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Article

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Workplace Culture Emotional Intelligence and Trust in the Prediction of Workplace Outcomes

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Abstract

There were two aims of this study. The first was to assess the reliability of a new measure of emotional intelligence (EI), the Workplace Culture version of the Swinburne University Emotional Intelligence Test (SUEIT) which was designed to measure EI at a group level. The second aim of the study was to investigate the pre-conditions required for the formation of an emotionally intelligent group culture. Specifically, the study proposed that team leader trustworthiness at the leader/member dyad level was required for the formation of an emotionally intelligent culture at the group level. The sample comprised of 142 participants, of which 54 were male and 88 were female. Participants completed a questionnaire assessing perceptions of group EI, leader trustworthiness, job satisfaction and organizational commitment. Results of the study showed that the Workplace Culture SUEIT was reliable and predicted job satisfaction and organizational commitment. Furthermore, trustworthiness of the team leader was found to be significantly correlated to dimensions of group level EI, job satisfaction and organizational commitment. It was concluded that the Workplace Culture SUEIT is a valid and useful tool for measuring group level EI. Furthermore, it was concluded that there is a significant relationship between group level EI and leader/member trust. Implications of the results and future research concerning group and leader EI are discussed.

Keywords: Emotional Intelligence; Culture; Job Satisfaction; Organizational Commitment

1 INTRODUCTION

Organizational Culture

The culture of an organization is often cited anecdotally and in both management and psychology journals as an important driver of individual, team, and company success (Barney, 1986). Although culture has been proven to be a powerful force in organizations, as it can shape people's thoughts, behaviours and emotions within their workplace (Pizer & Hartel, 2005), scholarly discourse has largely ignored the role of emotions in organizational culture (Beyer & Nino, 2001). Recently it has been argued that the power of culture is largely due to the emotional needs of individuals (Pizer & Hartel, 2005), and how these needs are fulfilled by leaders (Downey, Papageorgiou & Stough, 2006), groups (Jordan, Ashkanasy, Hartel & Hooper, 2002) and by association, organizations as a whole. Emotions are processes that result from the social context in which they are elicited and that, in turn, influence how people feel and act in this social context (De Dreu, West, Fischer & MacCurtain, 2002). Indeed, culture provides a social medium within which members can identify and form emotional bonds with each other (Beyer & Nino, 2001); which can satisfy their need for belonging (De Dreu, et al, 2002), commitment to organizations (Schein, 2004), trust in leaders (Gardner, Fisher & Hunt, 2009), and job satisfaction (Shiu & Yu, 2010). Given this recent focus on the emotional needs of employees, this study aimed to identify whether how groups express, understand, use, manage and control emotions and the trust engendered by the leader of teams was predictive of organizational outcomes.

There are two distinct, yet not necessarily competing traditions of researching organizational context: namely, organizational climate and organizational culture (Denison, 1996). The study of culture and climate are theoretically based on both symbolic interactionism and social constructionism, which posit that patterns of interaction evolve over time to form systems of normative control (Denison, 1996). Culture has been defined as a "dynamic phenomenon that surrounds us at all times, being constantly enacted and created by our interactions" (Schein, 2004, p. 1). In this regard, the ongoing dynamic relationships between individuals, lead to the creation of an underlying schema embodying the sum total of underlying shared beliefs, values and norms which provide meaning in a given social system (Pizer & Hartel, 2005). This cultural schema is shaped by and in turn shapes its members (Ancona, Kochan, Scully, Van Maanen & Westney, 1999). Cultural norms manifest in a given culture can be thought of as shared expectations of group members mandating how one ought to behave (Levine & Moreland, 1990). These norms have been shown to have powerful social information processing effects on organization members (O'Reilly III & Caldwell, 1985). Denison (1996) has argued that the differences between these two research traditions are due to interpretational differences of the same phenomena, and is likely to be a case of research into different levels (individual / group) and abstractions (conscious / unconscious) of the same phenomena. Research into climate is most appropriate at the group level (Anderson & West, 1999), as it is important to identify perceptions as being shared before conclusion about climate can be drawn. In the present study, the term culture will refer to those phenomena subsumed under both culture and climate theory, for as Ashforth (1985) has suggested, the concept of culture may have consumed the climate concept. Logistic and temporal limitations of this study required that the focus on the study be on perceptions of culture from an individual embedded within that culture.

