JOB RESOURCES AS A MEDIATOR BETWEEN MANAGEMENT TRUST CLIMATE AND EMPLOYEES’ WELL-BEING: A CROSS-SECTIONAL MULTILEVEL APPROACH

ABSTRACT
Adopting the notion that environmental factors affect employees, we investigated the importance of management trust climate as a precursor to job resources (i.e. personal development), positive work outcomes (engagement and job performance) and better well-being (i.e. avoidance of burnout and sleeping problems). Because the Malaysian society is considered to have a higher level of trust than other Asian countries, we used a snowball sampling method and recruited 377 employees from 44 private organisations (62% response rate) in Malaysia as participants in the current study. Multilevel analyses revealed that management trust climate led to higher levels of personal development and job performance; however, it showed no relation to sleeping problems. In addition, personal development mediated management trust climate and job performance, whereas engagement mediated personal development and job performance. Higher burnout led to increased sleeping problems. This study showed organisational level to be an antecedent of job resources and its job resource-engagement model. Since trust conveys a soft psychological contract between two parties, organisations should be aware of the ways trust can be cultivated within the organisation, such as by allowing employees to grow and develop their skills. This may be an effective strategy for ensuring that employees are able to grow within their organisations and execute their duties effectively, without reprisals from higher management.

Keywords: management trust, personal development, job performance, multilevel, Malaysia
INTRODUCTION

Employees are key contributors to organisational performance and success (Taris & Schreurs, 2009). However, these contributions are not without challenges. For example, USD 240 billion in productivity is lost every year because of health-related costs (Mattke, Balakrishnan, Bergamo, & Newberry, 2007). Loepke et al. (2009) proposed that management plays a significant role in reducing this number and restoring real productivity. One of the ways management can do this is by instilling a positive trust climate within the organisation.

The concept of trust climate has been extensively used to explore the mutual relation between organisations and employees. Researchers have discovered that trust plays an important role in boosting employees’ well-being, job performance, organisational citizenship behaviours and job satisfaction (Colquitt, Scott, & LePine, 2007; Daley & Pope, 2004; Luria, 2009; Scott, 1995; Westin, 2003). Studies have also shown that trust between organisations and employees leads to better work outcomes as it enables employees to stay focused on their tasks and grasp the opportunity to learn (Li, Wang, & Lim, 2009; Shelton, 2002). In general, trust is defined as the ‘… willingness to increase one’s resource investment in another party, based on positive expectation, resulting from past positive mutual interactions’ (Tzafrir & Dolan, 2004, p. 126). In other words, it refers to the mutual interaction between employees and employers in completing their tasks. This suggests that when there is trust, management is more likely to increase its resources and help their employees develop and become more productive.

Unfortunately, although ample evidence has confirmed the relation between trust and employees’ outcomes (Aryee, Budhwar, & Chen, 2002; Mayer & Gavin, 2005), most of these studies were conducted in Western contexts, with scarce focus on Eastern contexts (Li & Yan, 2009). Studies in Eastern contexts are crucial since Eastern countries are largely collectivistic.
and are generally considered to have lower levels of management trust than do Western countries (Huff & Kelley, 2003). While the concept of organisational trust has been discussed in several previous studies, the majority of them have only focused on horizontal trust climate (i.e. employee–employee trust), rather than vertical trust climate (employer–employee trust) (Ferres, Connell, & Travaglione, 2004). Hence, to fill in this research gap, the present study investigates the mechanism underlying how management trust may influence job performance and health problems, particularly through the motivational and health erosion processes indicated in the job demands-resources model (JD-R; Bakker & Demerouti, 2007). We propose that personal development is an area of job resources initiated by management that enables employees to become more competent at work (Akkermans, Schaufeli, Brenninkmeijer, & Blonk, 2013). Specifically, we propose that a strong trust climate reflects management’s initiative in providing more resources to help employees develop, thus making the employees more productive and improving their well-being.

