

The Impact of Competence Trust on an Organization's Capacity for Change

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Abstract

Competence trust has been exposed to be a complex concept that becomes significant in a relational context. It has many elucidations and means of being lived. It curtails from effective, rational, and cognitive sources of being, and is communicated and lived through behavior. Competence trust is predisposed by culture, traditions, history, and the norms of society within which it originates meaning. By accepting and understanding the concept and of competence trust behaviors, leaders in an organizational setting and relationships could escalate and appreciate that uncertainty can be condense and decrease through developing trusting relationship within organizational work settings.

Research Design

This study based on empirical findings concluded on data collected through using instrumentation. The universe is banking sector in city Faisalabad.

Findings

This researcher found that there is strong association and positive relationship between trust building behaviors and negative relationship between trust breaking behaviors with an organization's capacity for change.

Research Limitations

Trust has three dimensions that are communication trust, contractual trust, and competence trust. This study only based on one dimension that is competence trust behaviors due to monetary and time constraints.

Originality/Value

Any organization operating in today's uncertain economic climate needs to know how to manage change in order to survive. They need to react quickly to the global revolution, while at a local and national level keeping up with approaches to enhance competence trust between managers and employees. This viewpoint provides these organizations with a conscious approach to getting ready for change, which is likely to lead to a greater probability of success.

Keywords: Organizational Change, Trust, Competency, Behaviors.

1- INTRODUCTION

The research cannot deny the importance of change in today's dynamic domestic and global business environment because it is the only element that is constant. In the current studies the concept of trust had been treated as a confusing and vague phenomena and business organizations throughout the world especially in third world countries did not take it seriously until the late 90s. The significance of trust concept forced for the serious research and then many started writing different publications and books on this issue (Gunningham & Sinclair, 2009).

The idea and perception about trust in not a common issue and easy to understand but it can be given factual meanings only when the researchers take this concept as urgent need of today's organization operating in a tough business environment and suggest meaningful generalizations to the concept of trust and place meanings in the context of history so that it can explain and suggest the readers how the understanding about trust concept provide logical sense (Kath, Magley, & Marmet, 2010).

In, todays, complex global business economy, it is very essential to understand swiftly the importance of team coordination and promoting a culture of harmony within managers and employees and handle the workforce diversity issues and understand the importance of trust building within organizational environment, especially in an environment where the feelings of isolations is growing (Dervitsiotis, 2006; Kark Smollan, 2006; Ring & Van de Ven, 1994; Woodward & Hendry*, 2004).

1.1 The Statement of Problem

Most of the organizations are facing the problem of trust deficit between managers and employee which in turn affect the performance of employees and goals of the organization (Willemyns, Gallois, & Callan, 2003). This study is based on empirical findings and tries to find out the practical experiences of different organizations regarding the concept of trust.

This study focused on the different behaviors regarding trust and identifies trust building behaviors and trust breaking behaviors and how these behaviors affect the capacity of an organization for adapting and managing changes. The statistical relationships between competence trust behaviors and organizational capacity for change scales are tested in this study and the other sub behaviors have been eliminated from this study due to time and cost constraints.

1.2 Research Questions

- Which competence trust behaviors affect an organization's capacity for change, positively?
- Which competence trust behaviors affect an organization's capacity for change, negatively?

1.3 Hypothesis:

H0: There is no relation between competence trust behaviors and an organization's capacity for change.

H1: There is strong association between competence trust behaviors and organization's capacity for change.

H2: Competence trust building behaviors affect an organization's capacity for change, positively.

H3: Competence trust breaking behaviors affect an organization's capacity for change, negatively.

H4: The demographic variables are significantly related with competence trust behaviors and organizational capacity for change.

1.4 Objectives of Study

The following objectives were established and acknowledge in the light of the study on competence trust behavior and the organizational capacity for change:

- To identify the factors that contributes to competence trust building and breaking behaviors.
- To identify the impact of competence trust building and competence trust breaking behaviors on an organization's capacity for change.
- To study the impact of moderating variable on the relation of competence trust building or breaking behavior and organizational capacity to change.