Emotional Intelligence

Although culture has been proven to be a powerful force in organizations which shapes people's thoughts, behaviours and emotions (Pizer & Hartel, 2005), scholarly discourse has largely ignored the role of emotions in organizational culture (Beyer & Nino, 2001). Recently it has been argued that the power of culture is largely due to the emotional needs of individuals (Pizer & Hartel, 2005). As De Dreu and colleagues (De Dreu, et al., 2002) succinctly stated, emotions are "processes that result from the social context in which they are elicited and that, in turn, influence this social context" (p. 201). Indeed, culture provides a social medium within which members can identify and form emotional bonds with each other (Beyer & Nino, 2001) to satisfy the needs for belonging (De Dreu, et al., 2002), identity (Schein, 2004) and social integration (Ashforth, 1985). The cultural forms which allow members to deal with emotional needs can be seen through different rituals, rights and norms of interaction. In fact, researchers agree that culture manages emotion: with cultural norms allowing individuals to experience and express emotions both internally and externally (Beyer & Nino, 2001).

Research on the relevance of emotions in the workplace has recently focused on the construct of emotional intelligence (EI), this construct may offer a viable method of exploring how the emotional abilities of teams and individuals contribute to workplace outcomes. Research and practitioners alike have embraced the relevance of EI in the workplace, with organizational research identifying important relationships between individual EI assessments and organizationally relevant constructs and outcomes. The level of EI in individuals has been found to be related to effective leadership behaviours (Downey, et al., 2006), psychological well-being (Salovey, Stroud, Woolery & Epel, 2002; Slaski & Cartwright, 2002), affective commitment (Carmeli, 2003), and job satisfaction (Wong & Law, 2002). In regards to group performance, a recent study (Jordan, et al., 2002)

investigated the relationship between EI and the performance in a sample of 44 Australian work teams over a period of nine weeks. It was found that, in the early weeks, the teams scoring high on EI performed significantly better than the lower scoring teams. Jordan and colleagues concluded that more emotionally intelligent individuals are more able to form cohesive and effective work teams more quickly than less emotionally intelligent individuals. Whether this team success was predicated on particularly high scoring individuals driving up team averages in a high performing team, or whether persons in leadership positions particularly had higher or lower levels of EI and how this impacted team performance is unclear. Assessment of a 'teams' collective or cultural EI may serve as a useful alternative to individual assessments of EI, and may offer an insight into the relevance of collective levels of EI in predicting outcomes linked to team success.

Several models and measures of EI have been proposed in recent years, with the measures generally falling within one of two conceptions of the construct - ability or trait. Both the ability and trait measures of EI have been shown to have predictive validity across the 20 years of research concerning EI (Stough, Saklofske & Parker, 2009). The pre-eminent measure of ability EI is the Mayer Salovey Caruso Emotional Intelligence Test (MSCEIT; Mayer, Salovey, Caruso & Sitarenios, 2003), which assesses EI by having respondents solve emotional problems rather than being asked to self-rate their emotional skills. The MSCEIT provides scores on 4 dimensions of EI: (1) the ability to identify or perceive emotions; (2) the ability to use emotions to facilitate thought; (3) the ability to understand emotions; and (4) the ability to manage one's emotions and the emotions of others. The MSCEIT has not been widely utilized in organizational psychology, and there have been some inconsistent findings. For example, scores on the MSCEIT have been found to be related to leadership effectiveness (Rosete & Ciarrochi, 2005) in a sample of Australian public service managers, but no relationship was observed between manager's emotional intelligence and leadership style or the leader's perceived effectiveness by Weinberger (2009) in a sample of 151 North American managers. This inconsistency may be a result of these EI scores representing the respondents' maximal performance on the assessment (Gignac, Palmer, Manocha & Stough, 2005), rather than how they behave in certain situations (Brody, 2004), such as in the workplace.

In regards to 'trait' assessments of EI, a number of assessments have been developed within the last 20 years, and have demonstrated greater predictive efficacy and use within the organizational psychology field. This may in part be due to their relatively easier administration, brevity, and availability in rater formats. Whilst some criticism still exists concerning the discriminant validity of self-report measures from other trait assessments such as personality (Ciarrochi, Chan & Caputi, 2000), and lesser magnitude of overlap with measures of general mental ability or IQ than ability measures, a number of 'trait' measures have demonstrated predictive efficacy across organizationally relevant variables. To cite but a few findings from the Industrial/Organizational Psychology field, higher levels of EI have been associated previously with lower levels of perceived stress, workplace distress, and better quality of working life (Slaski & Cartwright, 2002); effective leadership behaviours (Downey, et al., 2006; Gardner & Stough, 2002) of senior managers; and collaborative conflict management skills (Jordan & Troth, 2002). Taken together these findings suggest that at an individual level, higher levels of EI allow individuals to model good behaviors that allow individuals to lead more effectively, deal with work-related stress adaptively, and foster collaborative relationships through greater expression, understanding, use and management of emotions.

