BI Norwegian Business School - campus Oslo

# GRA 19502

Master Thesis

Component of continuous assessment: Thesis Master of Science

The Link Between Service Climate, Its Antecedents and Consequences;

Collective Felt Trust as a Mediator

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|---------|---|
| Start:  | 02.03.2017 09.00                            |
| Finish: | 01.09.2017 12.00                            |
|         |   |

# **BI Norwegian Business School**

Master Thesis

# The Link Between Service Climate, Its Antecedents and Consequences; Collective Felt Trust as a Mediator

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Date of Submission: 23.08.2017

Deadline: 01.09.2017

Campus: BI Oslo

Examination code and name: **GRA 19502 – Master Thesis** 

Program: Master of Science in Business, Leadership and Change

"This thesis is a part of the MSc program in Leadership and Change at BI Norwegian Business School. The school takes no responsibility for the methods used, results found and conclusions drawn."

## Acknowledgements

First of all, we want to express our gratitude and appreciation to our family, friends, and classmates, for encouraging words and support in the process of writing this thesis and throughout the whole master program. We would also like to thank the organization for engaging in an early discussion of relevant topics, and to the respondents for participating in our study. Furthermore, we owe a big thank you to our supervisor, Anders Dysvik, for valuable guidance and constructive feedback.

Oslo, August 23, 2017

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## Abstract

Based on previous literature, it is evident that organizational resources and leadership behavior influence employees' positive perception of a service climate, which subsequently leads to improved unit performance. Still, researchers stress the need to explore this relationship in combination with other possible mediators to understand the underlying mechanisms. Very little attention is previously given to the effect of collective felt trust, although felt trust is considered critical for a unit to function well. The aim of this study was to explore the relationship between collective felt trust and service climate, by proposing collective felt trust as a mediator between service climate and two of its antecedents; organizational resources and leadership. We built on LMX theory, and aimed at exploring the relationship between leadership and service climate by looking at both the economic and social component (i.e. SLMX and ELMX). A cross-sectional survey of 238 employees among 48 units revealed that collective felt trust mediates the relationship between organizational resources and service climate, and we found a positive relationship between collective felt trust and unit performance. As a consequence of a high correlation between SLMX and collective felt trust, the relationship between SLMX, collective felt trust, and service climate was not explored. However, preliminary results show that SLMX and service climate was strongly related. There was no support for collective felt trust as a mediator between ELMX and service climate, and ELMX did not have a significant effect on neither collective felt trust nor service climate. Also, service climate was not significantly related to unit performance. The study implies that important predictors for service climate are SLMX and organizational resources, and felt trust among employees can explain why accessibility to resources can lead to a positive perception of a service climate.

**Keywords:** service climate, organizational resources, social leader-member exchange, economic leader-member exchange, collective felt trust, unit performance, structural equation model

## Introduction

"The customer experience is the next competitive battleground." – Jerry Gregoire, Chief Information Officer at Dell.

Due to the overall growth in the service economy and increased competition among service providers, organizations often find the need to put more emphasis on service quality provided by its employees (Salanova, Agut, & Peiró, 2005; Schneider & Bowen, 1993). Therefore, organizations need to understand what makes employees go the extra mile to deliver high-quality customer service. One may argue that this especially applies to traditional retailing, since such companies are facing increased competition from online stores. As highlighted by Rigby; "Amazon's five-year average return on investment is 17%, whereas traditional retailers average 6.5%" (Rigby, 2011, p. 67). Thus, increased competition can ultimately decrease the performance of traditional retailing (Rigby, 2011). However, traditional retailing has the advantage of physical stores, where service providers get the opportunity to have direct contact with its customers. If employees provide excellent service, research shows that employees can influence the customer experience and their perception of service quality (Johnson, 1996; Schneider, White, & Paul, 1998), which is often reflected in the overall performance of the company (Rust & Zahorik, 1993; Storbacka, Strandvik, & Grönroos, 1994).