Although Asian countries are viewed as being collectivistic and low in trust, Malaysia is considered to have a higher level of trust than other nations in the region (Huff & Kelley, 2003; Panatik, 2012). This is consistent with Gould-Williams and Mohamed’s (2010) finding that human resource management practices in Malaysian organisations were relatively stronger than those of other countries. In the current study, using the Malaysian context, we investigate how management trust can significantly impact employees’ performance and well-being, especially by providing job resources (i.e. personal development). Burnout and sleeping problems were also used as indicators of well-being as recommended in previous studies (Bourbonnais et al., 2006; Cheng & Cheng, 2016; Elovainio, Kivimäki, Vahtera, Keltikangas-Järvinen, & Virtanen, 2003).
LITERATURE REVIEW

Management Trust, Job Performance and Sleeping Problems

Thus far, research has revealed how management’s trust with respect to employees leads to positive employee outcomes, especially regarding job performance. This is because employers’ trust entails a sense of employee empowerment (Cho & Poister, 2013). Managements placing high trust on employees are less likely to be overly controlling of employee behaviour (Kramer, 1999). Their employees have more influence in decision making, engage in more open communication with employers and possess the ability to develop self-confidence as members of the organisation (Ben-Ner & Putterman, 2009; Parks & Hulbert, 1995).

Empowered with the trust of higher management, employees feel a sense of responsibility to perform well on the work they are entrusted with. Consequently, this positively influences employees’ happiness and motivates them to perform better at work (Antoni & Hertel, 2009). This finding is consistent with social exchange theory (SET; Cropanzano & Mitchell, 2005), which describes human relationships as being reciprocal in nature. This means that when management treats employees well, the organisation will also benefit from greater efforts at task completion by their employees. To explain this reciprocal relationship, Carter and Mossholder (2015) clarified how trust congruence between managers and employees may develop intimate relationships that will lead to better job performance. Although the direction from which trust originates within the organisation is yet to be definitively concluded, for example whether trust among managers emerges from consistently positive work outcomes or whether managers’ trust motivates better employee efforts (Carter & Mossholder, 2015), Zapata, Olsen, and Martins (2013) asserted that when subordinates trust their supervisors, this trust is reciprocated. In addition, as trust may also facilitate goal accomplishment norms over time (Drescher Korsgaard,
Welpe, Picot, & Wigand, 2014), these relationships will perhaps lead to more positive work outcomes.

**Hypothesis 1: Management trust climate positively relates to job performance.**

Good management practice through organisational support has been found to reduce negative psychological and health problems such as anger and depression among employees (Richardson, Yang, Vandenberg, DeJoy, & Wilson, 2008). Some job stress theories, such as the job demands-control (Karasek, 1979) and the job demands-resources model (Bakker & Demerouti, 2007), highlighted how working with low supervisory support can be detrimental to one’s psychological health. Conversely, we expect a high trust level between employers and employees through open communication and honesty (Folger & Cropanzano, 1998) to create a positive working environment that will reduce health problems.

We expect management trust to enhance employees’ well-being in ways such as decreasing sleeping problems. Health problems such as burnout and sleeping problems have been widely investigated in literature (e.g. Elovainio et al., 2014; Kilroy, Flood, Bosak, & Chênevert, 2016). Studies have begun to report the impact of sleep quality on employees’ performance and productivity (Hui & Grandner, 2015). Sleep problems may hinder or reduce productivity, leading to poor decision making and even absenteeism (Danna & Griffin, 1999). To date, studies have discovered that a conducive and supportive working environment, particularly one fostering a good relationship between employers and employees, will improve employees’ sleep quality (Wilson, DeJoy, Vandenberg, Richardson, & McGrath, 2004).

**Hypothesis 2: Management trust climate negatively relates to sleeping problems.**

Management Trust and Job Resources
As previously noted, the linkage between management trust and employees’ job performance has been observed by several studies (Colquitt et al., 2007; Dirks & Ferrin, 2002). Dirks and Ferrin’s study (2002) revealed that trust impacts employees’ job performance by promoting increased reciprocal care and concern in relationships and higher confidence among employees regarding their manager’s character. However, it is still unknown how management trust boosts job performance through the enhancement of job resources. Previous studies have found that several organisational contexts such as organisational leadership (Tuckey, Bakker, & Dollard, 2012) and organisational climate (Dollard & Bakker, 2010) may function as antecedents to job resources. Using a similar argument, we posit that managers who choose to place sufficient trust in employees will provide a better working environment for them. This also translates into the protection of employees from possible psychosocial harm and indirectly enhances their job performance. In the context of the current study, we expect managers concerned about trust relationships to provide better job resources, thereby enabling employees to achieve their work goals. Job resources are defined as ‘any physical, psychological, social or organisational aspects of the job that are functional and beneficial in achieving work goals, reduce job demand, or any which that is associated with the physiological or psychological cost to it, in addition to stimulating individual growth, learning and development’ (Bakker & Demerouti, 2007; p. 312).