Traditionally EI has been measured and evaluated on the individual level. More recently scholars have turned their attention to how EI may operate at the group level (Druskat & Wolff, 2001). Preliminary results have been encouraging with researchers creating new group measures of EI (Jordan, et al., 2002), and reporting findings that group EI is related to group performance (Feyerherm & Rice, 2002; Jordan, et al, 2002). More recently, Elfenbein, Polzer, and Ambady (2007) found that the ability of a team to recognize teammates' emotions (using a measure of team emotion recognition accuracy) accounted for over 28% in team performance approximately one year later. The current study aims to assess a new measure of group level EI, a cultural version of the existing Workplace Swinburne University Emotional Intelligence Test (SUEIT: Palmer & Stough, 2001). This modification of the SUEIT will allow the current study to assess whether group, or cultural levels of EI (assessing emotional recognition and expression, understanding of emotions, use of emotions, management and control of emotions at the group level) are related to the important organizational variables of job satisfaction and organizational commitment.

Research into EI as it applies to teams and leadership has found EI to be related to leader performance (Wong & Law, 2002) and team performance (Jordan, et al, 2002; Feyerherm & Rice, 2002). There is however, a lack of research attention directed towards the role of the leader in facilitating the creation of EI within a team. Although some leadership models posit a critical role for managing emotions, such as transformational leadership models which involve managing emotions (Ashforth & Humphrey, 1995) and charismatic leadership models which emphasize managing ones own emotions and the emotions of team members (Ashkanasy & Tse, 2000), the specific leadership determinants facilitating the formation of collective norms of EI in groups have yet to be researched. The current study proposes that trust is a key element for the creation of EI in groups.

Specifically, trust in the team leader, who acts as the model for team behaviour is proposed to be essential for the formation of EI in groups (Edmondson, 1999).

Trust

Trust is “*the central issue in human relationships both within and outside organizations*” (Kouzes & Posner 2006, p. 27) and is critical to understand interpersonal and group behaviour (Hosmer, 1995). The current trend in organizations towards more team centred, matrix organizational structures has highlighted the criticality of trust dynamics in team effectiveness (Costa, 2003) and for the successful management of teams (Butler, 1991). The growing popularity of the use of teams (virtual, dynamic, static) has seen a reduction in traditional management mechanisms and an increase in within team interaction and dynamic leadership. To be successful, teams require a high level of mutual trust (Mayer, Davis & Schoorman., 1995) to facilitate an environment of psychological safety necessary for the confidence to take interpersonal risks required for team health and effectiveness (Edmondson, 1999).

Over the last decade, trust has enjoyed an increasing amount of research attention in the organizational context due to important findings which place trust as a key element for organizations and its members (Kramer, 1999) critical for enduring organizational and individual effectiveness (McAllister, 1995). Trust has been found to be related to performance (Costa, Roe & Tailleau, 2001; Dirks, 1999), satisfaction (Costa, et al., 2001; Costa, 2003; Aryee, Budhwar & Chen, 2002), commitment (Costa et al, 2001; Costa, 2003; Watson & Papamarcos, 2002; Aryee, et al., 2002) and openness with feelings (Zand, 1976). An exact definition of trust is elusive and agreement on any universal definition is lacking, in large due to conceptions of trust differing on the individual, group and organizational levels (Rousseau, Sitkin, Burt & Camerer, 1998). Therefore it is critical to define the boundaries of the construct used in a given study (Costa, 2003). Most researchers agree that the essential parts of a definition of trust must include, as Mayer and colleagues (Mayer, et al., 1995) described them, “a willingness to be vulnerable” and “a willingness to take risks” (p. 712). Trust requires two parties, the party to be trusted (trustee) and the party that trusts (trustor). A full definition of trust must take into account qualities of both parties, however, the present study will focus solely on the qualities of the trustee (leader), specifically, the trustworthiness of the leader.

