate and adhere to a set of principles and values that the trustor finds acceptable (Mayer & Davis, 1999). Trustworthiness can be indexed by care and concern for employee well-being, truth telling, consistency, fairness and a willingness to share information openly.

Competence refers to qualities such as influence, impact, ability, expertness, knowledge and the ability to do what is needed. Trustworthiness is, in part, indexed by the extent to which trust referents are perceived as being competent. Mayer and Davis (1999) described competence as "that group of skills, competencies and characteristics that allow a party to have influence within some domain" (p. 124). Different competence would be appropriate depending on the trust referent.

Senior Management as a Focus for Trust

A wealth of anecdotal evidence abounds as to the importance of establishing high levels of trust between senior management and employees (Horton & Reid, 1991; Shaw, 1997). However, as previously noted, there has been relatively little research focused on the antecedents and consequences of trust in senior management, particularly with respect to the Public Sector. Cook and Wall (1980), Mayer and Davis (1999), McCauley and Kuhnert (1992), Carnevale and Wechsler (1992), Costigan, Ilter and Berman (1998), and Tan

and Tan (2000), are among the few researchers who have studied trust in 'management', 'top management', 'senior management', 'the CEO and top management' or the 'organization'. Given the impact that managerial decisions can have on the physical and psychological conditions for employees (Nelson, Cooper & Jackson, 1995; Schweiger & De Nisi, 1991), this seems an important area for investigation.

The trust referent for the present research was clearly specified as 'senior management'. Less specific referents, such as 'management' or the 'organization', may lead to ambiguity in the minds of survey respondents (Costigan, Ilter & Berman), and therefore introduce measurement error when operationalising the construct and when investigating relationships with other factors. Senior management, for the purposes of the present study, was defined as members of the organizational strategic and operational executive. The group would normally be comprised of the CEO, Directors, Divisional Heads, and Functional Heads, all of whom directly contribute to the organization's key strategic and business decisions.

Consistent with the conceptualization of trust previously described, trust in senior management was hereby defined as "the willingness of employees to act on the word, actions or decisions of senior management under conditions of uncertainty or risk". Mayer and Davis (1999) also operationalised their measure of trust in senior management in terms of 'willingness' or behavioural intentions. Their four item measure included "I would be comfortable giving top management a task or problem that was critical to me, even if I could not monitor their actions" and "I would be willing to let top management have complete control over my future in this company". Although their measure had acceptable levels of test-retest reliability, Mayer and Davis reported Cronbach's alphas of 0.59 and 0.60 over their two-wave study. These values are lower than those generally regarded as acceptable (Nunnally, 1978). Mayer and Davis reported that Schoorman et al. (1996), using the same measure, found a Cronbach's alpha of .82 in a different sample and setting. The variation in reliability across studies raises questions as to the generalisability of the measure. Mayer and Davis (1996), themselves, suggested that "further developmental work with this measure of trust is warranted" (p. 133). Consequently, one of the primary aims for the present research centered on developing a robust measure of trust in senior management.

Beyond validation of a measure of trust, the present research also focused on developing robust measures of trustworthiness. Specifically, given the calls for increased standards of governance and ethics in both private and public sector domains, it is important that researchers and practitioners have

measures of constructs such as integrity and competence which have demonstrated validity and reliability. Existing conceptualizations of trustworthiness and trust for the most part, have been validated using post hoc, exploratory factor analytic methods. For the present study, more rigorous confirmatory factor analytic methods were used to establish the dimensionality of trustworthiness and trust in senior management.

Cynicism Toward Change

Within the general field of attitudes toward change, a number of researchers have focused particularly on cynicism toward change (Abraham, 2000; Andersson & Bateman, 1997; Dean, Brandes, & Dhwardkar, 1998; Reichers, Wanous, & Austin, 1997). Andersson and Bateman, for example, found that high levels of executive compensation, poor organizational performance, and insensitive downsizing strategies generated cynicism in white-collar workers. Golombiewski (1995) argued that the bureaucratic structure of Public Sector organizations generates conditions conducive to cynicism and mitigates against the development of trust.