1.5 The Importance and Benefits of the Study

This study is helpful for employees, managers, decision makers and organizations in general. The decision makers can get better information about different types of trust behaviors and how different situations and conditions in an organizational setup can affect to build and break the trust. The employees can get benefit by supporting the change and identify the value of leadership in the change process. On the other hands, organizations can get benefit by getting knowledge about their ability and competitiveness to implement change. This study helps about the performance when the leaders and employees are working together for building trust among them to increase the capacity for handling the change and modifying behaviors for successful day to day operations.

2. THEORITICAL BACKGROUND

Over the last two decades, much interest has been taken by different academic and management experts in the field of trust management within organizational environment and its impact of managing change and innovation on continuous basis. The scope of trust is very vast in nature and it covers multiple aspects and fields of life. Hundreds of publications have been written on the importance on the concept of change and its urgency for organizations in the current dynamic marketplace environment for their very survival (Rudolf, 2009).

2.1 Trust

The concept of trust varies according to different contexts including individual, organizational and to the sociocultural. Some literatures purpose for keeping clear difference among the boundaries and recent studies suggests that definitions of trust should be treated differently at different levels.

By treating the concept of trust at different levels, it will be easy to understand phenomenon that is constructed on social and cultural elements (Bigley & Pearce, 1998; Currall & Inkpen, 2002; Möllering, Bachmann, & Lee, 2004; Schoorman, Mayer, & Davis, 2007). However, the definition of trust is lacking a clear idea that is generally acceptable by most of the readers, that's why it is becoming a challenge to explore the concept of trust and develop a model which is helpful for the numerical measurement (Bachmann & Zaheer, 2006; Castaldo, Premazzi, & Zerbin, 2010).

Trust worthiness along with confidence and expectations support us to interpret and predict the

trustworthiness of other’s perceptions for trust(Serva, Fuller, & Mayer, 2005). Social environment has great importance because it has strong impact on developing trust. The relationships of others promote social interactions and networking in organizations has great impact on developing the different models of trust (Ferrin, Dirks, & Shah, 2006).

The trust does not have only the dimension of effectiveness and attachment but also involves that can further build effective behaviors in a particular organization(Armenakis, Bernerth, Pitts, & Walker, 2007).

In the management for business organization, trust has been identified as essential feature and condition for a better organizational environment(Castaldo et al., 2010). In today’s global business environment, trust, cooperation and trustworthiness are considered to be the important elements for competitive advantage of an organization(Maharaj, 2011).

2.2 The concept of Trust and Capacity for Change

A comprehensive study of literature classifies different meanings and concepts about trust at different considerations of interest including interpersonal, group, social and organizational. Trust has been identified as basic element for relationships among people.

In this study transactional trust view has been adopted which consist of relationship process among people including basic characteristics like contractual, communication and competence commitments. There are 16 different behaviors contributing to building and breaking trust (Reina & Reina, 2006b, 2007). Table below indicated these behaviors.

2.3 Transactional Model of Trust

Contractual Trust	Communication Trust	Competence Trust
<ul style="list-style-type: none"> • Managing expectations • Establishing boundaries • Delegating • Encouraging mutual intentionality • Respecting agreements • Consistency 	<ul style="list-style-type: none"> • Sharing information • Truthfulness • Admitting mistakes • Giving and taking constructive feedback • Confidentiality • Speaking with good purpose (no gossip) 	<ul style="list-style-type: none"> • Acknowledging skills and abilities • Allow decision making • Seeking inputs • Helping people learn

Note. From Trust and Betrayal in the Workplace by D.S. Reina and M.L. Reina, 2006, San Francisco: Berrett-Koehler. Copyright 2006 by D.S. Reina and M.L. Reina.

In this study, only one sub scale (Competence Trust) has been applied and other two sub scales are not added due to certain limitations. A combination of five sets of different behaviors have been recognized which are considered to be the basic principal for development of an organization(Armenakis & Bedeian, 1999; Armenakis et al., 2007; Armenakis, Harris, & Feild, 2000; Armenakis, Harris, & Mossholder, 1993; Weick & Quinn, 1999) These are:

- *Valence*, the perception of employees that they are motivated because the rewards are sufficient against their inputs to implement the current change.
- *Appropriateness*, suggests that corrective actions have been taken for the current situation which are helpful to remove the discrepancy.
- *Efficacy*, suggests that the management has the capability for the successful implementation of the current change.
- *Principal support*, demonstrates that leaders are fully prepared to support the change to be handled successfully. and
- *Discrepancy*, suggests that a specific organization is in need of a particular change.