Perceived trustworthiness is the strongest component of trust as reported in a number of studies (Costa, 2003), and is operationally defined according to three characteristics of the trustee outlined in the model by Mayer, Davis and Schoorman (1995). The three characteristics are: 1) ability or the skill and characteristics which enable the trustee to have influence in a specific domain (in this case, leadership); 2) benevolence which refers to the extent to which the trustee is believed to want to do good to the trustor; and 3) integrity which refers to the trustor’s perception that the trustee adheres to a set of principles and values the trustor finds satisfactory. The aim of the present study is to establish whether these specific elements of trustworthiness in the leader can serve to align the team and make them more emotionally intelligent and whether trust is a necessary precondition in the formation of an emotionally intelligent team. It is important to highlight that trustworthiness does not necessarily indicate trust; it is merely an essential component in the formulation of a trusting relationship, or more specifically for this study, a trusting culture of EI. In the organizational context and especially within teams, where the onus is on the team leader to model behaviour, trust is second to none (Butler, 1991), without trust you cannot lead (Kouzes & Posner, 2006). One has to trust one’s leader especially if one is to “take risks” in dealing with emotions. Previous studies have shown trust in managers to be related to job satisfaction, for example, Maltzer & Renzl (2006) showed a significant relationship between employee trust in management and job satisfaction. Smith & Barkley (1997) found that mutual perceived trustworthiness had both direct and indirect effects on satisfaction.

Trust has also been found to have effects of leadership and helping behaviours, for instance, Podsakoff and colleagues (Podsakoff, MacKenzie, Moorman & Fetter, 1990) found indirect effects of trust mediating the relationship between transformational leadership behaviours and organizational citizenship behaviours, a result which was repeated by Pillai and colleagues (Pillai, Schriesheim & Williams, 1999) in two comprehensive longitudinal studies. Konovsky and Pugh (1994) found that employees that were trusting of their supervisor were more likely to exhibit organizational citizenship behaviours. In the present study, the trust relationship between a leader and a team member is viewed as a dyadic relationship, based on Graen and Schiemann’s (1978) vertical dyad linkage model, where leader and member agreement of trust varies as a function of their interdependency. This reciprocal, mutually reinforcing process of trust leads to agreement on the conditions of trust within the dyad (Butler, 1991). The Leader Member Exchange (LMX) theory of leadership (Graen & Uhl-Bien, 1995) posits a cumulative effect of separate dyadic relationships between superiors and subordinates where the focus is on the qualities of the dyadic relationship rather than any static traits or behaviours in the dyad (House & Aditya, 1997). The LMX theory looks at the measurable qualities and attributes of the relationship which facilitate effective relationships, rather than looking at the myriad ways in which these relational attributes could arise due difference in leader / follower traits and behaviours and contextual factors such as work culture, environment and value systems. According to LMX theory, the qualities of the

relationship which foster positive outcomes include trust, respect and openness, which lead to open communication and mutual influence within the dyad (Graen & Uhl-Bien, 1995). A team consists of a finite number of these leader / follower dyads.

The quality of LMX relationships can be measured through the extent to which mutual trust exists within the relationship (Seabright, Leventhal & Fichman, 1992). Leaders that prove trustworthy are able to model behaviour for the trustor which leads, in a team environment, to mutual trust relationships within the group which could be said to be essential in the formation of any culture of EI. A study by Hoffman, Morgeson and Gerras (2003) showed that employees extended obligations of leadership-member based social exchanges into broader contextual behavioural expectations. Thus, perceptions of trustworthiness at the leader-member level can extend to perceptions of trustworthiness at the group culture level. Thus, a cultural norm appears in the form of mutually rewarding and effective trust relationships. Also, the trust the leader embeds in the culture leads to a willingness by followers to be creative in problem solving and encourages mutual control, participation and understanding (Fairholm, 2003), which are all hallmarks of emotionally intelligent behavior.

The aim of the current study was to identify whether an assessment of workplace culture EI is related to individual job satisfaction and commitment and whether these relationships were modified by individuals trust in their leader. There is currently a paucity of empirical research into the relationship between trust and organizational culture, especially the role of the leader in embedding a culture of trust and EI into teams. The current study aims to address the lack of research concerning the concepts of trust and culture, specifically by addressing those elements of culture which seems to require the highest amounts of trust, namely that of dealing with feelings and emotions in the workplace. Given the previously reported studies concerning the role of individual EI, and trust in producing important organizational outcomes, it was possible to generate some tentative hypotheses. It was expected that Workplace Culture EI and leader trustworthiness would be positively related, and would both be positively related to the individual organizational outcomes of job satisfaction and organizational commitment.