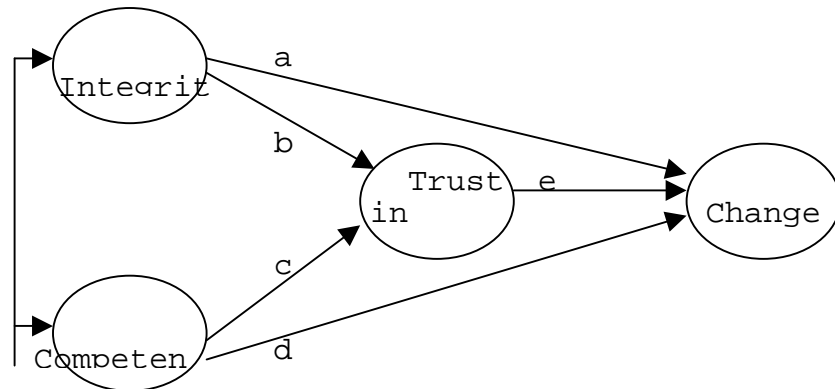
Wanous, Reichers, and Austin (2000) defined cynicism about organizational change as “a pessimistic viewpoint about change efforts being successful” (p. 133). Wanous et al. conceptualized cynicism as consisting of two dimensions: a pessimistic outlook on the likely success of change, and dispositional attributions about those responsible for effecting successful change. Of the two dimensions, the “pessimism” dimension was deemed particularly salient for the present research purposes because it taps employees’ generalized attitudes to change. The dispositional dimension, reflected in the item “the people responsible for making things better around here do not care enough about their jobs”, could equally be based on consideration of union representatives, supervisors, middle managers, or senior management. The dimension therefore lacks the focal specificity (see Reichers, 1985) to be of practical use with respect to the understanding or management of organizational change.

Model Development – Trustworthiness, Trust and Cynicism about Organizational Change

As previously noted, the literature suggests a strong relation between trust in senior management and employee attitudes to change. For example, Rousseau and Tijoriwala (1999) argued from a social

accounts perspective (Sitkin & Bies, 1993), that trust in management leads to acceptance of organizational change. Their findings suggested that “high trust creates a broad zone of acceptance to the exigencies of complex organizational change” (p. 525). Similarly, Kramer (1996) argued that management credibility, based on a history of good faith relations, facilitates positive employee responses to change. Kanter and Mirvis (1989) also suggested a link between trust in management and attitudes to change. They argued that cynicism follows when employees lack trust in the motives of senior management. On the basis of these findings trust is positioned as a central factor in the way that employees experience aspects of organizational change. Figure 1 shows the proposed relationships between the trust-related constructs and cynicism toward change. As previously discussed, because integrity and competence are conditions of trust, the model shows them having direct effects on trust as well as direct effects on cynicism toward change.

Figure 1.
Proposed model of antecedents and cynicism toward change.



Method

Samples

In order to conduct a preliminary test of the model, data was collected from two large Public Sector organizations. The first was responsible for the administration of land title (Organization 1). The

second was responsible for the administration of publicly funded library services, arts and theatres (Organization 2). A total of 425 useable responses was received from Organization 1, at a response rate of 42%. A total of 325 useable responses was received from Organization 2, at a response rate of 33%. Both samples were found to be representative of their overall organizational demographic in terms of age and gender. Examination of the overall distribution of the trait positive and trait negative affectivity within the samples suggested that the respondents were neither atypically positive nor negative in their dispositions (details available from the author).

Procedure

Data was collected in both organizations through an employee opinion survey. In both samples questionnaires were attached to employees' pay slips and accompanied by a cover letter, a participant information sheet and a return envelope addressed to the researcher. Employees were also provided with the option of posting their completed responses in designated sealed collection boxes that were cleared by the researcher on a regular basis. Participants were assured that the researcher would retain all the data and would provide no information to the host organizations that could identify any individual employee. The researcher attended a number of meetings with employees to address any questions or concerns they may have had. In addition to completing rating scales, participants also had the opportunity to provide written comments on what the organization needed to improve and how it could do so.