2.4 Trust and Organizational Capacity for Change

The concept of capacity for change integrates the development and implementation of change and to enhance the operational competencies that can be sustained for a long-standing organizational performance(Goucher, 2007). As change is the constant process in the external environment and every organization has to come up with the dynamic changes taken place in the domestic and global business environment, therefore, almost every business entity is forced to introduced new skills and abilities into their workforce and introducing advanced operational activities, approaches and innovative machines and equipment for the successful implementations of current changes into the organization(Fisher, Staiger, Bynum, & Gottlieb, 2007).

The trust builds on managerial abilities and potential heavily depends on how they manage the change

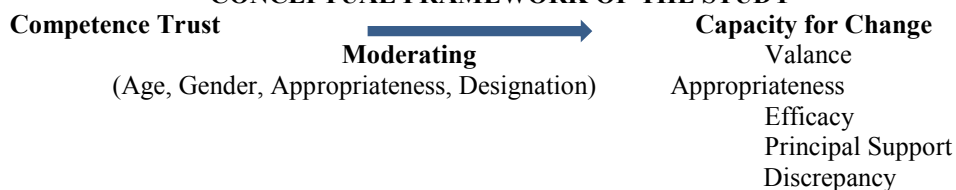
(Hernandez, 2008). The study on making restructuring change efforts in the early stage of this century, succeeding the major Asian financial disaster, the outcomes point out that in the moments of uncertainty within an organization, positive and healthy relationships exists between job satisfaction and implementing change in the structure of an organization. The understanding exhibited by the change agent and leadership helps to develop the trust among them and produce a support for the strategies and actions taken by managers to carry out change (Hubbell & Chory - Assad, 2005).

The efforts required by the change recipients are shaped by the message that is consistently conveyed by the change leaders. The message should be very clear because clarity in the message support the credibility and competency of a change agent and how the change efforts and are perceived (Malopinsky, 2007). Since the change is introduced and carries out individually by all members of an organization but the collective behaviors of all members is the sum of individual activities (Pinheiro et al., 2011).

In today's fast-paced and competitive global business economy, trust has become a reality that is faithfully related with an organization's capacity for adapting the changes that is persistently changing the external environment. For competing in today's stiff and complex business environment, organizations have to establish and sustain with an extra ordinary performance that is essential for the successful implementation of change and for their survival in today's global marketplace (Pinheiro et al., 2011).

3. RESEARCH METHODOLOGY

CONCEPTUAL FRAMEWORK OF THE STUDY



3.1 Respondents

The employees of grades (OG-I to OG-V) in banks have been investigated in this study through a self-administered questionnaire consisting of 35 questions. Among the set of questions; 18 questions were of competence trust behaviors and 17 questions were of capacity for change. The respondents then have been categorized into two broad groups; Managerial (Grade IV and V) and Non-Managerial/Staff (Grade I to III)

3.2 Universe

According to the report of State Bank of Pakistan www.sbp.org.pk, the number of different banks in 2014 was 279 in city Faisalabad which comprising near 7000 employees. These banks include both public and private sector.

3.3 Sample Size

Confidence Level is 95%, Level of significance is 5 %, and Response rate is 50%. With this data the online sample size calculator identified 365 respondents as sample size with simple random sampling method.

3.4 Sampling Method

The researcher used convenience sampling approach in this study.

3.5 Data Collection

The researcher has used Organizational Trust Survey (OTS) developed by Reina and Reina (2006a), because it includes the multiple concepts and definitions of trust and reflects the researcher's research approach. Confirming Mendoza (2001), the OTS measures all elements of trust: affective, cognitive, and behavioral.

The subscales on competence trust behaviors report high internal reliability coefficients. The OTS is a 18-questions self-administered, 5-point Likert scale designed to measure the level of competence trust behaviors within an organization, sector, department, or division, from the perspective of employees as well as their managers.

3.6 Limitations of Study

The scales developed by Reina & Reina in 2006 has three main sub-scales including contractual trust behaviors, communication trust behaviors and competence trust behaviors and all sub scales have 18 questions each. But this study addresses only one dimension of trust behavior that is competence trust behaviors due to the time and budget constraints. Secondly, respondents of different banks largely belonged to the city Faisalabad.