2 METHOD

Participants

The sample comprised 142 participants (54 males and 88 females) aged between 21 and 66 ($M = 43.66$; $SD = 10.04$). Participants were recruited from an Australian council, the sample comprised individuals from all levels, participants varied from senior management to individual contributors to direct reports, as long as they were a member of a team and reported to the leader of that team.

Materials

Participants completed four self-administered questionnaires: the Culture version of the SUEIT, a job satisfaction scale developed by Warr, Cook and Wall (1979), an organizational commitment scale developed by Porter, Steers, Mowday and Boulian (1974), and a trustworthiness scale by Mayer, Davis and Shoorman (1995).

The Workplace Culture SUEIT is a 64-item scale, based on the Workplace SUEIT (Palmer & Stough, 2001), it measures participants' ratings of the emotional intelligence of their workplace on five dimensions as well as providing an overall emotional intelligence rating. The five dimensions included: (1) Emotional Recognition and Expression (11 Items; "Members of the group that I am rating find it difficult to express how they feel"); (2) Understanding of Emotions External (20 Items; "Members of the group that I am rating can tell how colleagues are feeling at work"); (3) Emotions Direct Cognition (12 Items; "Members of the group that I am rating do not allow their emotions to guide them in making decision at work"); (4) Emotional Management (12 Items; "Members of the group that I am rating find it easy to comfort colleagues when they are upset about something at work"); and (5) Emotional Control (9 Items; "Members of the group that I am rating when anxious, remain focused on what they are doing at work"). Participants were required to state whether they agreed or disagreed with each of the statements. No reliability or validity data was available for the Workplace Culture SUEIT given this is the first study to utilize this measure, however, the Workplace SUEIT has been found to be a reliable test for both general (Downey, et al., 2008) and executive normative samples (Downey, et al., 2007; Gardner & Stough, 2002).

The job satisfaction questionnaire scale (Warr, et al., 1979) consisted of 15 items relating to 15 work elements (such as recognition, management, and physical conditions). An example item was "Please show how satisfied or dissatisfied you feel with the amount of variety in your job." The questionnaire also included one item assessing overall satisfaction ("Now, taking everything into consideration, how do you feel about your job as a whole"). Using a 7-point Likert scale (1=Extremely Dissatisfied, 7=Extremely Satisfied) participants were required to respond how satisfied they were with their workplace. The reported internal reliability for this scale is high (0.88). Furthermore, the additional overall satisfaction item has been found to be highly correlated with the job satisfaction ($r = 0.80$) scale (Winefield, Gillespie, Stough, Dua & Hapuarachchi, 2002).

The organizational commitment questionnaire was a 5-item scale, which consisted of items taken from Porter, Steers, Mowday and Boulian’s (1974) scale. An example item was “I am proud to tell other that I am part of this organization”. Participants were required to respond according to the extent that they agreed with each of the items using a 5-point Likert-type scale (1=Strongly Disagree, 5=Strongly Agree). The internal reliability for this scale has been reported to be high (0.84) (Winefield, et al., 2002).

The trustworthiness questionnaire was a 17-item scale developed by Mayer, Davis and Shoorman (1995), which assessed participants’ rating of the trustworthiness of their leader along three dimensions. The three dimensions included: (1) Ability (6 Items; “My manager has specialized capabilities that can increase our performance”); (2) Benevolence (5 Items; “My needs and desires are very important to my manager”); and (3) Integrity (6 Items; “Sound principles seem to guide my managers behaviour”). Using a 5-point Likert scale (1=Strongly Disagree, 5=Strongly Agree), participants responded in accordance to the degree in which they agreed with each of the statements. Previous studies have found strong reliabilities for all trust dimension, for example Gill and colleagues (Gill, Boies, Finegan & McNally, 2005) found Cronbach’s alpha levels of .93 for each dimension.

3 RESULTS

The range of the scores, means, and standard deviations of the ratings of the team EI, how committed each employee was to the council, how trustworthy their direct manager was rated, and how satisfied they are with their job appear in Table 1 below. Importantly the internal consistencies for the Cultural EI measure were relatively high, suggesting that the scales of the newly developed measure were internally reliable. Additionally, reliability of Job Satisfaction, Organisational Commitment and Trust scales are comparable to previously reported reliability coefficients.