Measures

The criterion variable of interest was cynicism toward change. Cynicism toward change was measured with a four item sub-scale developed by Wanous, Reichers, and Austen (2000). Employees were asked to indicate their agreement with change-related statements on a scale ranging from 1 = Strongly Disagree to 7 = Strongly Agree. Lower scores suggest less cynicism or 'pessimism' toward change. Example items included: "suggestions on how to solve problems will not produce much real change", "plans for future improvements will not amount to much" and "attempts to make things better around here will not produce good results". Wanous et al. reported an acceptable full scale alpha reliability coefficient for the cynicism toward organizational change (CAOC) scale ($\alpha = .86$). They did not report subscale reliabilities.

Integrity was measured with a 10 item scale developed by the author. The items focus on the extent to which employees perceive senior management as exercising integrity, being fair, being consistent, and telling the truth. Example items included: 'senior management demonstrate integrity in their dealings with employees', 'senior management deliver on the promises they make to employees' and 'senior management act ethically toward employees'.

Competence was measured with a four item scale focusing on the extent to which employees perceive senior management as having clear strategy, requisite knowledge and skills, and the drive and capacity to achieve objectives. Example items included: 'senior management have a clear idea about where this organization is headed', 'senior management have the knowledge and skills to effectively lead this organization', and 'senior management can be trusted to make sensible decisions for the organization's future'. Responses alternatives for integrity and competence were anchored on a seven-point scale ranging from 1 = Strongly Disagree to 7 = Strongly Agree.

Trust in senior management was assessed with a 3 item scale developed by Albrecht and Sevastos (1999). The validity and reliability of the measure has been demonstrated in private and public sector organizations using confirmatory factor analysis and structural equations modeling. Example items included: "I will act on the basis that senior management would honor any agreements made with employees" and "I will act on the basis that senior management will keep the promises they make to employees". Response alternatives were anchored on a 7 point scale where 1 = Extremely Unlikely and 7 = Extremely Likely. Acceptable alpha reliabilities have been reported using data from the same two public sector organizations (Albrecht & Travaglione, in press).

Analyses

As a first step, descriptives, correlations and reliabilities were calculated using SPSS.

Next, the dimensionality of the proposed measurement model was tested using confirmatory factor analysis (CFA). That is an assessment was conducted of how well a four factor solution (with the factors consisting of integrity, competence, trust and cynicism) would fit

the data. This analysis, using EQS 5.4 (Bentler, 1995) and the raw data as the input, was conducted on the sample drawn from Organization 1 ($n = 330$). A number of recommended 'fit indices' (Browne & Cudeck, 1993; Marsh, Balla, & Hau, 1996; MacCallum, Browne & Sugarawa, 1996) were used to assess the overall model fit.

As a third step, the proposed structural relations between the factors were tested using structural equations modeling (SEM) (see Figure 1). In contrast to other methods such as path analysis and regression analysis, SEM takes account of measurement error when simultaneously estimating the direct and indirect causal relations amongst a set of factors. The overall fit of the structural model, again, was evaluated against a number of recommended 'fit indices'.

The fourth and final step in the analysis involved cross-validating the structural model in an independent sample in order to assess the generalizability of the model. It is important to cross-validate because evidence of construct validity in one sample does not guarantee construct validity in another (Burke et al., 1989; Cole & Maxwell, 1985). Thus, the multi-sample procedure in EQS was used to assess the statistical equivalence or 'invariance' of the proposed measurement and structural models across the two data sets.

Results

Descriptive statistics and reliabilities

The means, standard deviations, alpha reliability coefficients and the correlation matrix for integrity, competence, trust in senior management, and change cynicism are shown in Table 1. The competence and cynicism scores corresponded to a scale rating of 'neither agree nor disagree'. The mean score for integrity corresponded to scale rating falling between 'slightly disagree' and 'neither agree nor disagree'. The mean score for trust in senior management corresponded to scale rating falling between 'neither likely nor unlikely' and 'slightly likely'. All four alpha reliability coefficients exceeded Nunnally's (1978) criterion of $\alpha = 0.80$ and thus provide clear evidence in support of psychometric internal consistency for each of the scales.