4. RESULTS

Based on the recommendations quantitative analysis techniques were applied and simple frequency table, bar

charts, correlation matrix, and regression analysis for model and hypotheses testing were performed.

4.1 Descriptive Statistics for Demographic Variables:

“Descriptive statistics is a method for presenting quantitative descriptions in manageable form. Therefore, summary statistics involving computed independent, dependent and moderating variables were calculated and presented in Table 1 given below. Summary statistics represents as obvious with name summaries of observations in simplest possible way. Mostly, statisticians describe the observation in terms of Mean (*measure of central tendency*), Standard Deviation (*statistical dispersion of data*), Skewness (*the shape of distribution*), and Correlations in case of more than one variable(Lauzier, Cook, Griffith, Upton, & Crowther, 2007).

Descriptive Statistics: Table 1

Summary Descriptive Statistics

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Gender	365	1.00	2.00	1.0548	.22789
Education	365	2.00	5.00	4.0575	.55912
Age	365	1.00	4.00	1.9479	.89567
Designation	365	1.00	2.00	1.2822	.45068
Ctb*	365	2.85	4.92	4.0038	.40842
Ctbb**	364	1.00	4.80	2.6769	.82883
Valence	365	1.00	5.00	3.8228	.63690
Discrepancy	365	1.00	5.00	3.9361	.60183
Efficacy	365	1.00	5.00	4.0977	.60261
Principal Support	365	1.00	5.00	3.7863	.62860
Appropriateness	365	2.25	5.00	4.0240	.53157

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

The above Table 1 represents data citing sample size as $N=365$, whereby, minimum and maximum values for variables are given in Table 1. The mean values for most variables other than demographics are greater than three, indicating an agreed response for the asked set of questions about competence trust behavior and organizational capacity for change. Whereas, the computed mean value of Ctbb (*Competence Trust Breaking Behavior*) is less than three, it represents an overall disagreement of respondents to the concerned variable. The standard deviation for all variables is less than one, hence predicting the confidence in statistical conclusions driven from the analyzed data. Standard deviation actually describes the extent of spread of data values around the mean for a variable containing quantifiable data(Anderson et al., 2011).

4.2 Inferential Statistics:

Some research involves the number of variables and suggests analysis of variable other than descriptive. This involves knowledge of relationing among variables, their association, direction, and significance for comprehension on intended area of research ((S. Sekaran, Foster, Lucas, & Hankins, 2003). The purpose is to well serve with the use of Chi-Square Test in the case of two nominal variables and Pearson correlation matrix in case of more than two variables.

4.3 Pearson Correlation Matrix:

This study on competence trust behavior and the organization’s capacity to change, Pearson correlation matrix was formed on the basis of analysis involving demographic, independent and dependent variables are presented in Table 3. Sekaran (2003) reports existence of perfect correlation theoretically, whereby no such cases exist in reality. The Pearson correlation could have a range between -1.00 and +1.00 indicating positive or negative statistically significant relations.

4.4 Pearson Correlation Matrix:

The calculated correlation from the observed data indicates a significant positive correlation among most of the variables. However, some variables have a significant negative correlation especially competence trust breaking behavior have negative but statistically significant correlation with all the demographic variables. In terms of Competence Trust Building Behavior (CTB) it has significant positive correlation with gender and age but significant negative correlation with education and experiences. The correlation of CTB with factors fostering dependent variable that is; valence, discrepancy, efficacy, principal support, and appropriateness at 0.01% level of significance was observed as shown in Table 3. Hence approving the hypotheses given in Table 2.

Table 2: Suggesting hypotheses related to correlation of Demographic, Independent and Dependent Variable:

	Hypotheses:	Remarks
H1	There is strong association between competence trust behaviors and organization's capacity for change	Accepted
H2	Competence trust building behaviors affect an organization's capacity for change, positively.	Accepted
H3	Competence trust breaking behaviors affect an organization's capacity for change, negatively.	Accepted
H4	The demographic variables are significantly related with competence trust behaviors and organizational capacity for change.	Accepted

The details about these hypotheses are presented in the discussion section of this chapter. Whereas, the test results presented in Table 2 may be consulted for understanding of these hypotheses. Therein, significant and insignificant correlation obtained based on test results is presented.