Since job resources vary, we used personal development as an indicator of job resources in the current study. We proposed personal development as an outcome since management trust climate is considered to be ‘a valued resource of any organisation and is a necessary component of a positive, healthy work environment’ (Lambert, Hogan, Barton-Bellessa, & Jiang, 2012, p. 938). This is consistent with the argument that a higher trust climate prioritises growth and
learning among employees (Costigan, Liter, & Berman, 1998). In other words, it represents greater management trust in employees’ ability to utilise their skills (Tansky & Cohen, 2001). A study by Kiffin-Peterson and Cordery (2003) of 218 employees in 40 teams, for example, discovered that working in a high-trust environment led employees to higher levels of teamwork since they became more aware of opportunities for their skills to be utilised. This finding is also consistent with the suggestion that when there is a higher level of trust, more resources are available and exchanged, thus benefitting employees (Jain, Sandhu, & Goh, 2015; Poon, 2006).

How management trust enhances personal development can be explained using a model of group development in which the way supervisors and subordinates trust each other may lead to proper processes and structures for task completion (see Kozlowski, Gully, Nason, & Smith, 1999). This involves task-related group development that emphasises knowledge sharing and skill reinforcement as part of workgroup processes. This development will occur repeatedly, especially when the group needs to solve complex problems (Kozlowski et al., 1999).

These conjectures lead to the following hypotheses:

**Hypothesis 3:** Management trust climate positively relates to personal development.

**Hypothesis 4:** Personal development mediates the relation between management trust climate and job performance.

A plethora of studies have discovered that job resources act as triggers for better job performance, especially through incremental job engagement (Rich, Lepine, & Crawford, 2010). In addition, job resources have also been found to reduce job burnout, especially in situations wherein employees suffer from high job demands (Bakker, Demerouti, & Euwema, 2005). Burnout not only reduces job performance but also leads to lower job satisfaction, more illnesses and greater turnover intentions (Demerouti, Bakker, & Leiter, 2014; Wang, Hall, & Rahimi,
The establishment of engagement and burnout as opposite constructs within the JD-R model is supported in both Eastern and Western contexts (e.g. Idris, Dollard, & Winefield, 2011; Roslan, Ho, Ng, & Sambasivan, 2015; Trépanier, Fernet, Austin, Forest, & Vallerand 2014). Since engagement and burnout are two antipodes—i.e. employees suffering from burnout are unlikely to have higher job engagement (Schaufeli, Salanova, Gonzalez-Roma, & Bakker, 2002)—we expect employees who perceive themselves to have higher job resources (i.e. personal development) to experience higher levels of job engagement and less burnout.

According to the conservation of resources theory (Hobfoll, 2001), an individual will protect his/her resources as resources are able to protect the individual from harmful situations. If the individual perceives sufficient resources are available to cope with strain, these resources will serve as buffers and shield that individual from the negative impacts of unnecessary threats (i.e. job demands). Studies have found a combination of high levels of job resources and low job demands predicted lower levels of burnout (Schaufeli, Bakker, & Van Rhenan, 2009) and triggered higher job engagement (Tuckey et al., 2012). Schaufeli and Bakker (2004) argued that burnout exists because of not only the presence of high job demands but also a lack of job resources. Hence, given that personal development is a type of job resource, it also has the ability to reduce burnout among employees by building up resources over time. We thus propose the following:

*Hypothesis 5: Personal development positively relates to engagement.*

*Hypothesis 6: Personal development negatively relates to burnout.*

Several studies have shown that engagement affects job performance. Owens, Baker, Sumpter, and Cameron (2015) and Schaufeli et al. (2002) found that employees who are engaged are psychologically energised and emotionally positive. Hence, they are able to work effectively.
Moreover, engagement has been characterised as a positive spiral agent and serves as a mediator between job resources and job performance (Hakanen, Perhoniemi, & Toppinen-Tanner, 2008; Salanova, Agut, & Peiro, 2005).