Table 1: Descriptive Statistics for Study Variables

EI, Trust, and Organizational Outcomes	Range	Mean	SD	Cronbach’s Alpha
Emotional Recognition & Expression	11 -22	18.18	3.02	0.81
Understanding Emotions	22 – 39	33.69	4.52	0.85
Emotions Direct Cognition	13 – 23	17.18	2.49	0.63
Emotional Management	12 – 24	18.66	3.49	0.83
Emotional Control	9 – 18	14.17	2.63	0.79
Total Emotional Intelligence	76 – 121	101.87	11.81	0.92
Ability	7 – 30	22.92	4.58	0.89
Integrity	5 – 25	17.97	4.45	0.93
Benevolence	6 – 30	22.09	5.56	0.94
Trust	18 - 85	62.97	13.77	0.97
Organisational Commitment	5 - 22	15.09	2.98	0.81
Job Satisfaction	30-102	73.77	13.66	0.90

Inter-correlations were calculated in order to examine the relationship between each of the Cultural EI ratings and the satisfaction, commitment and trustworthiness ratings in order to identify if any significant overlap existed between the organizational variables, leader trustworthiness and the Cultural EI of the respective teams. The correlation coefficients are displayed in Table 2 below.

Table 2: Inter-correlations between study variables

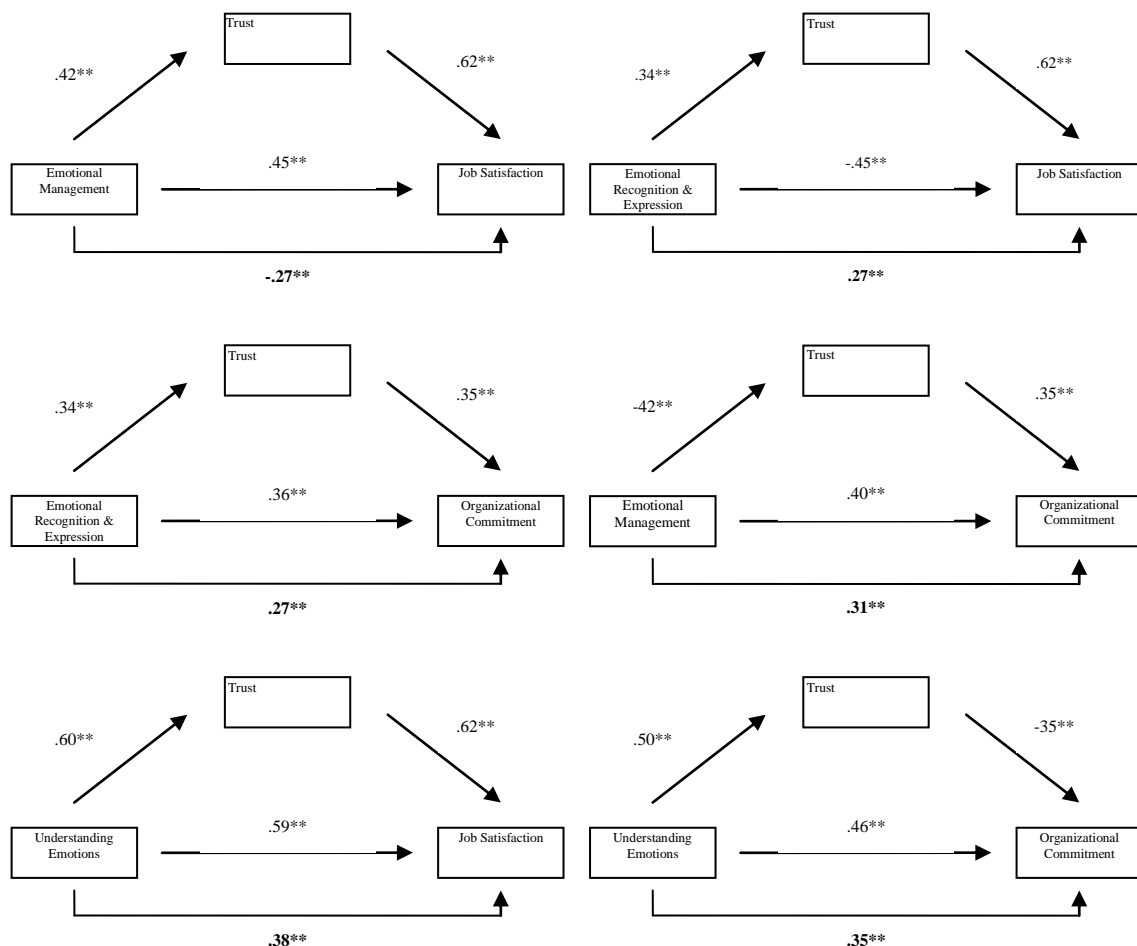
	Organizational Commitment	Job Satisfaction	Ability	Benevolence	Integrity	Trust
Emotional Recognition & Expression	.358**	.447**	.367**	.289**	.295**	.335**
Understanding Emotions	.460**	.594**	.495**	.452**	.473**	.502**
Emotions Direct Cognition	.048	-.052	.001	-.008	-.009	-.006
Emotional Management	.401**	.541**	.377**	.422**	.396**	.422**
Emotional Control	.427**	.470**	.334**	.381**	.356**	.378**
Organizational Commitment	1	.453**	.355**	.295**	.331**	.347**
Job Satisfaction	.453**	1	.530**	.609**	.618**	.623**