Table 3: Correlation Analysis of Demographic, Independent, and Dependent Variable: 4.5 Regression Analysis:

	Gender	Education	Age	Designation	Ctb	ctbb	Valence	discrepancy	efficacy	Principal support	appropriateness
Gender	1										
Education	-0.025	1									
Age	-.107*	0.017	1								
Designation	0.09	-.195**	-.283**	1							
Ctb	0.005	-0.041	0.076	-0.047	1						
Ctbb	-0.005	-0.066	-0.081	.218**	-.175**	1					
Valence	-0.072	-0.048	.111*	-0.058	.291**	0.054	1				
Discrepancy	0.019	-0.054	0.057	-0.031	.277**	.108*	.419**	1			
Efficacy	0.001	-0.03	0.055	-0.038	.362**	-0.043	.351**	.441**	1		
Principal Support	-0.081	0.01	.164**	-0.073	.493**	-.141**	.373**	.228**	.353**	1	
Appropriateness	-0.073	-0.046	.127*	-0.074	.418**	0.023	.462**	.434**	.371**	.386**	1

*, Correlation is significant at the 0.05 level (2-tailed).
 **, Correlation is significant at the 0.01 level (2-tailed).

Based upon the literature and results obtained from correlation analysis a regression analysis was made to check the impact of competence trust behavior on organizational capacity for change and the role of demographic variables as moderator. Thereby, to identify the organizational capacity to embrace change several models based on hypotheses extracted from literature and model were suggested and then tested. These were as following:

Model 1:

H2a: Competence trust behavior had a significant impact on organizational capacity to change.

Such that: $Y = \alpha + \beta_1 X_1 + e$ or $CTC = \alpha + \beta_1 (ctb) + e$

Where,
 CFC = Competence for Change is dependent variable
 Ctb = Competence Trust Behavior is independent variable
 α = Slope intercept for the measured equation
 β = Regression Coefficient for measured equation

Results of Model 1:

Model one tested linear regression upon competence trust behavior and organizational capacity to change. The results assumed from statistical processing of data and conclusion is presented here in Table 4. The calculated value of $R^2 = 0.267$ whereas, the value of adjusted $R^2 = 0.265$ and S.E of Estimate is 0.3655. The error term is low and the adjusted R^2 suggest that 26.5 percent of change in the dependent variable is caused due to independent variable that is competence trust behavior. Rest of the changes in observed variable is because of other factors not incorporated in this model. A more comprehensive study for identification of such factors may be considered in future.

Table 4: Summary Statistics for Regression Analysis without moderating effect of Demographic Variables: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.
1	.517 ^a	.267	.265	.36553	132.333	.000 ^b

a. Predictors: (Constant), ctb

The F-statistics presented in Table 4 shows likelihood ratio that F= 132.33 at level of significance 0.01. This mean only one percent chance exists for occurrence of change on it on and 99% chance exist the variation is because of independent variable.

Table 5: Regression Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.773	.189		9.390	.000
1 Ctb	.540	.047	.517	11.504	.000

a. Dependent Variable: CFC

4.6 Regression Coefficients

Regression coefficient obtained for Model 1 predicts constant for CFC and ctb that is slope coefficient, $\alpha = 1.773$, standard error for this constant is 0.189 that is very low and the value of $t = 9.390$ i.e. greater than the tabulated value. Likewise, the β coefficient for ctb is $\beta = 11.504$ greater than the tabulated value. Hence, the statistic greater than the tabulated value. Hence the significant statistics approves the suggested hypothesis **H2a** at a 0.01 level of significance for the projected variables.

Model 2: Competence Trust Breaking Behavior and Organizational Capacity for Change:

H2a: *Competence trust breaking behavior has a significant impact on organizational capacity to change.*

$$\text{Such that: } Y = \alpha + \beta X + e \quad \text{or} \quad \text{CFC} = \alpha + \beta_1 (\text{ctbb}) + e$$

Where, CFC = Competence for Change is dependent variable

Ctbb = Competence Trust Braking Behavior

α = Slope intercept for the measured equation

β = Regression Coefficient for measured equation

Model 2 suggested for this study on the basis of observed literature and relation was the study of competence trust breaking behavior and organizational capacity for change presented altogether a different result then those obtained through Model 1. The regression analysis for suggested Model 2 is represented here for the understanding. The value for adjusted R^2 in this model is 0.003 that reflect a change of 0.3% which is real less or it can be accounted as a minor change in dependent variable that is organizational capacity for change because of competence trust breaking behavior. Hence, the findings disapproves the H2b narrating "*Competence trust breaking behavior has significant impact on organization capacity for change*".

