

LEADERSHIP TRUST AND EMPLOYEE TASK PERFORMANCE

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Abstract

This paper focused on leadership trust and employee task performance. Mutually, both the organization and the employees have contractual obligations binding each party in an organization. While employees execute their jobs, they inevitably has the trust that the organization will fulfill their part of the job agreement. Thus, this study is an attempt to assess leadership trust and employee task performance. The main objective of this study is to assess leadership trust and employee task performance. Specifically, the objectives of the study are: to understand the concept of leadership trust; and to identify how leadership trust affects employee task performance from previous studies. Extant literature on the subject was reviewed accordingly. On the grounds of the previous studies reviewed, it was concluded that not most employees do not trust their leaders since they do not fulfill their employment agreements; and lack of leadership trust affects employees by returning poor performances on assigned tasks. It was recommended that organizations should invest in leadership development programs that emphasize the importance of trust and also, organizations should recognize that high levels of leadership trust lead to improved employee task performance

Keywords: Trust, Leadership Trust, Employee task performance, Group Cohesion theory, Extraversion-Introversion Personality Theory

Introduction

Corporate organizations are composed of employees who work across various functional units. Through activities such as planning, organizing, controlling, and directing, these employees ensure that corporate objectives are achieved both effectively and efficiently (Umoh et al., 2014; Okafor & Onuoha, 2022). Additionally, employees manage work interdependency among themselves, taking into account the limited organizational resources. These efforts contribute to enhancing both employee and organizational performance. In the 21st-century business landscape, management literature has extensively explored ways to improve employee performance. This has led to a multitude of studies, both theoretical and empirical, aimed at identifying strategies for enhancing employee performance. Notable studies include those by Lewicki et al. (1998) and Hommer (1995), among others. Despite being conducted in different settings, these studies consistently demonstrate that employees' task performance can be improved through leadership trust. Since then, the concept of leadership trust—its meaning, antecedents, and potential effects on employees' task performance—has been a significant focus of research. Though the emphasis on the concept of trust has shifted due to debates on vulnerability (Mishra, 1996; Adeoye & Elegunde, 2022), efforts have been made to provide a formal definition. Lewicki et al. (1998) describe trust as confident expectations regarding another's conduct. Eze and Amadi (2023) and Homer (1995) define it as one party's optimistic expectations about another's behavior when the party must decide how to act under conditions of vulnerability and dependence.

Employees' task performance refers to the outcome or contribution of employees towards achieving organizational goals (Herbert et al., 2000; Adediran & Afolabi, 2023). From an efficiency and effectiveness perspective, Stoner (1996) contends that employee performance, measured by these criteria, involves the ability to produce desired outcomes using minimal resources and the ability to meet desired objectives or targets. Foot and Hook (2008) define employees' performance as the ability to contribute to the firm's performance, coupled with the means and incentives to do so. This implies that employees' performance cannot improve without adequate incentives, such as training and development, which are necessary to address weaknesses and acquire required skills, ultimately leading to improved performance (Mbithe, 2012). In management studies, employees' performance can be measured using variables such as quality of output, timeliness of output, presence/attendance on the job, efficiency of work completed, service quality, effectiveness of work completed, and employee behavior (Armstrong, 2001; Yusuf & Bello, 2021).

Statement of the Problem

Today's "business landscape is very dynamic and hyper-competitive. It requires that employees as well as the organization must remain flexible and in mutual agreement in order to be successful. As earlier noted in this study, the effective display of these behavioural tendencies requires that employees across all business organizations must be willing to improve their task performance as long as organizational trust is guaranteed" (Eze&Amadi, 2023). However, "in reality, this is not so. Nwankwo and Okeke (2022) stated that the complexity and competitive nature of the business environment has sometimes force management of organizations to take decisions that do not show trust and transparency. For instance, while striving to enhance corporate performance by accomplishing assigned task, most employees are retrenched. Employees' decisions on certain aspect of their job design are reluctantly considered while they hardly partake in decision-making processes that affects them. Overtime, these results to lack of trust on the part of employees. It reduces the propensity of employees engaging in positive work behaviours, which resultantly affects their task performance. It distorts focus and willingness of employees to show commitment to assigned tasks, leading to reduction in their job effectiveness, which in turn affects both individual and organizational" performance.

Aim and Objectives of the Study

The aim of this study was to assess leadership trust and employee task performance. Specifically, the objectives of the study are;

- i. To understand the concept of leadership trust
- ii. To identify how leadership trust affects employee task performance from previous studies.

Research Questions

The following research questions were designed for the study:

- i. What is the concept of leadership trust?
- ii. How does leadership trust affect employee task performance based on previous studies?