If an organization creates a service climate, it is evident that service provided by employees are significantly improved (Bowen & Schneider, 2014; Hong, Liao, Hu, & Jiang, 2013). A service climate is different from other climates as it strategically focuses on customers (Burke, Borucki, & Hurley, 1992; Salanova et al., 2005; Schneider et al., 1998). When a service climate exists, employees use their competencies and efforts to provide quality service and improve customer experience (Schneider et al., 1998). Recent reviews reveal that there are known antecedents for service climate, such as support from leadership, systems, and processes within the organization (Bowen & Schneider, 2014; Hong et al., 2013). However, Auh, Bowen, Aysuna, and Menguc (2016) highlight that the linkage between the antecedents of service climate and service climate itself are conspicuously absent, and therefore an interesting research area is what may explain this relationship. The authors further highlight that one often assumes that antecedents are directly linked to the climate itself, which underlines the need to further examine the underlying process. One exception is a study by Salanova et al. (2005) which propose that engagement is a necessary foundation for a service climate to exist. This means that employees have a feeling of vigor, dedication, and absorption in the work they do (Schaufeli, Bakker, & Salanova, 2006). The same authors showed that employee engagement can be created through resources that support and facilitate people's work, such as training, technology, and autonomy. Additionally, Li and Cropanzano (2009) argue that employee engagement depends on the relationship between employees and their leader, because employees who feel that they are treated fairly and trusted are more engaged in their work. Further, Auh et al. (2016) found that the relationship between leaders and employees can impact organizational climate, because different exchange relationships within the same unit can create a less positive perception of what is important, expected, and rewarded in terms of service climate attributes. The authors build on Leader-Member Exchange (LMX) theory, and propose that leaders develop exchange relationships of varying quality with their followers. Traditionally, the quality of a relationship is measured on a continuum, from low to high quality. However, some authors argue that LMX relationships can consist of both a social and economic component (Shore, Tetrick, Lynch, & Barksdale, 2006), and hence, can be divided into social- and economic LMX (i.e. SLMX and ELMX, Kuvaas, Buch, Dysvik, & Haerem, 2012). SLMX and ELMX has previously been linked to work performance and organizational citizenship (Kuvaas et al., 2012). Very little attention has been given to the link between LMX and service climate, however, Auh et al. (2016) have recently explored the relationship between service climate and LMX differentiation. The authors argue that different LMX relationships can lead to a higher level of relationship conflict within the unit, and consequently, it may be difficult to create a service climate where shared perceptions are crucial.

When studying the predictors for service climate, Salanova et al. (2005) stress the need to explore the relationships by looking at psychological predictors. Contextual factors are a necessary, but not a sufficient, cause of service climate (Schneider et al., 1998), and thus, service climate also depends on how employees feel at work (Salanova et al., 2005). In a recent review, Hong et al. (2013) conclude

that more research should be made on other possible mediators in the relationship between leadership, systems, and processes, and the outcomes of a service climate.

At an organizational level, trust plays a key role in the effective functioning of an organization (Fulmer & Gelfand, 2012; R. C. Mayer, Davis, & Schoorman, 1995; Schoorman, Mayer, & Davis, 2007). Globalization, cultural differences, downsizing, information technologies (IT), and complex alliances are some of the events that forces organizations to change. In this turbulent environment, trusting relationships are of significant importance (Shockley-Zalabak, Ellis, & Winograd, 2000). Research on trust shows that trust is linked to job attitudes and intentions (e.g. job satisfaction, Gilstrap & Collins, 2012), and performance outcomes (e.g. organizational citizenship behaviour, Konovsky & Pugh, 1994). Some authors even claim that trust is an attribute of a climate within the organization, and discusses trust in terms of a "collective set of norms, values, and beliefs" (Shockley-Zalabak et al., 2000, p. 547). Yet, there is still a need to understand how trust impact organizational performance (R. C. Mayer & Gavin, 2005), and particularly, how behavior and performance are affected by being trusted (Kramer, 1996, cited in Salamon & Robinson, 2008). Research on felt trust show that employees feel more motivated to cooperate with the organization if they feel trusted by management, and therefore, has a favorable effect on employee behavior (Davis, Schoorman, & Donaldson, 1997; Salamon & Robinson, 2008). A study by Salamon and Robinson (2008) even showed that collective felt trust affects unit performance beyond the effect of trust in management alone. The same authors state that "this collective perception is likely to be prompted by procedures or systems implemented in the organization as well as by management behavior" (p. 594). However, there is a need to identify what specific managerial acts make employees believe they are trusted by management. Also, if collective felt trust is present within the organization, one also need to understand the underlying mechanisms that can explain the effects on unit performance.

This leads us to the heart of this paper, which combines theory on collective felt trust and service climate. The aim is to see whether collective felt trust cause mediation in the relationship between service climate and two of its fairly established antecedents; organizational resources and leadership. In terms of the antecedents of a service climate, we build our study on Salanova et al. (2005), who define organizational resources as training, technology, and autonomy, and Kuvaas et al. (2012) who argue that the relationship between leaders and employees can consist of both a social and economic component (i.e. SLMX and ELMX). Thus, our main research question is; *does collective felt trust mediate the relationship between organizational resources, SLMX, and ELMX, and service climate?* Since there is also a need to understand the linkage between collective felt trust and performance (Salamon & Robinson, 2008), this study seeks to answer the following question; *does service climate mediate the relationship between collective felt trust and unit performance?* 