Table 6: Summary Statistics for Regression Analysis with moderating effect of Demographic Variables

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.
1	.001 ^a	.000	.003	.42660	.000	.985 ^b

a. Predictors: (Constant), ctbb

The F-statistics show zero percent chance of likelihood ratio for existence of relation between competence trust breaking behavior and organizations capacity for change at the 0.985 level of significance naturally. This shows the research must be extended to the variables other than competence trust breaking behavior if an organization wishes for the establishment of her capacity for change.

Regression Coefficient Model 2:

The result obtained for beta coefficient for suggested model show a negative relation among the regressed variable.

Table 7: Regression Coefficient for Competence Trust Breaking Behavior:

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	3.933	.076		51.962	.000
1 Ctb	-.001	.027	-.001	-.019	.985

a. Dependent Variable: CFC

The obtained t value is less than tabulated value and is only significant at 0.985% that is a high p value

and it is normally unable to achieve hence rejecting the suggested hypothesis H2b

Model 3 Regression Analysis for competence trust behavior and organizational capacity for change:

H3a: Competence trust behavior and organizational capacity for change is significantly moderated with demographic variables.

Such that: $Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + e$ or

$CFC = \alpha + \beta_1 (ctb_Designation) + \beta_2 (ctb_Education) + \beta_3 (ctb_Age) + \beta_4 (ctb_gender) + e$

Variable	Interactive Term for Regression Analysis
CFC	= Competence for Change is dependent variable
Ctb_Designation	= Competence Trust Behavior X Designation
Ctb_Education	= Competence Trust Behavior X Education
Ctb_Age	= Competence Trust Behavior X Age
Ctb_Gender	= Competence Trust Behavior X Gender
A	= Slope intercept for the measured equation
B	= Regression Coefficient for measured equation

Regression Analysis for Model 3:

Based on theoretical assumptions in literature and correlation analysis Model 3 was observed to check the regression among CFC and ctb with the moderating effect of demographic variables. New variables that are interactive terms were created through multiplication of independent variable that is ctb in this model with all four demographic variables that are Designation, Education, Age, and Gender one by one. New interactive terms were then regressed and results were obtained and presented below. According to Table 4.12 summary statistics for regression shows a $R^2 = 0.130$ predicting the change in dependent variable that is CFC 13% because of independent variable with moderating effect of demographic. The change is less than $R^2 = 26.5\%$ in Model 1, predicting demographic variability as barriers to the organization capacity to change.

Table 8: Summary statistics of regression for Model 3:

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.
1	.373 ^a	.139	.130	.39779	14.562	.000 ^b

a. Predictors: (Constant), CTB_Designation, CTB_Education, CTB_Age, CTB_gender

The F-statistics for Model 3 represented a likelihood value that the relationship not existed on its own 14.56% at the 0.01 level of significance. Hence, proposing that there are 99% chances of existence of relation among suggested variables in model 3 hence certifying the goodness of model fit.

Regression Coefficients for Model 3:

The obtained results for model 3 are showcased as under Table 9. The observe values of beta are b with standard error and a t value greater then tabulated vales show level of significance 0.01 % for constant, CTB_Education, and CTB_Age. Whereas the level of significance for obtained value of t in comparison to tabulated value is 0.081% for CTB_Gender and 0.035% for CTB_Designation. Hence rejecting null hypothesis for this model and accepting H3a.

Table 9 for regression coefficients for Model 3

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	2.885	.151		19.060	.000
CTB_gender	.038	.022	.090	1.749	.081
1 CTB_Education	.035	.008	.224	4.387	.000
CTB_Age	.025	.006	.219	4.304	.000
CTB_Designation	.025	.012	.108	2.118	.035

a. Dependent Variable: CFC

Model 4 Regression Analysis of Competence Trust Breaking Behavior with moderating effect of Demographic and organization capacity to change:

Following the pattern in this intended research 4th and last Model was estimated among variables that are Competence trust breaking behavior and Capacity for change with demographics as moderator. The obtained results due to presence of demographic variable were improved then those obtained in Model 2.