Recent studies have assumed burnout to be an effective indicator of employees’ well-being (Halbesleben, 2010). While engagement is linked to positive outcomes, scholars argue that burnout may negatively impact work, e.g. by leading to health problems (Ekstedt et al., 2003; Maslach, Schaufeli, & Leiter, 2001). Several researchers have discovered that burnout increases sleeping problems. For example, Cheng and Cheng (2016) studied 16,440 samples and found that high burnout was linked to sleeping problems (i.e. short sleeping duration and insomnia). Similarly, Bourbonnais et al. (2006) studied 613 samples over one year period found that burnout and sleeping problems were closely related. These health problems were due to a lack of job resources and high job demands. This scenario can be explained using the health erosion pathway (Bakker & Demerouti, 2007) on how negative demands at work physically overtax employees, depleting their energy resources and causing negative responses. Accordingly, we advance the following hypotheses:

*Hypothesis 7: Engagement positively relates to job performance.*

*Hypothesis 8: Burnout positively relates to sleeping problems.*

*Hypothesis 9: Engagement mediates personal development and job performance.*

**Research Framework**

This study intends to test the nine hypotheses presented and our research model is shown in Figure 1 below:

*Hypothesis 1: Management trust climate positively relates to job performance.*

*Hypothesis 2: Management trust climate negatively relates to sleeping problems.*
Hypothesis 3: Management trust climate positively relates to personal development.

Hypothesis 4: Personal development mediates the relation between management trust climate and job performance.

Hypothesis 5: Personal development positively relates to engagement.

Hypothesis 6: Personal development negatively relates to burnout.

Hypothesis 7: Engagement positively relates to job performance.

Hypothesis 8: Burnout positively relates to sleeping problems.

Hypothesis 9: Engagement mediates personal development and job performance.

[INSERT FIGURE 1 HERE]

METHODOLOGY

Participants

The current study employed a cross-sectional multilevel design and a snowball sampling method. Participants were 377 employees\(^1\) (average age = 37.42 years old; standard deviation [SD] = 18.53) from 44 private organisations in Malaysia. Only those who were working as white-collar employees with full-time jobs at that particular organisation were included in the study. The majority of participants were women (N = 204, 54.1%), and most were Malaysians (N = 364, 96.6%). Most participants were married (N = 270, 71.6%), followed by those who were unmarried and single (N = 103, 27.3%), and a small minority were divorced (N = 4, 1.1%). The participants worked in several sectors, including the service industry (63.9%) and consumer product industry (18.3%), with the remainder working in other industries. The number of participants per team ranged from four to nine.

Instruments

\(^1\) According to Hox (2002) and Maas and Hox (2005), the effective sample size for this group (average level-2 group size at 8.57, N = 44) of participants is 155. Hence, 377 offered a sufficient sample size and power (in reducing type II error) for analyses.
**Management trust climate** was measured using four items from the ‘Trust Regarding Management’ subscales of the short version of the Copenhagen Psychosocial Questionnaire II (COPSOQ II; Pejtersen, Kristensen, Borg, & Björner, 2010). The scale ranges from 1 (to a very small extent) to 5 (to a very large extent) and comprises items such as ‘Does the management trust you to do your work well?’ Cronbach’s alpha for this scale is .73.

**Personal development** was measured using four items of the ‘Possibility for Development’ scale of the Copenhagen Psychosocial Questionnaire (COPSOQ; Kristensen & Borg, 2003). The scale ranges from 1 (to a very small extent) to 5 (to a very large extent) and comprises items such as ‘Can you use your skills or expertise in your work?’ The reported alpha reliability is .88.

**Engagement** was measured using nine items of the short version of the Utrecht Work Engagement Scale (UWES-9; Schaufeli, Bakker, & Salanova, 2006), which comprises three subscales: vigour (e.g. ‘At work I feel strong and energetic’), \( \alpha = .84 \); dedication (e.g. ‘I am proud of the work I do’), \( \alpha = .88 \); and absorption (e.g. ‘I get carried away while at work’), \( \alpha = .84 \). Factor analysis showed high correlations for all nine items, and principle component analysis showed engagement as a one-factor component, with alpha reliability of .93.

