THE EFFECTS OF ORGANIZATIONAL TRUST ON TURNOVER INTENTION

Abstract. Today where global competition, rapid and continuous change are being experienced, it has become more difficult for enterprises to improve in production and management process, to increase efficiency and quality, to reduce costs, to move fast, to renew technology, to achieve flexible structure and to succeed by achieving superiority in the competition against its like. These efforts which seek to increase operational efficiency are necessary in order to provide competitive advantage today but insufficient. In order to provide and maintain competitive advantage, it is also necessary to make innovation, to make difference, or to use available resources-technology-knowledge in a way that will make a difference and produce new values. It is the human resources that will produce new values, make a difference and implement the strategies for the matter. However, the signs of negativity in human resources, such as high cost of human resources, labour turnover, job dissatisfaction, a decrease in performance-efficiency-quality-motivation, absenteeism are also factors that directly affect the performance of enterprises.

Therefore, what enterprises have to use to accomplish their objectives is the human resources that are the source of providing a competitive advantage. In order for the human resources to create value, it is required to determine and prepare the resources in line with the strategies of the enterprise, to focus on the applications, programs, approaches that provide the development, uncovering of its potential, utilization, motivation, resolution of problems, effective use, production of new values, retention, loyalty, satisfaction, and so on.

The purpose of the study is to examine the impact of organizational trust on turnover intention. In the study carried out for this purpose, trust scale and turnover intention scale have been used. 228 people working in private sector in Istanbul have participated in the study. According to the findings obtained from the analysis of the data, organizational trust significantly affects turnover intention. In other words, 18% of the change upon the turnover intention can be explained by the organizational trust ($R^2=0.18$).

Keywords: Organizational trust, trust in the manager, turnover intention, intention to leave, private sector employees.

JEL Classification M12, M5

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ЕФЕКТИ ОРГАНІЗАЦІЙНОЇ ДОВІРИ
СТОСОВНО НАМІРУ ПЛІННОСТІ КАДРІВ

Анотація. Сьогодення, коли відбуваються глобальні конкуренції, швидкі та безперервні зміни, підприємствам стає все складніше поліпшити процес виробництва та управління, підвищувати ефективність та якість, знизити витрати, швидко рухатися, оновлювати технологію, досягти гнучкої структури і домагатися успіху в досягненні переваги в конкуренції з подібними. Ці зусилля, спрямовані на підвищення операційної ефективності, необхідні для забезпечення конкурентного переваги сьогодення, але вони недостатні. Для того, щоб забезпечити і зберегти конкурентну перевагу, необхідно також зробити інновації, зробити різницю або використати наявні ресурси-технології-знання таким чином, щоб зробити різницю і створити нові цінності. Саме людські ресурси, які будуть створювати нові цінності, відрізнятимуть та впроваджуватимуть стратегії для цього питання. Однак ознаки негативності в людських ресурсах, такі як висока вартість людських ресурсів, плинність робочої сили, незадоволеність роботою, зниження продуктивності-ефективності-якість-мотивація, відсутність на робочому місці також є факторами, які безпосередньо впливають на роботу підприємств.

Тому людські ресурси – це те, що підприємства повинні використовувати для досягнення своїх цілей, які є джерелом забезпечення конкурентних переваг. Для того, щоб людські ресурси створювали цінність, необхідно визначати та підготовлювати ресурси відповідно до стратегій підприємства, зосередити увагу на додатках, програмах, підходах, що будуть забезпечувати розвиток, розкриття його потенціалу, використання, мотивації, вирішення проблем, ефективне використання, створення нових цінностей, утримання, лояльність, задоволеність тощо.

Метою дослідження є вивчення впливу організаційної довіри на плинність кадрів. У дослідженні, проведеному з цією метою, було використано шкалу довіри та масштаб плинності кадрів. У дослідженні взяли участь 228 осіб, які працюють у приватному секторі Стамбула. Згідно з результатами, отриманими в результаті аналізу даних, організаційне довірі значно впливає на плинність кадрів. Інакше кажучи, 18% зміни намерення плинності можна пояснити організаційним довірою.

Ключові слова: організаційна довіра, довіра до менеджера, плинність кадрів, приватний сектор.
Introduction. Organizational trust is being widely scrutinized as a prerequisite for organizational and administrative effectiveness. In the current study, since the employees exhibit supportive behaviour when they trust their institutions, managers and co-workers, it is indicated that the organizational trust is a material factor in corporate success. It is stated that the trust reduces the discussions within the organization, creates a harmonious, comfortable environment, increases the organizational commitment levels of both managers and employees, and provides co-operative and co-ordinated work [1]), hereby it plays an important role in the efficient and effective performance of the business activities. Loss of confidence may have serious consequences on employee's behaviour.