H4a: Competence trust breaking behavior and organizational capacity for change is significantly moderated with demographic variables.

Such that: $Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + e$ or

$CFC = \alpha + \beta_1 (ctb_Designation) + \beta_2 (ctb_Education) + \beta_3 (ctb_Age) + \beta_4 (ctb_gender) + e$

Variables for Model 4

Variable	Interactive Term for Regression Analysis
CFC	= Competence for Change is dependent variable
Ctbb_Designation	= Competence Trust Braking Behavior X Designation
Ctbb_Education	= Competence Trust Braking Behavior X Education
Ctbb_Age	= Competence Trust Braking Behavior X Age
Ctbb_Gender	= Competence Trust Braking Behavior X Gender
A	= Slope intercept for the measured equation
B	= Regression Coefficient for measured equation

Regression Statistics for Model 4:

The test suggests a weak moderation in dependent variable because of independent variable with the moderating effect of demographic variables. The Table 4.14 represents 1% of the variation because of the competence trust breaking behavior with mediating impact of demographic variables.

Table 10 Summary Statistics for Regression Analysis

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.
1	.145 ^a	.021	.010	.42382	1.941	.103 ^b

a. Predictors: (Constant), CTBB_Designation, CTBB_Age, CTBB_Gender, CTBB_Education
 F Statistics represents 1.941 ratios at level of significance 0.103 that represent weak chances of existence of relationship between the suggested variables.

Coefficients of Regression analysis for Model 4:

The calculated t values for suggested variables are less the observed values of t, even the level of significance is 0.10% and the p-value is very high that is difficult to achieve. Therefore, the suggested hypothesis for model 4 is rejected and future inquires must be made to identify other factors fostering capacity for change. The results are presented in Table 11 below:

Table 11 for coefficients of Regression Model 4:

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	3.925	.073		54.111	.000
CTBB_Gender	.000	.033	-.001	-.014	.988
CTBB_Education	-.006	.010	-.050	-.593	.554
CTBB_Age	.022	.009	.151	2.536	.012
CTBB_Designation	-.012	.016	-.052	-.754	.451

a. Dependent Variable: CFC

The analysis was performed in a rigorous method and results were presented here in chapter 4. The discussion based on these chapters will be presented with references to previous work and suggestions for improvement in Chapter 5. The limitation of studies with future work will also be the part of chapter 5.

5 Conclusions and Recommendations

5.1 Conclusions

As per predictions by the pervasive literature on competence trust, the analysis displayed that there was a strong association among positive competence trust behaviors and an organization's capacity for change. Whereas, the negative competence trust behaviors were negatively and strongly associated with an organization's capacity for change.

The literature suggests that competence trust is the significant and important variable for enabling change within an organization. In today's dynamic environment where many organizations transfers from one state to another, the higher level of competence trust among managers and employees could help to moderate the uncertainty of change being implemented (Rudolf, 2009).

This chapter summarized how competence trust behaviors within organizations are related to capacity for change, and understands what are not the recommendations and suggestions, that there are causal relationships among the findings and hypothesis of study. There is now the systematically explanations of hypothesis and sub hypothesis of the study.

5.2 Recommendations

This study suggests that competence trust behaviors are obviously associated with an origination's capacity for change. The analysis and computation of this study showed that the competence trust building behaviors are

strongly associated with an organization's capacity for change. Therefore, an organization must focus on enhancing competence trust through developing employee skills, seeking their inputs, involving in decision making and helping employees to learn.

5.3 Future Research

Trust scales developed by Reina & Reina have three major dimensions including contractual trust, communication trust and competence trust. In this study, the researcher focused on only one dimension that is competence trust due to limitation of time and money but the future researcher can conduct the research on other dimension and can check the impact of these trust behaviors on an organizational capacity for change. Secondly the sample was largely based on City Faisalabad; it can be enhanced to further cities for wider scope. Another dimension is the trust scales can be applied to other industries in Pakistan.

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