**Burnout** was measured using 16 items from the Oldenburg Burnout Inventory (OLBI; Demerouti, Bakker, Vardakou, & Kantas, 2003). The scale is divided into two subscales—exhaustion and disengagement—with seven items each. These items are coded with a Likert-type scale ranging from 1 (strongly disagree) to 4 (strongly agree). Four items from each subscale are reversed coded so that higher scores indicate greater burnout (Demerouti, Mostert, & Bakker, 2010). The scale comprises items such as ‘After my work, I usually feel worn out and weary’. Previous studies have found the OLBI to have acceptable internal consistency and convergent
validity with other scales commonly used to measure burnout (Demerouti et al., 2003; 2010). The reported alpha reliability is .80.

**Job performance** was measured using three items from the World Health Organization Health and Work Performance Questionnaire (HPQ; Kessler et al., 2003), which ranges from 1 (worst job performance anyone could have) to 10 (performance of a top worker). The participants were asked to rate themselves in terms of their usual performance and also rank their performance over the past 28 days using a 10-point scale. The scale contains items such as ‘How would you rate the usual performance of most workers in a job similar to yours?’ The reported alpha reliability for the scale is .76.

**Sleeping problems** was measured using the ‘Sleeping Troubles’ dimension of the Health and Well-Being domain in the COPSOQ II (Kristensen, Hannerz, Hogh, & Borg, 2005). It was measured using a five-point Likert-type scale ranging from 1 (not at all) to 5 (all the time), which includes items such as ‘How often have you slept badly and restlessly?’ The reported alpha reliability is .91.

**Data Collection Procedure**

The researchers of the current study first sent out e-mails to private organisations within the Klang Valley region and then set up appointments with the department heads to brief them on the study. Only one department was selected from each organisation. The participants then received an envelope containing the questionnaire, completed it and sealed it before returning it to the researchers. Upon completion of data collection from each organisation, the researchers then asked the participants if they knew of any other organisations that would be interested to participate in the study. They would then pass the researchers details of a contact person within the organisations and thereafter, the researchers would laisse with the individual. The criteria to
snowballing were each organisation should have at least four participants in a department, the participants should be working full time, and would have worked with that particular organisation for at least six months in order to capture the organisational climate (Zapf, Dormann, & Frese, 1996). This study was modelled on studies by Kidwell, Mossholder, and Bennett (1997) and Liao and Chuang (2004); a range of industries were included to reduce respond bias based on similar industries or organisational characteristics, in addition to allow more generalised findings.

**Statistical Analyses**

Prior to multilevel analyses, the trust climate of upper-level management was analysed to ascertain whether it showed group-level properties and could be aggregated. Within-organisation agreement, r(WG) (j) (see James, Demaree, & Wolf, 1984), was high, with a value of .96 (LeBreton & Senter, 2008). We also tested Intraclass Correlation Coefficient ICC(I) to check organisational variance for management trust climate at Time 1 and it showed .19, indicating that 19% of the variance in management trust climate was due to organisational factors. A range from .05 to .20 is acceptable for aggregation (Bliese, 2000). F(III) for management trust climate = 1.85, p < .01, indicating further support for between-organisation differences for management trust climate. These tests were conducted using SPSS version 21.0. We then employed the Hierarchical Linear Modeling 6.08 (HLM) software to test all hypotheses.

Three types of analyses were used in this study to test the hypotheses: lower-level direct effects, cross-level direct effects and mediation effects. Lower-level direct effects and cross-level direct effects were tested using Mathieu and Taylor’s (2007) recommendations. First, we ran a cross-level direct effects analysis (Hypotheses 1, 2 and 3), which tested the effects of
management trust climate on personal development, engagement and job performance, thereby controlling for the dependent variable.