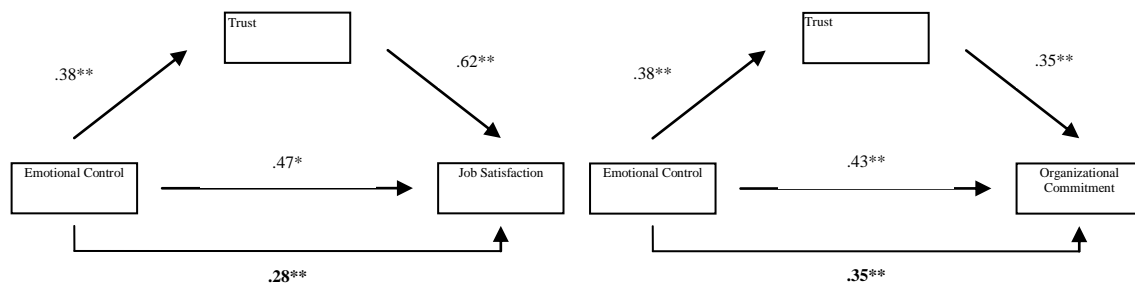
Note: * = $p < 0.05$, ** = $p < 0.01$

Significant overlap was observed between four of the EI sub-scales (excepting the emotions direct cognition sub-scale) and the participants' levels of job satisfaction and commitment to the organization. Significant positive overlap was also observed between the trustworthiness of leaders and organizational commitment and job satisfaction, along with significant overlap between the trustworthiness ratings of the leader and the EI of the teams. Given the observed overlap between Cultural levels of EI and the organizational outcome measures, in line with the hypotheses, mediation analyses were undertaken to assess whether these relationships were modified by individuals trust in their leader. The mediation analyses were conducted to assess the mediating relationship of trust in the leader when added to a regression model with Emotional Recognition and Expression, Understanding Emotions, Emotional Management and Emotional Control as the initial variables and either Job Satisfaction or Organizational Commitment as the outcome variable, and the Sobel test (Sobel, 1982) was utilised to assess if the indirect effect was significant.

For Organizational Commitment, the regression models involving Understanding Emotions ($z = 2.27, p = 0.02$) were significantly reduced with the addition of Trust, confirming that it mediated the relationship. For Job Satisfaction, the relationship with Understanding Emotions ($z = 2.75, p = 0.005$) was significantly mediated by the addition of Trust. A representation of these relationships is presented in Figure 1. The remaining mediation analyses indicated that trust only partially mediated the relationships between the EI dimensions and the organizational outcomes assessed (Figure 1). The strength of the relationships were all reduced, but not to the point where the regression models became non-significant. Further to this, the Sobel's tests did not indicate that a significant proportion of variance was carried through the mediator (Trust) in these models.