On the other hand, leaving the job would lead to significant losses and negative consequences for the enterprise. The turnover intention which may be identified as the processor for leaving the job such as, for example, recruitment, selection and placement, increase in training and development costs, experiencing incompatibilities, decrease in productivity, disruption or deterioration of plans and programs, demoralisation of remaining employees, declaration of organizational memory, loss of skilled human resources [2, 3] loss of organizational trust and reputation as well as loss of business continuity and productivity, is also one of the major human resource issues for enterprises. Turnover intention, which can be described as the intention for leaving the job due to the dissatisfaction of the employees, is discussed in the studies since it affects organisational effectiveness and reduces the quality of the products and service [4, 5] and the factors causing the turnover intention are tried to be determined. The importance of taking action on time is obvious, instead of investigating the turnover intention of the employees and dealing with employees after they leave the organization.

Literature review and the problem statement. Leaving the job of the employees is consist of three stages: thinking of leaving, looking for a job and the turnover intention [6]. The most important precursor of the behaviour for the leave of the job is the turnover intention. The turnover intention is the measure of employee's intention to stay in the organisation in which they are employed, the tendency of the employee to leave the organisation in which they are employed, and willingness of the employee to leave the job consciously and intentionally [7, 8, 9]. In other words, the turnover intention is that the employee consciously wants to leave the enterprise within a certain period of time [3,10]. It refers to the possibility for the employee to quit the job and leave the organisation in which they are employed by their own will. The turnover intention shows how employees feel at workplace. This emotion may be positive or negative, and this may result in the intention of staying or leaving the institution [11]. The turnover intention may be voluntary due to the reason such as taking better offer from other organisations, taking better opportunity, or work environment, workload, manager's bad behaviour, or it may be involuntary upon the termination of the work due to inability of the employee, poor performance of the employee or their conflict with management [12,13,14].

The employees who have the turnover intention may show sign such as negligent behaviours, unwillingness to the assigned duty, and expression of their dissatisfaction. These employees focus on and spend their energy for finding a new job, thereby they may neglect their duties, and they may have tendency to withdraw themselves from the work. It result in negative consequences for both employees and enterprises such as come to the work late, absenteeism, disappointment, poor performance, low motivation [8,13,15]. Therefore, the turnover intention is the matter that should be focused on as far as leaving the job. The managers should understand what results in the turnover intention and what should be done to keep the qualified employees in the enterprise.

It is indicated in this study that the trust has positive effect on work performance, organisational commitment, organisational identification, organisational justice, job satisfaction, effective communication, risk-taking, problem solving, initiative-taking, innovation and so on [16]. It was linked with the results such as higher sales and profits, reduction in leaving the job, increase in the satisfaction among the employees [17], it is asserted that it supports voluntary participation, satisfaction and the turnover intention of the employees [18,19]. Therefore, the trust involves a wide
range of results that affect both individuals and organisations. In the case of uncertainty, the trust is a positive expectation that you will see helpful behaviour from the others, or at least not be abused or damaged by them [1]. It's unique to an individual. Organizational trust is the expectation of employees in their intra-organisational relationships and behaviour. It is the feeling as to the trust and support, which the employees expect from employers. It is the belief that employers are forthcoming and will fulfil their commitments. It is the essence of relationships and holds people together [20]. It is employees' beliefs on whether the conducts of the organization are consistent with its promises given to them even in risky or uncertain situations. Organizational trust is reviewed in three dimensions: trust to managers, co-workers (or colleagues), and organization [1,21]. Trust in the manager or leader means that the subordinates perceive that the manager behaves honestly and correctly, trust in their managers; trust in the co-workers refers to the belief that the co-workers of the individual do not keep the necessary information secret from them, do not mislead them, being in a fair, moral attitude against them. Trust in the organization is more focused on the organization rather than the people. It is the belief of the employees that the organization shall adopt a decision in a manner not cause any damage on themselves [1]. Lack of trust in workplace environment has a detrimental effect on both organisation and employee. The insecure employee less contribute organisational targets and actions, their moral and motivation may decrease, they may have turnover intention, in comparison with the employee working in a high trust environment. It is indicated in the research carried out that the trust in the organisation decreases the turnover intention [21, 22, 23], that organisational trust has a positive relation with decrease in the turnover intention [24] trust in manager or leader positively affects the term of employment of the employees. In the event that the employee perceives the leadership style as positive, their turnover intention decreases accordingly, and this relationship may enhance even further by the effect of trust in the leader. [25]. In addition, the presence of organizational trust and trust in the leaders is associated with the intention of staying at work along with the turnover intention [24].

The purpose of the study is to examine the impact of organizational trust on turnover intention. In this context, the problem statement of the study can be expressed as “does organizational trust have any impact on the turnover intention?”

