

## **ANALYSIS OF TRUST INFLUENCES ON THE COMMITMENT OF EMPLOYEE TO ORGANIZATION IN PT X EAST JAVA**

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### **ABSTRACT**

*This research is meant to acknowledge relationship between trust and employees' commitment on organization. Research data is collected by survey methods, and measuring instrument used is Trust Scale and Employee Commitment Scale. The research is conducted in PT X which the research subjects are 50 professionals who work there. Datas are analysed using Double Regression Analysis with the help of SPSS 11.0 Satatistic Program. The result shows 71,60% of employees' commitment are determined by a sense of mutual trust. Aspect of mutual trust is aspect of respect for oneself with honor and dignity gives 62,60% in employees' commitment.*

**Keywords** : Trust and Employees' Commitment on Organization

### **INTRODUCTION**

Recently there is only one success key to win an enduring competitive advantage for company, which is how to manage human resource in the company. Human resources in the company is businessman's partner and highly profitable for long term uses, thus the company needs to give more attention to their employees. Employee who works there needs to be respected and acknowledged. The fulfillments of the employees' needs of appreciation and acnowledgement will push them to reach the best effort they have. Company must not just demand the employees to give all their efforts to their company, but also need to fulfill their employees' needs. The relationships between company and employee need to be built based on mutual needs framework. Employees' quality which has high

competitive value is not merely competency, but also has other values such as high commitment to the company they worked on.

Individuals who have strong commitment upon the organization will have faith and high acceptance of values and purpose of the company, willing to give high effort for the sake of the company, and solid determination to maintain their membership on the organization. Based on the characteristics above, it is said that there are basic worth considering reason that employees with high commitment will be more valuable than the lower ones.

In the quest to find a proper effort to build employees' commitment, first of all, it is needed to be understood the affecting factors. Main foundation to build employees' commitment is the earnestness of the company to priorities humanity values such as build trust between the employees and other employees, and between employees and their superior officers. The other factor that can affect employees' commitment on organization is two ways communication, senses of similarity, and harmony, vision and values as based of their recruitments, work stability, and financial appreciation. Growing trust, can not be separated from the interaction between individuals in it. With cooperation based on trust, work load can be split up so it will not be to hard to be done. An organization is considered to be effective if they are building and maintaining trust between the organization's members. The more trust the member of organization have upon each other, the more effective work result will be done together. Trust is needed when a team wants to perform well. Without trust, member of organization will have difficulty to intergrate in creating a worthy achievement. Trust is a base to build good work so that they will have more commitments.

#### **PROBLEMS FORMULATION**

How big the influence of trust is with respect to the commitment of the employees in the company.

#### **RESEARCH PURPOSES**

To know the influence of trust upon the commitment of employees of an organization

#### **RESEARCH BENEFITS**

Understanding of aspects that can build commitment of employee, which can be used to seek empowerment organization by building psychological environment which support the emerging of interpersonal trust and awaken higher level of phsychological empowerment, in order to grow higher employees' commitment. One of the efforts that a company can do is by treat their employee with honour and respects, in order to stimulate the trust.

## **THEORY**

Building commitment of the employees in organization is not an easy job, a lot of factors can affect, based from organization and individual factors. One individual factor which is suspected to have a role in building employees' commitment is giving trust in workplace. Individuals with high level of trust will feel respected, listened and treated with honor as a member of the organization. They feel their human being is respected in the organization. This situation will create a comfortable interpersonal interaction environment, match and harmonious in the workplace. This positive environment will be seen positively by the individu as a positive support from the organization and push the individu to give their best effort for the organization.

The commitment of employee to the company means there is psychological involvement and strong identification upon the organization. Individu tends to be appreciative to the organization which give them opportunity to belong freedom in decision making, challenge, and responsibility as the organization which give them feeling of meaning, competency, self determination and influence. They intends to react or response by becoming more committed to the organization so their identification, bonding, and loyalty to the organization will increase.

