THE RELATIONSHIP BETWEEN DIFFERENT ANTECEDENTS, WORK OUTCOMES AND TRUST TO DIFFERENT REFERENTS (DIRECT LEADER VERSUS ORGANIZATIONAL LEADER) IN THE DOWNSIZING CONTEXT

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ABSTRACT

Downsizing has had a significant influence on organizational life over the past 10 years in Hong Kong. When organizations downsize, two groups of employee emerge, those who are laid off and those who remain in the organization. The experiences of those remaining in the organization, or the organizational survivors, have been neglected.

This study presents examination of the experiences of survivors with regard to different antecedents (Procedural Justice, Interactional Justice, and Distributive Justice) and Perceived Organizational Support, work outcomes (Job satisfaction, Job Performance and Turnover Intention) and trust to different referents (Direct Leader and Organizational Leader) in the context of downsizing. The study develops and empirically tests a theoretical framework that examines the relationship between survivors’ perceptions of the three justices and perceived organizational support, trust in direct leader, trust in organizational leader, job satisfaction, job performance and turnover intention. The theoretical framework integrates previous research findings examining the concept of trust from management and psychology literature. A survey instrument is developed and administered to collect information and data were gathered from survivors representing a variety of organizations and industries. The theoretical model was analyzed using a partial least squares.

The results support several of the hypothesized relationships. Correlational data indicated that these antecedents and trust in both leaders all demonstrated significant correlations with the work outcomes variables, with the exception of job performance. The partial least squares analysis was adopted to find out that the mediation effects between different antecedents, work outcomes and trust to different referents. The
results revealed that trust in both leaders mediated the relationships between these antecedents and the work outcomes variables. However, it is very surprising that all antecedents and trust in direct leader did not correlate with job performance and the trust in direct leader did not act as a mediator between procedural and interactional justice and job performance. Possible explanations of the results as well as implications for practice and future research are provided.

Full Text (29,400 words)