Research results. Working group, a total of 228 people, 114 of whom were female and 114 of whom were male have participated in the study. The average age of the participants was 29,51±7,58 years and 34,6% of them were under 25 years and 33,3% were between 26-32 years and 32% were over 33 years. 42% are married; 57.9% are single. When it comes to their education, 18.9% of the participants are high school graduates, 58.8% are associate degree and bachelor degree and 22.4% are postgraduate. Experience average in the sector is 7,93±6,84 years.

In the research, the organizational trust scale with 22 articles organized by Omarov (2009) [26], and the turnover intention scale with three articles, developed by Mobley, Horner ve Hollingsworth (1978) [27], adapted to Turkish by Türker (2013) [28] was used to collect data. All the scales used in the research are in the type of Likert with 5 points as “(5) Strongly Agree, (4) Agree, (3) Undecided, (2) Disagree, (1) Strongly Disagree”. In addition, a questionnaire form was used to determine the demographic characteristics for the participant of the research.

As a result of factor analysis carried out in the research, organisational trust scale having three-factor structures (KMO value 0.83, Bartlett Sphericity Test (p) = 0.000) reveals 61,19 of the total variance. The Cronbach's Alpha coefficient for scale-wide is 0.951 (trust in the manager is 0.922; trust in the co-worker is 0.917; and trust in the organization itself is 0.908). Turnover intention scale shows single-factor structure (KMO value 0.83, Bartlett Sphericity Test (p) 0,000) and reveals 81,51 of the total variance. The Cronbach's Alpha coefficient of the scale is 0.886. Both organizational trust and turnover intention scale (α >0.70) have a high degree of reliability.

The results of the correlation analysis as to the relationship between the organisational trust and the turnover intention are as in Table 1. There is a negative, moderate and meaningful correlation between the turnover intention and trust in the manager (r₁=-0,38) as well as trust in the organisation itself (r₃=-0,39); negative, low level and meaningful correlation between the turnover intention and trust in the co-work...
intention and trust in the co-workers ($r_2=-0.21$). In this context, it can be said that the turnover intention will decrease as trust increases to the manager, co-worker and the organization itself.

### Table 1

The Correlation Between Organizational Trust and the Turnover Intention

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Trust in the manager/leader</td>
<td>1</td>
<td>0.42**</td>
<td>0.57**</td>
<td>-0.38**</td>
</tr>
<tr>
<td>2 Trust in the co-worker</td>
<td></td>
<td>1</td>
<td>0.33**</td>
<td>-0.21**</td>
</tr>
<tr>
<td>3 Trust in the organization itself</td>
<td></td>
<td></td>
<td>1</td>
<td>-0.39**</td>
</tr>
<tr>
<td>4 Turnover intention</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

* *p<0.01 and **p<0.05

The results of the regression analysis are presented in Table 2 in order to determine the impact of organizational trust on the turnover intention.

### Table 2

The Impact of Organizational Trust on Turnover Intention

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>β</th>
<th>t</th>
<th>p</th>
<th>F</th>
<th>Model(p)</th>
<th>R²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed</td>
<td>11.88</td>
<td>0.000</td>
<td></td>
<td>17.63</td>
<td>0.000</td>
<td>0.18</td>
</tr>
<tr>
<td>Trust in the manager/leader</td>
<td>-0.23</td>
<td>-2.99</td>
<td>0.003</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust in the co-worker</td>
<td>-0.03</td>
<td>-0.40</td>
<td>0.688</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust in the organization itself</td>
<td>-0.25</td>
<td>-3.39</td>
<td>0.001</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As it is shown in Schedule 2, it can be seen that the contribution of organizational trust to variance is significant ($F=17.63$; $p<0.05$). Organizational trust explains 18% ($R^2 = 0.18$) of the variance of the turnover intention. In other words, 18% of the turnover intention can be explained depending on organizational trust. When each of the independent variables is evaluated separately, the level of trust in the manager and the trust in the organization reduce the turnover intention ($\beta_1=-0.23$, $\beta_3=-0.25$; $p<0.05$). However, the level of trust in the co-workers does not affect the turnover intention ($\beta_2=-0.03$; $p>0.05$).

**Conclusion.** Pursuant to the result of the research carried out in order to determine the effect of the organisational trust on turnover intention, organisational trust explains 18% of the turnover intention. Therefore, there are other variables and factors that affect the turnover intention. Factors such as the performance, capacity, capabilities and career stages of the employees reveal the differences between the employees and may lead leaving the job [14]. Except this, factors such as family and friends, job opportunities, technological developments, demographic and motivational features, job and workplace characteristics, job-related attitudes, organizational culture, human resources practices, wage and rights, organizational policies, job satisfaction, organizational commitment, social support, leadership style, trust [3,4,7,5,9, 22,24] affect the turnover intention.

When the sub-factors of the organisational trust is evaluated, it is seen that the trust in the co-workers has no meaningful effect on the turnover intention, and reduces trust in the manager and trust in organisation.

**LITERATURE**


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