Working in an secure and comfortable psychological environment, which one of them is marked by mutual respect, support, honor and listen, can make an individu work peacefully and secure. A positive and supportive psychological environment of a workplace give more chance to emerge all creative potentials an individu has, so that they can create real activities which support organization. Working in positive interpersonal relations environment like this, will be seen by individuals as a form of appreciation and recognition by the organization that they are an important part of the organization. This feeling will be able to bring out a feeling as part of an organization or more senses of belonging to the organization. We can say that positive interpersonal relations environment in workplace will be able to stimulate higher commitment to the organization.

Otherwise if an individu feels a low senses of trust or in other word they feel do not get any respect, appreciation and honour in their workplace, than this situation can decrease their motivation to give the best efforts they have to the organization. Needs of recognition and appreciation as an important member of an organization are not they get, so they feel as if they are only tools used by the organizations to support the achivement of organizations' purposes.

Psychological workplace environment which marked by interpersonal relations like this, will hampered creative potentials and the best efforts an individu has. The encouragement to give the best contribution they have become weaken, work spirit low, feeling to become part of an organization is not nurtured, it causes low work performance, in other words, their commitment to organization is decreasing.

## **HYPOTESIS**

There is influence between trust which are consists of self recognition, responsibility, honor, and dignity, integrity and credibility towards commitment of the employee to organization which is acceptance of values of organization, encouragement to work hard and loyalty to organization. The higher trust between employees, then higher the level of employees' commitment to the organization. On the contrary, the lower trust between employees, then the lower employees' commitment to the organizations.

## **METHODS OF RESEARCH**

The operational definition as follows :

1. Trust is factor inside one's individual which encourage a willing to connect or interact with members of a group. In this research this factor is form as self respect, full responsibility and accountability, honor and dignity, integrity, credibility. Trust is measured by Trust Scale. High or low of trust is showed by Trust Scale. Higher the score of Trust Scale, then higher the trust.
2. Commitment of employees into organization is a relative power of identification and involvement of someone into certain organization, which is characterized by the presents of trust and full acceptance of values and purposes of organization, a willing to try the best one can for the sake of the organization, and strong encouragement to becoming a member of organizations (loyal). Concept of employees' commitment used in this research is based on *Porter's concept* (1996). The commitment of employee is measured by using Employees' Commitment Scale. High or low of employees' commitment is showed by scores on Employees' Commitment Scale, higher the score on Employees' Commitment, then higher the commitment of employee.

## **RESEARCH SUBJECTS**

The research subjects are employees of PT X East Java of total 50 persons. Characteristic of research subject are :

1. Their status are as superior employees, with consideration that these superior officer are in charge of implementation of main activities in the company. So it is said that superior officer are the most important asset of the company, they are expected to have high trust, empowerment and commitment to organization, in order to support the best performance of the company.
2. Have work period on the position at least two years, considering superior employees with work period at least two years are assumed have develop stronger trust and employee commitment to organization.

## **DATA COLLECTING METHODS**

Collecting data in this research is using Scale methods. Scale model used is Likert Scale with four optional answers, values from one to four. Scale used in this research is consist of two kinds of scales, which are Trust Scale and Employees' Commitment Scale. Scale which will be used in this research are tested first, to gain good quality items and high reliability measuring tools.

Scales of Research are :

### **1. Trust Scale**

Arrangement of this scale is based on Webster Theory which have five aspects of trust and expressed as follows :

1. Self respect
2. Self responsibility and accountability
3. Honor and dignity
4. Integrity
5. External and internal credibility

### **2. Employees' Commitment Scale**

Employees' Commitment Scale is used to reveal individual psychological attachment to organization consists of three aspects, which are trust and full acceptance of values and purposes of organization, willing to try the best possible for the sake of the organization, and strong encouragement to remain becoming member of organization (loyal)

## **Data Analysis Technics**

Data analysis technic in this research is using descriptive analysis with a purpose to know level of trust, psychological empowerment level and employees' commitment level to organization. Then in its statistic analysis uses Multiple Regression analysis and Partial Correlation. *Multiple Regression analysis* is to show how big the relation between research variables. Partial analysis is used to see clear correlation coefficient between one free variable with a depending one, by controlling one free variable. The calculation of data analysis of research result is using *SPSS For Windows 11.0 Program*.