The factor correlation matrix shows moderate to strong correlations among the factors. The correlations were all in the expected

direction and generally were not so strong as to suggest that respondents could not discriminate between the constructs (Christiansen, Lovejoy, Szymanski & Lango, 1996). The high correlation between integrity and competence ($r = .84$) does however suggest the need to further assess the independence of these constructs. (More rigorous evidence in support of the independence of the four constructs, derived from a procedure recommended by Anderson and Gerbing (1988), is available on request).

Table 1
Correlations between change cynicism and trust-related variables, Organisation 1 (n=330)

	Mean	Possible Range	Alpha	1	2	3	4
1 Integrity	3.6	1-7	0.98	-			
2 Competence	4.1	1-7	0.94	.84**	-		
3 Trust in Senior Management	4.6	1-7	0.80	.66**	.56*	-	
4 Change Cynicism	3.8	1-7	0.88	-.55**	-.44*	-.48**	-

Note: ** = significant at $p < .01$ (2-tailed);

Confirmatory Factor Analysis

The results of the CFA are shown in Table 2. Fit indices for the null model (no structure within the items) and for a one dimensional model (all items specified to load on a single factor) are provided for comparison purposes.

Table 2 shows that the fit indices for the proposed model were above criterion levels. The Bentler-Bonnett Normed Fit Index (.94), Bentler-Bonnett NonNormed Fit Index (.95), and the Robust Comparative Fit Index (.96) were all above .90. The Comparative Fit Index (.96) exceeded the criterion value of .93. The RMSEA point

estimate (.075) suggests 'reasonable fit', well below Browne and Cudeck's (1993) criterion for a "mediocre fit" (between .08 and 1.00). The RMSEA confidence intervals (.067 - .082) do not however suggest a close fitting model (MacCallum, Browne & Sugarawa, 1996). Neither the null model nor the one-dimensional model provided acceptable fit to the data.

Table 2
Fit indices of the 4 factor measurement model, Organisation 1

Model	χ^2	DF	NFI	NNFI	CFI	Robust CFI	RMSEA	(90% CI)
Null model	7853.476	210						
1 Factor	1390.103	189	.823	.825	.843	.864	.140	(.137 - .147)
4 Factor	512.580	183	.935	.951	.957	.965	.075	(.067 - .082)

Note: NFI= Normed Fit Index, NNFI= Non-Normed Fit Index, CFI = Comparative Fit Index, RMSEA = Root Mean Square Error of Approximation, 90%CI = RMSEA 90%Confidence Interval.

The convergent validity of the items in the model was determined by examining the factor loadings of the items on their specified dimensions. The standardized factor loadings (available from the author on request) ranged from 0.55 to 0.94. All were statistically significant, and apart from one exception, all loadings were greater than 0.75. Given that standardized values greater than 0.5 demonstrate reasonably high factor loadings (Kline, 1998), these results support the convergent validity of the proposed four dimensional measurement model.

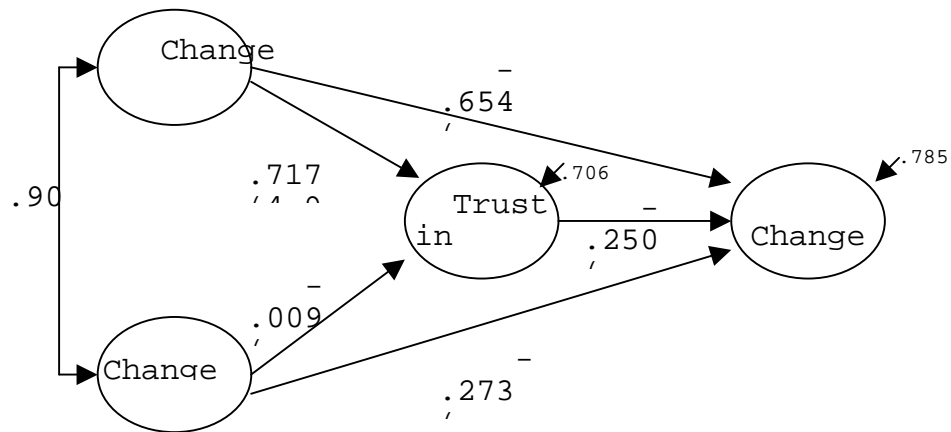
Structural Model

Having established a theoretically viable measurement model with CFA, the next step in the analysis was to examine the proposed structural relations between the constructs (see Figure 1). The fit

statistics suggested a good fitting model: $\chi^2 (183, n = 330) = 512.580$, NFI = .94, NNFI = .95, CFI = .96, RCFI = .96, RMSEA = .075. The path estimates, representing the strength and direction of influence between the constructs, and their significance values are shown in Figure 2.