Figure 1: Mediation models for EI, Trust and Organizational Outcomes





4 DISCUSSION

Assessment of the mediating effects of trust in leaders and workplace cultural EI on individual job satisfaction and organizational commitment in an Australian council showed that team members' ability to understand the emotions of other team members was predictive of trust in team leaders and individual job satisfaction and commitment to the organization. These relationships were investigated using mediation analyses, whereby the relationship between Understanding Emotions and both job satisfaction and organizational commitment were significantly mediated by team members' trust in their leader. These findings suggest that how well members of the teams assessed believed their emotions were being understood was predictive of their level of trust in their manager, which in turn predicted how committed they were to the council and satisfied with their current position. This finding follows on from the suggestion that trust is a key element for the creation of emotionally intelligent workgroups (Edmondson, 1999). Specifically, the degree of trust in the team leader was the mediating factor between the EI of the teams surveyed and the organizational outcomes assessed. This study confirms that emotionally intelligent culture has a powerful effect on group member levels of job satisfaction and organizational commitment. While previous research has shown individual levels of EI to be positively associated with individual employee satisfaction (Gardner & Stough, 2003; Wong & Law, 2002) and commitment (Gardner & Stough, 2003; Nikolaou & Tsaousis, 2002), effects of EI at the cultural level have not been studied extensively. The results of the present study lend support to the evidence that culture has powerful effects on individuals (Pizer & Hartel, 2005), and that assessment of EI at the cultural level can provide valuable information concerning the functioning of teams.

Regarding the predictive efficacy of the ratings of the cultural levels of understanding emotions, the greater understanding of the emotions of other group members may increase organizational commitment through fostering a climate of empathy or caring. This psychological or emotional tie to workers within the organization may actually be extended to an affective tie to the organization as a whole, leading to greater employee commitment. Again, at the individual level, levels of EI have been previously linked to higher levels of empathy (Ciarrochi, et al., 2000). In the workplace, increased empathy, or understanding of others emotional state, may help team-members to regulate their emotions and achieve workplace goals. Given the identified mediating role of trust in the leader, the ability of group leaders or managers to demonstrate the necessary skills or ability to lead their team, principles and values their team members find acceptable, and appearing to be benevolent towards their team members appears to be a necessary condition for the formation of an emotionally intelligent team. This seems to reinforce the claim that trust is the "emotional glue that can bond people to an organization" (Bennis, 2006, p.139). Through this accepting and trusting culture, driven by the trust employees have in their leaders/managers, employees may feel more committed to the organization as a whole as a consequence of the emotionally intelligent culture trusted managers can embed in their teams through attending to their employee's emotions within the workplace.

In regards to the mediation analyses concerning job satisfaction, the relationship between the workgroups ability to understand the emotions of the team-mates and levels of job satisfaction were again mediated by trust in the leader. Similar to previous research that has shown trust to be an essential tool in management, especially in fostering employee job satisfaction (Podsakoff, et al., 1990; Konovsky & Pugh, 1994; Pillai, et al., 1999; Maltzer & Renzl, 2006), the present study showed strong relationships between perceived trustworthiness of the leader and job satisfaction. Further to this, the degree of job satisfaction of employees was also significantly related to how well employees believed their team members were able to understand each others emotions. A greater ability to understand the emotions of team members should contribute to the quality of the emotional experiences of team members, with workmates being able to identify and interpret emotional information from their colleagues to inform self-regulatory actions. Greater attention and understating of the emotional states of team members should contribute to an accepting workplace culture, tolerant and accommodating of the emotions of team-mates. This acceptance of emotions may contribute to employees' reports of greater satisfaction with their jobs through knowing that they can express pleasure or displeasure within the workplace, and that the emotional information will be construed correctly. This understanding culture is especially

important in the development of trust in one's manager, as being able to share on an emotional level contributes to the formation of emotional bonds (Beyer & Nino, 2001), satisfy the needs for belonging (De Dreu, et al., 2001), identity (Schein, 2004) and social integration (Ashforth, 1985) in the workplace.

5 CONCLUSION

While both higher levels of the ability to understand the emotions of others and greater trust in managers predict unique variance in the organizational outcomes, job satisfaction and organizational commitment, the relationships described herein between these two constructs offers a more sophisticated understanding of how these variables predict workplace variables. Whilst ratings of individual traits and their relationship to workplace variables provide important information concerning how individual qualities contribute to performance and workplace behaviour, they do not specifically illustrate how these individual qualities impact at the group or cultural level. Reliable assessment of cultural factors at the group or organizational level can further inform organizations about the downstream effects of more or less effective behaviours on group dynamics and performance. The results of the present study provide preliminary evidence concerning the role of group level EI, trust in leaders, and their mediating role in individual job satisfaction and organizational commitment.

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