## **ANALYSIS AND DISCUSSION**

### **1. Description of Respondent and Variables**

Based on research process proceeded, description of research's subjects are obtained as follows : Sex : male are 46 persons, and female are 4 persons. Age : 50 years up are 11 persons; 40 until 50 years are 29 persons; and 30 until 40 years are 10 persons. Level of education : Master (S2) are 7 persons; Bachelor (S1) are 36 persons; and Diploma are 7 persons. Work period : 35 years up are 5 persons; 30 until 35 years are 28 persons; 25 until 30 years are 13 persons and under 25 years are 4 persons.

Next the result of each variables' analysis will be described in form of tables. Table 1 shows categorization of trust level, and table 2 shows categorization of the commitment of employees to organization.

**Table.** Result of Hipotesis Model The Equal of Structure

Hip	Influence		Koefisien	C.R.	Explanation	
H1	Sence of Trust	→	Commitment	0,611	5,944	Significan

**Table 1** Distribution of Variables Frequency Category Sense of Trust Value

Category	Value	Total	Procentage
High	93 – 100	15	30%
Medium	85 – 92	19	38%
Low	77 – 84	16	32%

Based on table 1 it is obtained that degree of trust of employees' of PT X are spread out on high category (32%), medium 38%, and low (30%). The prominent category is medium which is 38, means that degree level of trust of employees' of PT X is included in medium category.

**Table 2** istribution of Variables Frequency Category Commitment of Employees' Value

Category	Value	Total	Procentage
High	90 – 95	16	32%
Medium	84 – 89	19	38%
Low	78 – 83	15	30%

Based on table 5 it is obtained that degree of commitment of employees' of PT X are spread out on high category (30%), medium (38%), and low (32%). It means that degree level of commitment of employees' of PT X is included in medium category.

## 2. Analysis of Statistic Data

### Hypotesis Test

Based on analysis' result, it is obtained that correlation between trust and commitment of employees are 0,853, so determinant coefficient which is able to explain and influence the achievement of commitment of employees are 71,6%, while the rest are 28,4% is explained by other variables beside independent variables used. This means this variables are suitable to be used in research because most of dependent variables are explained by independent variables used.

Based on that, it is concluded that there are positive correlation between trust and commitment of employees' of oragnization.

Based on calculation value  $F = 62,716$  which is higher than table  $F : 3,19$  or  $p$  value =  $0,00$  which is smaller than  $0,01 / 0,05$ , then hypothesis proposed in this research is accepted, which is  $H_1$  is accepted and  $H_0$  is denied (sense of trust influences the establishment of commitment of employees' of organization).

### **3. Additional Analysis**

Further analysis will be done to acknowledge free variables aspects which are mostly influencing toward commitment of employees. Correlation's result between trust aspects shows that recognition of oneself with commitment of employees' is found correlation coefficient as  $0,788$ ; between responsibility and accountable commitment of employees, the correlation coefficient is found as  $0,721$ ; between honor and dignity with commitment of employees the correlation coefficient is found as  $0,783$ ; between integrity and commitment of employees the correlation coefficient is found as  $0,729$ ; between external and internal credibility with commitment of employees the correlation coefficient is found as  $0,775$ . Based on those correlation coefficient, it is discovered that recognition has the highest correlation than other fourth aspect, while honor and dignity has the second highest rank after recognition. Other three aspects, which are responsibility, integrity and credibility, because they have the lower correlation than recognition and honor, then these three aspects' influences are neglected. Recognition has correlation coefficient as  $0,788$  toward commitment of employees, jointly honor and dignity has correlation coefficient as  $0,783$  toward commitment of employees. Determination correlation of recognition and honor jointly is  $0,626$  toward commitment of employees, it means both trust's aspects, which are recognition of oneself and honor and dignity have contribute  $62,6\%$  upon commitment of employees.