Review of Related Literature

This section of the study covers three sub-headings: conceptual framework, theoretical framework and empirical review. These different sub-headings were considered as shown hereunder:

Conceptual Framework

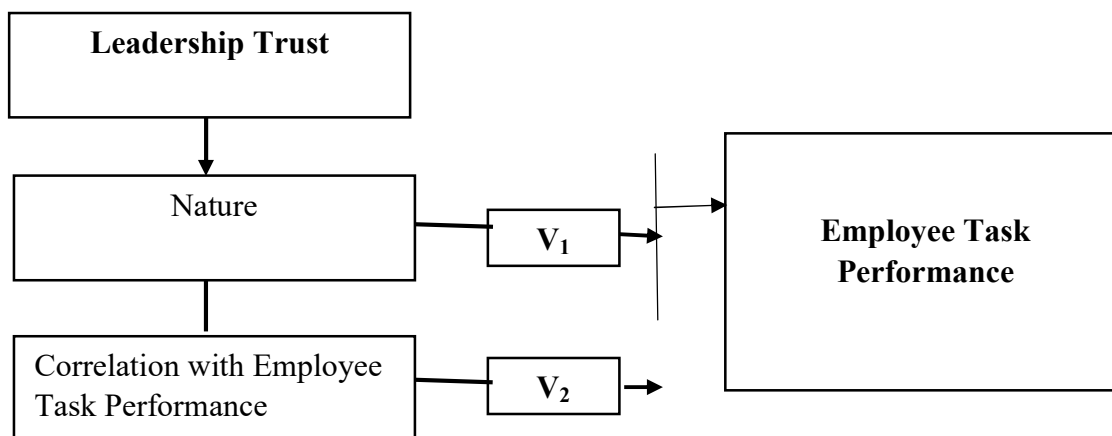


Figure 2.1: Conceptual Model for the Study.

Source: Researcher (2024)

Past studies in management literature has emphatically shown that the most important resource of an organization is the human resource. To enhance their performance, which is the aim of every organization, various attempts have been made. One of such means is referred to as leadership trust. This infers that, while an employee may be executing assigned task, he/she may expect there is certain level of trust that is guaranteed between their leaders. Thus, for employees' task performance to be enhanced, mutual trust ensured. When trust is incorporated, performance is ultimately improved. This raised the question: what is leadership" trust?

The Concept of Leadership Trust

Recently, definitions "of leadership trust across management experts have been shifting emphasis from time to time (Nichodemus, 2012). This is because, individuals may place their trust on another person base on intensions, emotions or a demonstrated behaviour by another party thereby suggesting that any placed trust will not be misplaced. Nevertheless, few definitions have been proffered. Mayer et al. (1995) sees leadership trust as the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the truster, irrespective of the ability to monitor or control the other" party. In their opinion, "Bhattacharya, Devinney and Pilluta (1998) submit that leadership trust is an expectancy of positive outcomes that one can receive based on the expected action of another party in an interaction characterized by uncertainty. Deductively, the above definitions suggest that certain indices seem to form an integral part of the word, leadership trust. Indices like *Vulnerability*, *optimistic expectations*, *uncertainty*, among others. These features of leadership trust shows that whether it is conceived from individual or organizational perspective, it is something that cannot be controlled. Leadership trust is not an action in which an individual is certain about the outcome or actions that one party completely believe that another party will unfailingly" fulfill. Trust is "an important instrument of social relations in any organization. It involves rational investment in employer-employee relationship in an organization. It involves one party trusting on another party to reciprocate on the basis of good gestures received. Nevertheless, the challenge hovering over social relations in an organization lies on who to prove himself trustworthy first or the willingness to trust others (Aryee, et al., 2002; Adeoye & Elegunde, 2022). Management doubts if employees can fulfill their employment conditions (their contractual duty of care) once they remain committed to assigned" task. Conversely, "employees are full of doubt if the

employers can fulfill employment conditions their contractual duty of care once they remain committed to assigned task. Therefore, since the basis of every social relation in an organization starts from the management, fair treatment of employees induces reciprocation. Blau (1964) succinctly put it this way; by discharging their obligations for service rendered, individuals demonstrate their trust worthiness and the gradual expansion of mutual” service.

The Concept of Employee Task Performance

Employee performance, according to Huselid, (1995) is the enhancement of the knowledge, skills, and abilities acquired by employees so that they can perform their duties to achieve organizational goals. Mathias and John (2003) defined employee’s job performance as a measure of the quantity and quality of work done, considering the cost of the resources used. Employee’s job performance is defined as the extent to which an organizational member contributes to achieving the goals of the organization (Greenberg, 1996; Nwankwo & Okeke, 2022). McNamara (2003) further states that, results are usually the final and specific outputs desired from the employee. Results are often expressed as products or services for an internal or external customer. Employee’s job performance could include: quantity of output, quality of output, timelines of output, presence at work and” cooperativeness.