Below is an example of a cross-level HLM equation:

Level 1 Model

\[ \text{Job performance} = \beta_0 + \beta_1 (\text{Job performance}) + r \]

Level 2 Model

\[ \beta_{0j} = G_{00} + G_{01} (\text{Management Trust}) + u_{0j} \]
\[ \beta_{1j} = G_{10} + G_{11} \times W_{1j} + u_{1j} \]

For lower-level direct effects (Hypotheses 5, 6, 7 and 8), the lower variables’ dependent variable was regressed on a predictor controlling for the dependent measure.

\[ \text{Engagement} = \beta_0 + \beta_1 (\text{Personal Development}) + \beta (\text{Engagement}) + r \]

Finally, to test mediation effects (Hypotheses 4 and 9), each part of the mediation pathway \( ab \) was tested using estimates of path \( a \) (\( X \rightarrow M \)) and path \( b \) (\( M \rightarrow Y \)). For example, to test Hypothesis 4, the following criteria must be fulfilled (Baron & Kenny, 1986). First, a significant relation must hold between \( X \rightarrow Y \) (management trust climate \( \rightarrow \) job performance) (Model 7). Second, significant relation must hold between \( X \rightarrow M \) (management trust climate \( \rightarrow \) personal development) (Model 10). Third, a significant relation must hold between \( M \rightarrow Y \), controlling \( Y \), \( M \) and \( X \) (personal development \( \rightarrow \) job performance, controlling job performance, personal development and management trust climate) (Model 8). If the third criterion is not met, then partial mediation holds. The Monte Carlo test (Selig & Preacher, 2008) was chosen over the Sobel test since it is considered to be more applicable to cases of mediation in multilevel analyses (MacKinnon, Lockwood, & Williams, 2004). The Monte Carlo test had a 95% confidence interval and 20,000 repetitions.
RESULTS

Table 1 presents the demographic details of the participants. Results for HLM analysis are shown in Tables 2 and 3. A summary of the findings is presented in Figure 2.

Table 1
Demographic details of participants (N = 377)

<table>
<thead>
<tr>
<th>Variable</th>
<th>N (%)</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>173 (45.9)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>204 (54.1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td>37.42</td>
<td>18.53</td>
</tr>
<tr>
<td>Nationality</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malaysian</td>
<td>364 (96.6)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Malaysian</td>
<td>12 (3.2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marital Status</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>103 (27.3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Married</td>
<td>270 (71.6)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Divorced</td>
<td>4 (1.1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethnicity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malays</td>
<td>243 (64.5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chinese</td>
<td>54 (14.3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indian</td>
<td>54 (14.3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>26 (6.9)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industry</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td>241 (63.9)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer Products</td>
<td>69 (18.3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance</td>
<td>22 (5.8)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>45 (11.9)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working Hours/Week</td>
<td></td>
<td>44.2</td>
<td>11.22</td>
</tr>
</tbody>
</table>

Note: N, Number; M, Mean; SD, Standard deviation
Table 2

*HLM analysis of lower-level outcomes*

<table>
<thead>
<tr>
<th>Effect</th>
<th>Job Performance</th>
<th>Job Performance</th>
<th>Sleeping Troubles</th>
<th>Engagement</th>
<th>Burnout</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Lower-Level effects</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engagement</td>
<td>.51(.06)*</td>
<td>.43(.06)*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Burnout</td>
<td></td>
<td>.42(.06)*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Development</td>
<td>.25(.07)*</td>
<td></td>
<td>.33(.07)*</td>
<td>−.30(.05)*</td>
<td></td>
</tr>
</tbody>
</table>

Note. The first value is the unstandardised parameter estimate, and the value in parenthesis is the standard error. N = 377, 44 organisations; * p < .001

Table 3

*HLM analyses of cross-level effects of management trust climate on lower-level outcomes*

<table>
<thead>
<tr>
<th>Effect</th>
<th>Job Performance</th>
<th>Job Performance</th>
<th>Sleeping Troubles</th>
<th>Personal Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>6</td>
<td>7</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Lower-Level effects</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engagement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Burnout</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Development</td>
<td></td>
<td></td>
<td></td>
<td>.40(.07)*</td>
</tr>
<tr>
<td>Cross-Level effects</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Climate of Management Trust</td>
<td>.34(.07)*</td>
<td>.35(.06)*</td>
<td>−.07(.09)</td>
<td>.46(.09)*</td>
</tr>
</tbody>
</table>

Note. The first value is the unstandardised parameter estimate, and the value in parenthesis is the standard error. N=377, 44 organisations, * p < .001.
Hypothesis 1 predicted that management trust climate positively relates to job performance. A significant effect was found, as indicated in Model 6. Hypothesis 1 was supported ($\gamma = .34$, $p < 0.001$).