The conclusion achieved as result of the analysis is that from five aspects of trust, recognition and honor have the biggest influence upon commitment of employees, comparing to responsibility, integrity and credibility.

### **DISCUSSION**

This research is aimed to test relation between trust and commitment of employees of organization. Result of data analysis shows that hypothesis proposed by this research is accepted, it means trust have a positive relation with commitment of employees in an organization. Trust is able to predict employees' commitment as  $71,6\%$ , while others as  $28,4\%$  is caused by other factors.

Relation between trust and employees' commitment to organization, in case of building trust can not grow in so, it takes time, first it is seen as

attitude shown by an individual in an environment, behaviour consistency, as *calculus based trust theory* (Kramer & Tyler, 1996). Trust refers to degree of punishment as consequences if trust is broken, thus threat of punishment will become more significant motivator than price that might be accepted.

Next, knowing the other parties well thoroughly so that their behaviour can be anticipated (*knowledge based trust*). In this case regular communication and known each other are important process, without regular communication, someone can lose contact with others, not only emotionally but also their ability to equalize perception and predicts reactions upon others. Known each other is directional-specific behaviour upon the development of relationship to know more about others who would invited to cooperation.

Trust grows because there is a willing and ability to understand and respect other people's wish. Understanding on this mutual benefit is developing in certain point, which is every individual can effectively act for other person (*identification based trust*)

This part is reflected on various ages of employees, although different but they try to understand and respect each other, and with a growing trust to cooperate, so bring effective employment impact, which increase the sense of empowerment and also maximal effectiveness upon organization can be achieved.

Based on additional analysis it is found that respect of yourself aspect upon trust prediction is the most dominant contributor in shaping commitment of employees to organization. Respect of yourself is one of trust aspects reflected on superior treatment to members of the organization, such as : treating wisely and politely, appreciate the rights, respect, response fast upon questions or problems occurred, expressive work, helping, praising the work or good action.

Employees who work have needs to be respected and recognised. Fulfillment of needs of employee to be recognised and respected push them to have the best performance they can. Relationship between company and employees needs to be built on mutual needs framework. Agreement on both needs fulfilment fairly will grows high commitment of employee to organization, eventually can stimulate employees to work well and competitive on recent highly competition era.

Honor and dignity are the second biggest aspects which have major role in building commitment of employees to organization. The higher level of management to give honor in form of appreciation to member of organization and how management look after dignity of member of organization, than the higher work spirit and certainty of a person about their self ability in giving their best to the organization. The chance to give optimal ability to organization is become triggered by administering honor

in this case recognition of a reputation as real form of trust from management to employees.

## **CONCLUSION**

1. Trust have role in building commitment of employees to organization. Individu with high sense of trust will feel that organization recognise their existences as important part of organization. This encourages individu to give positive response to organization which is more involved to do their optimal effort for the sake of organization's success and more loyal.
2. Commitment of employees to organization will increase if the superiors are able to build trust to their employees with effort ability to recognise well so that their behaviour can be anticipated (*knowledge based trust*). In this case regular communication and know each other are an important process. Without regular communication someone can lose contact of others, not just emotionallly but also in equalize perception and predict reaction upon others. Know each other is directional-specific behaviour upon the development of relationship to know more about others who would invited to cooperation. Beside that, there must be a willing and ability to understand and appreciate other people's wish. Understanding on this mutual benefit is developing in certain point, which is every individu can effectively act for other person (*identification based trust*). A trust will grow interest to cooperate, so impact of effective work and also the effectiveness of the organization can be achieved to the maximum.

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*The First International Conference on Entrepreneurship*

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