Employee’s job “performance could be measured using different parameter. For instance, Bond and Fox (2007) posit that employees’ job performance could be measured using quantity of work, timeliness of work, quality of work, use of resources/efficiency, customer (External and Internal), productive work habits, alignment and compliance. Kuvaas (2006) opined that employee performance could be assessed using the quality of the accomplishments, the compliance with the desired standards, the costs involved and the time taken in achieving the results. However, it is measured, the studied task significance variables could affect employees’ job” performance. “Pfeffer (1994) posit that employees that are trained by their organization are able to deliver well and gain competitive advantage. Katcher and Snyder (2003) are of the view that training, developed and proper performance feedback is given, it inevitably leads to efficient use of new equipment, enables them to deliver better, can be used to replace their supervisors when they retire and become loyal to the organization, thereby reducing employee turnover. In addition, organization will benefit from such style of task significance because there will be reduction of project failures and defects and there will be minimum supervision as” well.

Theoretical Framework

Management “scholars have proposed some theories in an attempt to explain leadership trust and employee task performance. In this section of the study, two of such theories, group cohesion theory and extraversion-introversion personality theory were considered. These theories are explained as” follows:

Group Cohesion Theory: Cohesion is a concept that has been of long-term interest to social science disciplines (Bruhn, 2009). The concept of cohesion has attracted some attention in recent times. Conceiving it from a psychological point of view, cohesiveness refers to situations where members of a group share emotional and behavioural characteristics with one another and with the group as a whole (Deutsch, 19968) as cited in Bruhn (2009). Additionally, cohesion has equally been defined in various ways such as the desire of group members to stay together as a group; how effectively individual members of a team relate and work together as a unit and as, the stick togetherness of a group (Banki, 2010). Hence, group cohesion is the tendency for a group member to be in unity while working towards a goal or to satisfy the emotional needs of it members.

Extraversion-Introversion Personality Theory: To “properly understand this theory, it will be vital first the term personality. Beer and Brooks (2011) sees personality as those behaviours that differentiate an employee from another. Alport (1973) as cited in Altunel (2015) conceived personality as the personal disposition of those psychological systems in an individual that determines how he reacts to his environment. Nevertheless, the basic assumption of personality theory is that, every person is different and that everyone’s personalities depends on things like individuals’ traits, dispositions or temperaments which are vastly different among” individuals (Altunel, 2015). Hence, such personality differences among individuals explains how people behave in an organization as well as who they choose to socialize with (Barrick and Mount, 2005). It is on this premise that extraversion-introversion personality theory evolve. These two personality theories describe how people relate with others. Extroverts, according to Myers (2003), are individuals that unavoidably seek for stimulation outside themselves; they are outgoing as well as expressive while introverts are individuals that highly concentrate on their own thoughts and feelings and hardly socialize (Altunel, 2015). Therefore, “in an organization, extraversion-introversion theory posit that employees who are extroverts are always gregarious, assertive, active, sociable, energetic and interested in seeking out excitement, report higher level of OCB while employees who are introverts are always reserved, less outgoing, less sociable, and display lower level or do not display OCB at all (Roesch et al., 2006 and Thoms et al., 1996). Hence, positive outcome in leadership trust and employee task performance, according to this theory, depends on leadership personality, which in this case, is labelled” as trust.

Empirical Review

Previous “studies have been carried out in this direction. In this section of the study, few of such studies were reviewed as shown” below:

Eze and Amadi (2023) studied the impact of leadership trust on employee task performance in the Nigerian telecommunications industry. A mixed-methods approach was used, combining quantitative surveys and qualitative interviews. Data were collected from 250 employees across different telecommunications companies in Nigeria. Quantitative data were analyzed using multiple regression, while qualitative data were analyzed thematically. The study found that leadership trust significantly improves employee task performance. Employees who trusted their leaders showed better performance, higher engagement, and greater organizational commitment. The qualitative data highlighted the importance of communication, reliability, and ethical behavior in building trust. Leadership trust is vital for boosting task performance in the Nigerian telecommunications industry. Telecommunication companies should prioritize trust-building initiatives, such as promoting transparent communication, ensuring leaders act consistently and ethically, and involving employees in decision-making processes.