Hypothesis 2 predicted that management trust climate negatively relates to sleeping problems. No significant effect was found, as indicated in Model 8. Thus, Hypothesis 2 was not supported ($\gamma = -.07$, $p > .05$).

Hypothesis 3 predicted that management trust climate positively relates to personal development. A significant effect was found, as indicated in Model 10, thus supporting Hypothesis 3 ($\gamma = .46$, $p < 0.001$).

Hypothesis 4 predicted that personal development mediates management trust climate and job performance. In testing the hypothesis, the conditions assumed by Baron and Kenny (1986) were fulfilled. The only exception was that the main effect of management trust climate on job performance was still significant when personal development was added to the model, indicating that the effect was only partially mediated. The mediation effect was tested using the parameter estimate from Model 10 as the value of the direct effect between management trust climate and personal development ($\gamma = .35$, $SE = .06$), and the parameter estimate from Model 7 was used to estimate the relation of personal development and job performance with management trust climate in the model ($\beta = .40$, $SE = .07$). We tested the significance of the indirect parameter estimate using a Monte Carlo test to determine the significance of the indirect parameter estimate. Management trust climate at Time 1 was found to have a significant lagged effect on job performance at Time 1 through personal development at Time 2 (95% confident interval [CI], lower level [LL] = .0976, upper level [UL] = .2886). Since the effect of
management trust climate on job performance was significant in the presence of the mediator (personal development) in the model, this indicates that the effect was partially mediated.

Hypothesis 5 predicted that personal development positively relates to engagement. A significant effect was found (see Model 4), supporting Hypothesis 5 ($\beta = .33, p < .001$).

Hypothesis 6 predicted that personal development negatively relates to burnout. A significant effect was found (see Model 6), supporting Hypothesis 8 ($\beta = -.30, p < .001$).

Hypothesis 7 predicted that engagement positively relates to job performance. A significant effect was found, as indicated in Model 1, supporting Hypothesis 6 ($\beta = .51, p < .001$).

Hypothesis 8 predicted that burnout positively relates to sleeping problems. A significant effect was found, as indicated in Model 3, supporting Hypothesis 8 ($\beta = .42, p < .001$).

Hypothesis 9 predicted that engagement mediates personal development and job performance. In testing the hypothesis, the conditions outlined by Baron and Kenny (1986) were fulfilled. The mediation effect was tested using the parameter estimate from Model 4 as the value for the direct effect between personal development and engagement ($\gamma = .25, SE = .07$), and the parameter estimate from Model 2 estimated the relation between engagement and job performance with personal development ($\beta = .43, SE = .06$). We evaluated the significance of the indirect parameter estimate using a Monte Carlo test to determine the significance of the indirect parameter estimate. The results revealed that personal development had a significant lagged effect on job performance at Time 2 through engagement (95% CI, LL =.07625, UL =.2188).

Since the effect of personal development on job performance was significant in the presence of engagement, the mediator in the model, the effect was thus partially mediated.

[INSERT FIGURE 2 HERE]
DISCUSSION

The current study’s main objective was to investigate the cross-level effects of management trust climate on employees’ job performance and sleeping problems, particularly through personal development, engagement and burnout. We tested our research model by conducting cross-sectional multilevel analyses on 377 employees in 44 private organisations in Malaysia.

Overall, we found that personal development, a type of job resource, led to better work outcomes and well-being. This is consistent with past literature that has demonstrated job resources to be a positive spiral agent for positive work outcomes and a buffer against negative elements. We found that management trust climate improved job performance, particularly through personal development and job engagement. Thus, trust through a proximal referent leads to increased focus on work-related tasks (Frazier, Johnson, Gavin, Gooty, & Snow, 2010). This finding is consistent with similar previous studies that have indicated how management trust exhibits job performance among employees (Mayer & Gavin, 2005; Rich, 1997).