Consistent with the proposed model, the paths from integrity to trust and from trust to cynicism were statistically significant. The path from competence to trust was not significant. The path from competence to cynicism just failed to reach statistical significance. Overall, just over 38% of the variance in change cynicism was explained by the model. Just under 50% of the variance in trust in senior management was explained by integrity and competence.

Figure 2.
Standardised parameter estimates and t-values (in parentheses)
of proposed structural model



The next step in the analysis involved conducting an invariance analysis to establish whether the structural model could be generalized to an independent sample (Organization 2, $n = 410$). Results of the invariance analysis are shown in Table 3. The fit indices (CFI = .96, RMSEA = .047) suggested a good degree of fit in the baseline model. This means that the model in each sample has “the same dimensions and the same location of fixed, free, and constrained parameters” (Bollen, 1989, p. 358). Having established the fit of the baseline model, the factor loadings were constrained to be equal across the two samples. As shown in Table 3, the imposition of these constraints resulted in a non-significant change in chi-square relative to the baseline model ($\Delta\chi^2 = 14.95$, $\Delta df = 19$, $p > .05$). Next, while maintaining the equality conditions for the loadings, the path estimates were constrained to be equal across samples. This resulted in a significant change in chi-square relative to the previous model ($\Delta\chi^2 = 78.58$, $\Delta df = 5$, $p < .05$). However, as discussed by Byrne (1994), partial invariance can be established by releasing parameters that have previously been constrained. Freeing the equality constraints for the direct paths from integrity and competence to change cynicism (paths a and d in Figure 1) resulted in a non-significant increase in chi-square ($\Delta\chi^2 = 4.12$, $\Delta df = 3$, $p < .05$).

Overall, the non-significant differences in the chi-square statistic at each subsequent level of analysis, suggests that a model where trust fully mediates the relationship between integrity and competence on cynicism toward change, generalizes across both sets of data. The fit indices for the model were acceptable and the overall RMSEA (0.048) and confidence intervals (0.042 - 0.049) suggest a close fitting model. These results show that, despite the imposition of highly restrictive conditions, the modified model of cynicism toward change successfully generalizes across two dissimilar public sector organizations.

Table 3
Invariance of the structural model across two samples (n = 330, n = 410).

Invariance Model	χ^2	df	$\Delta\chi^2$	•df	CFI	RMSEA (CI)
Form / Baseline	957.313	366	-	-	.96	.047 (.045- .052)
Form and Loadings	972.26 3	385	14.950 ns	19	.97	.045 (.036- .053)
Form, Loadings and Paths	1050.8 42	390	78.579 ***	5	.96	.048 (.045- .052)
Partial Form, Loadings and Paths	976.37 8	388	4.115 ns	3	.96	.046 (.042- .049)

Note: CFI = Comparative Fit Index, RMSEA = Root Mean Square Error of Approximation, (CI) = RMSEA confidence interval.

Discussion

Reichers, Wanous, and Austin (1997) suggested a number of ways to minimize and manage cynicism about organizational change. They suggested keeping people involved in decisions that affect them, rewarding supervisors who foster two-way communication and good working relations, keeping people informed of ongoing changes, managing the timeliness and surprise content of change information, enhancing communicator credibility, dealing with the past, publicizing successful changes, understanding change from the employees perspective, and providing opportunities for employees to express their feelings and to have these feelings validated.

The present research extends Reichers et al.'s conceptualization by identifying integrity and trust in senior management as two key determinants of cynicism toward change. Structural equations

modeling clearly showed that employees who perceive that senior management have integrity and who trust senior management are more likely to be positively predisposed toward organizational change. Competence was found not to influence either trust or cynicism.