Adediran and Afolabi (2023) examined the role of leadership trust in enhancing employee task performance in Nigerian universities. The study adopted a descriptive survey design. Data were collected from 500 academic and non-academic staff across five universities in Nigeria. The data were analyzed using descriptive statistics and multiple regression analysis. The findings showed a significant positive effect of leadership trust on employee task performance. Employees who trusted their leaders were more likely to exhibit higher levels of job performance, satisfaction, and” commitment. “Leadership trust is a key determinant of employee task performance in Nigerian universities. University administrators should focus on building and maintaining trust through transparent decision-making processes, consistent

leadership behavior, and fair treatment of staff. Leadership development programs should include modules on trust-building and ethical” leadership.

Okafor and Onuoha (2022) studied the effect of leadership trust on employee task performance in Nigerian SMEs. The study employed a quantitative research design, utilizing surveys distributed to employees across 50 SMEs in Lagos, Nigeria. A total of 300 responses were analyzed using structural equation modeling (SEM). The results indicated a strong positive relationship between leadership trust and employee task performance. Employees who reported higher levels of trust in their leaders also demonstrated higher task performance, greater job satisfaction, and increased commitment to their” organization. “Trust in leadership significantly enhances employee task performance in Nigerian SMEs. SME leaders should prioritize building trust through transparent communication, ethical behavior, and demonstrating competence to foster better task performance among” employees.

Adeoye and Elegunde (2022) studied Leadership trust and employee task performance in the Nigerian public sector. The study utilized a mixed-method approach, combining qualitative interviews with quantitative surveys. Data were collected from 200 public sector employees in Abuja, Nigeria. Quantitative data were analyzed using regression analysis, while qualitative data were coded and thematically analyzed. The study found that leadership trust positively influences employee task performance. “Employees with higher trust in their leaders exhibited better task performance and job satisfaction. Qualitative data revealed that transparency, consistency, and fairness were key factors in building trust. Trust in leadership is a critical factor for enhancing task performance in the Nigerian public sector. Public sector leaders should focus on building trust by ensuring transparency, fairness, and consistency in their actions and decisions.

Nwankwo and Okeke (2022) examined leadership trust and employee task performance: Evidence from the Nigerian banking sector. To investigate the relationship between leadership trust and employee task performance in the Nigerian banking sector. A quantitative research design was used, with data collected via structured questionnaires from 350 employees across 10 banks in Nigeria. The data were analyzed using correlation and regression analysis. The study revealed a significant positive relationship between leadership trust and employee task performance. Employees who trusted their leaders were more motivated, committed, and productive. Trust in leadership is essential for improving task performance in the Nigerian banking sector. Bank leaders should invest in trust-building initiatives, such as open communication, ethical leadership practices, and employee engagement programs, to boost task performance and overall” productivity.

Yusuf and Bello (2021) examined leadership trust and employee task performance of the Nigerian oil and gas industry. This study used a cross-sectional survey design. Questionnaires were administered to 400 employees from various oil and gas companies in Nigeria. The data were analyzed using Pearson correlation and regression analysis. The results indicated a strong positive correlation between leadership trust and employee task performance. Employees who trusted their leaders reported higher levels of task performance, motivation, and job satisfaction. Trust in leadership plays a crucial role in enhancing employee task performance in the Nigerian oil and gas industry. Leaders in the oil and gas sector should work on building trust by fostering open communication, ensuring transparency in operations, and demonstrating integrity in their actions.

Gaps in Literature

The study focused on leadership trust and employee task performance. However, there are remarkable gaps between the reviewed studies and the present study. For instance, among all the five studies reviewed, only the study of Onyeizugbe, et al. (2018) was carried out in Nigeria. In terms of difference in methodology, all the reviewed studies adopted quantitative, descriptive or mixed method approach, while the present study adopted a literature review approach. Thus, the present study intends to contribute in these regards in the existing leadership and employee task performance” studies.

Conclusion

Trust is an important attribute in every organization. It is an integral part of all social relations. As long as employees would like and continue to fulfill their job obligations, they expect their leaders, the organization, to meet up with the employment agreements. Evidence from the reviewed studies showed that this is not often the case. Thus, it was concluded that not most employees do not trust their leaders since they do not fulfill their employment agreements. Resultantly, lack of leadership trust affects employees by returning poor performances on assigned” tasks.

Recommendations

1. Organizations should invest in leadership development programs that emphasize the importance of trust, defining it as the confidence employees have in their leaders' competence, integrity, and” reliability.
2. Based on “empirical evidence, organizations should recognize that high levels of leadership trust lead to improved employee task performance, increased job satisfaction, and greater organizational commitment, and should implement strategies to foster this trust.

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