Our results also suggest that personal development mediated the relation between management trust climate and engagement, and engagement mediated the relation between personal development and job performance. Although previous studies have identified the mechanisms by which management trust cultivates a norm for task completion (Dirks & Ferrin, 2002; McCauley & Kuhnert, 1992), we offer a more insightful explanation. We found that management trust may also cultivate positive working conditions, specifically by enhancing employees’ personal development. As an indirect effect, employees become more engaged with their jobs and therefore more productive. This finding shows how job resources lead to higher levels of engagement and thus higher levels of energy and passion for one’s work (Lee, Idris, &
So, far, research in this area, especially by scholars who only use the JD-R model to explain the relation between job characteristics and engagement, has only been conducted at the individual level (Schaufeli & Bakker, 2004). The current study, however, considers organisational context as an antecedent to job characteristics and engagement. We discovered that management trust not only contributes to better job performance but also is a precursor to employees’ working conditions. Hence, this supports the idea that employees’ behaviour can be affected by their working environment (Lee & Idris, in press). This is particularly important considering the fact that Malaysia is a collectivistic country where the environment exerts considerable influences on individuals (Poon, 2006).

In addition, we also discovered how management trust impacts employees’ health. While several studies have attempted to explain how health problems may result from poor working conditions (Hakanen, Bakker, & Schaufeli, 2006; Karasek & Theorell, 1992), little evidence exists on the important role upper-level contexts may play on employees’ well-being. So far, scholars have argued that some leadership styles (i.e. transformational leadership; Nielsen, Yarker, Randall, & Munir, 2009) or specific organisational climates (i.e. psychosocial safety climate; Dollard & Bakker, 2010) may affect employees’ health through working conditions. However, we found that a management trust climate may also decrease job burnout, particularly through the enhancement of personal development. Although we were unable to find any evidence supporting the relation between management climate and sleeping problems, the insignificance of this relation may be due to a distal effect (Zapf et al., 1996) as some effects may take longer to develop.
Practical Implications

Trust in the working environment serves as a signal of management’s belief in employees’ ability to produce desirable work outcomes for their organisation (Pierce, O’Driscoll, & Coghlan, 2004). It shows how a positive working environment can improve employees’ motivation (Lee et al., 2016). Dulebohn, Bommer, Liden, Brouer, and Ferris (2012) commented on the low levels of trust in collectivist countries that also have high power distance. A conducive working environment such as one with a strong climate of management trust will facilitate a healthy working environment. With the close-knit relationships common in the Malaysian context, organisations may use management trust as leverage in cultivating positive relationships with employees (Huff & Kelley, 2003; Jogulu & Ferkins, 2012).

Upper management may want to implement approaches for demonstrating trust in their employees. First, upper management could practise less stringent day-to-day monitoring of employees. They could also conduct an annual evaluation exercise for performance evaluation. Such an approach will appear more objective and comprehensive (Shafie, 1996). Second, upper management may delegate more decision making and control to employees, who will thus be empowered to make certain decisions without the approval or interference of upper management. That becomes a type of job resource for employees. Third, in the event that neither of these approaches is feasible, upper management can form groups or teams to complete projects or tasks. This would allow for more sharing of responsibilities and less strain and demand on any given employee (Sprigg, Jackson, & Parker, 2000). Team members would also have more responsibility for the tasks they need to complete. They would also obtain more support from one another (De Jong & Dirks, 2012). Not only would job performance be increased but also employees’ creativity would also be enhanced (Zhang & Zhou, 2014).
Personal development has been shown to be an antecedent for motivation and engagement among employees (Baldwin, Garza-Reyes, Kumar, & Rocha-Lona, 2014; Teare, Cummings, Donaldson-Brown, & Spittle, 2011). One of the ways employees seek meaning in their work is through their ability to contribute to the organisation. Organisations should therefore acknowledge every employee’s skills and abilities. To maximise employees’ potential, organisations can rely on employee’s knowledge, skills, abilities and other characteristics (KSAOs) in completing tasks and jobs. In addition, organisations may conduct courses to promote employees’ development through training and mentorship (Broadhurst, 2012). With Malaysia being the 18th-most competitive country in the world (World Economic Forum, 2015), having sufficient KSAOs will be beneficial for employees’ productivity.

CONCLUSION

The present study has shown that personal development can increase employees’ engagement and job performance. Management trust climate has also been shown to promote personal development in employees. Personal development mediated management trust climate and engagement. It also resulted in lower levels of burnout in cases wherein burnout led to higher sleeping problems. Overall, this study presents a model wherein management trust climate is able to provide job resources and better employees’ well-being.
REFERENCES


Figure 1. Research model
Figure 2. The final model