The finding that trust in senior management influences employee cynicism toward change is consistent with established theory and recent research. The empirical evidence now clearly shows that employees will be more positively predisposed toward change initiatives if they perceive management to be credible and trustworthy (Kramer, 1996; Reichers, Wanous, & Austin, 1997; Rouseau & Tijoriwala, 1999). The present research corroborates these findings in the public sector context. That is, the results suggest that public sector reforms can be implemented more efficiently under conditions of trust. Public sector senior management who enjoy the trust of their employees will be required to spend less time and energy on actively driving change through their organizations and dealing with resistance.

Counter to expectations, assessments of senior management competence did not directly or indirectly influence trust or cynicism. This finding suggests that competence is not a critical dimension of trust or trustworthiness.

Beyond presenting the model of change, the present research also makes a contribution to the literature with respect to the measurement of trust and change related constructs. The study incorporated four brief measures, all of which demonstrated psychometric adequacy. They therefore will be well suited to be included in broad spectrum organizational climate or employee attitude surveys. Consistent with Wanous et al.'s (2000) call for continuing research on the conceptual and operational definitions of cynicism, the confirmatory factor analyses reported here suggest that cynicism toward change can be reliably measured in public sector contexts and that public sector employees are clearly able to distinguish cynicism toward change from alternative organizational factors such as integrity, competence and trust in public sector senior management. Researchers and practitioners can also have considerable confidence that the integrity of public sector senior management can now be reliably measured.

Implications for Management

Overall, the results provide management with broad guidelines as to how better implement organizational change. Even though the rhetoric around organizational trust is widespread, the present results confirm that integrity and trust are important factors which facilitate acceptance of organizational change. The results suggest that public sector selection, performance management, and promotion processes need to focus on trust relations as performance criteria. Employee opinion surveys (Kraut, 1999), communication audits (Goldhaber, 1993) and multi-rater feedback processes (Cacioppe & Albrecht, 1999) could be used to routinely assess or monitor employee attitudes toward senior management and their perceptions of the management of change. Survey feedback processes (Golombiewski & Hilles, 1979) could be used to involve employees in developing strategies aimed at developing levels of trust in senior management and developing more positive attitudes to change.

Directions for Future Research

Given the preliminary nature of this study, further research needs to be conducted on the model. Beyond those suggested by Reichers, Wanous, and Austin (1997), additional antecedents that might usefully be modeled include psychological contract breach (Robinson & Morrison, 1995; Rousseau, 1990), distributive justice and procedural justice (Collquitt, 2001; Dirks & Ferrin (2002). Anecdotal accounts suggest that organizational politics (Kacmar & Ferris, 1991) might also be a salient predictor of trust and cynicism in the public sector domain. Additional dispositional factors such as positive affectivity, dispositional trust, openness to experience and risk aversion might also be considered (see Judge et al., 1999). Structural equations modeling within longitudinal designs would provide the most appropriate means of testing these potential relationships. Gender differences, and differences between management and non-management employees might also usefully be researched.

Limitations

Cross-sectional as opposed to longitudinal analyses were conducted for this study. Although cross-validation procedures were conducted to minimize the risk of the results being idiosyncratic to one organization, cross-sectional data does not enable the determination of causal relations. Longitudinal analyses, preferably drawn over three time periods (Willet, 1989), would enable much stronger claims to be

made about causality and potential reciprocity of influence among the variables.

Another potential limitation centers on the method of data collection. Given that all of the data was collected through self-report procedures, 'common method variance' may have inflated correlations between the variables (Spector, 1987). In defense of the utility of self-report data however, Howard (1994) and Spector (1994) have suggested that within carefully thought out research designs self report data provides useful information and a valid first step in studying inter-relationships between organizational constructs. In addition, given that the correlations between the different measured constructs varied quite considerably, the issue of common method variance appears not to be overly problematic.

Conclusion

Public sector environments continue to go through fundamental change. Continuous as well as episodic change is a constant feature of the modern public sector. Given such change, and consistent with Rousseau and Tijoriwala's (1999) call to reframe the focus of change research from a management perspective to an employee perspective, more research is needed to determine how best to explain the variance in employees' psychological responses to change. The key role of integrity and trust requires further research.

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