## **Theoretical Framework and Hypotheses**

#### Service Climate

The development of focused climates is a major accomplishment in research on organizational climates, where a climate focusing on service is one of the most prevalent examples (Schneider, Ehrhart, & Macey, 2013). Service climate is a collective phenomenon, which can be explained as a climate where employees have "a shared perception of the practices, procedures, and behaviors that are rewarded, supported, and expected by the organization with regards to customer service and customer service quality" (Schneider, Ehrhart, Mayer, Saltz, & Niles-Jolly, 2005, p. 151). The service climate is said to be strong if there is a low within-group variety, and most employees share the same perception (Schneider, Salvaggio, & Subirats, 2002). Ehrhart, Witt, Schneider, and Perry (2011) argue that, due to its strategic focus, it should directly influence the customers service perception. There are many studies examining the influence process of service climate, and it appears to give positive outcomes for the organization (Bowen & Schneider, 2014; Hong et al., 2013). For example, prior studies show a positive link between service climate and service performance (Liao & Chuang, 2004; Salanova et al., 2005; Schneider et al., 1998), organizational citizenship behavior (Chuang & Liao, 2010; Schneider et al., 2005), customer perception of service quality (Ehrhart et al., 2011), customer loyalty (Salanova et al., 2005), customer satisfaction (Johnson, 1996), and financial performance (Schneider et al., 2005; Schneider, Macey, Lee, & Young, 2009).

In a recent review, Bowen and Schneider (2014) summarize the key antecedents of a service climate to be leadership, HR practices, and system support from other divisions within an organization (e.g. marketing, IT). For example, one can shape employees' shared perception through HR practices, which can impact their collective behavior, and in turn, contribute to organizational performance (Chuang & Liao, 2010; Ehrhart et al., 2011; Schneider et al., 1998). However, there are important foundations that need to exist to develop a service climate. These foundations are summarized as employee engagement, including resources and fair treatment, where the latter is linked to trust within an organization (Bowen & Schneider, 2014). There are also some factors that can moderate the relationship between service climate and customer satisfaction (Bowen & Schneider, 2014). For example, a study by Dietz, Pugh, and Wiley (2004) show that a higher frequency of contact between employees and customer, led to a stronger relationship between service climate and customer attitudes. D. M. Mayer, Ehrhart, and Schneider (2009) also found that service intangibility and employee interdependence had a positive influence on the relationship between service climate and customer satisfaction. Additionally, the effect of service quality has been found to be higher for nonroutine services compared to routine services (Jong, Ruyter, & Lemmink, 2004). These findings show that several boundary conditions can exist, and thus, can influence the benefits of creating a service climate. However, most research report a positive relationship between service climate and organizational performance (Bowen & Schneider, 2014; Hong et al., 2013). Therefore, we expect the following;

H1: Service climate is positively related to unit performance.

#### Service Climate and Organizational Resources

Following the resource management model, effective management of resources is fundamental in creating value, because the way resources are used can lead to different outcomes (Sirmon, Hitt, & Ireland, 2007). If organizational resources are managed in a way that it supports and facilitates people's work, it can have a motivational function for employees (Barrick, Thurgood, Smith, & Courtright, 2015; Hackman & Oldham, 1980; Schaufeli & Bakker, 2004). It can give employees an opportunity to grow, learn, and develop, and thus, creates a motivational process for the employees (Schaufeli & Bakker, 2004). For example, Demerouti, Bakker, Nachreiner, and Schaufeli (2001) found in their study that job resources (e.g. autonomy and performance feedback) were predictors for employee engagement. Also, Rich, Lepine, and Crawford (2010) argue that employees are more likely to feel confident about their ability to perform tasks. Organizational resources can be explained as "the organizational aspects of a job that are functional in achieving work goals, could reduce job demands, and their associated physiological and psychological costs, and finally, could stimulate personal growth, learning, and development" (Salanova et al., 2005, p. 1218).

The various functions within an organization (e.g. human resources, IT) are important for the perception of organizational resources, because the perceived service quality delivered by these functions can impact the service climate experienced by employees (Ehrhart et al., 2011). More specifically, Salanova et al. (2005) found a positive relationship between organizational resources and service climate, which was mediated by employee engagement. Hence, providing employees with resources can result in a more engaged workforce, meaning that they are "as a whole physically, cognitively, and emotionally invested in their work" (Barrick et al., 2015, p. 111). Based on these findings, the authors argue that employee engagement is a necessary foundation for creating a service climate, and can ultimately lead to improved customer experiences. Shantz, Alfes, Truss, and Soane (2013) also found that task variety, task significance, and feedback may lead to a more engaged workforce, which further resulted in organizational citizenship behavior and less deviant behavior. Thus, an engaged workforce is more willing to accept what a service climate requires, and consequently, a service climate is easier built when the employees are engaged (Schneider, Macey, Barbera, & Martin, 2009).

Research further suggest that service-oriented HR practices, as part of the organizational aspects, can influence the strength of the service climate (Hong et al., 2013). It can be used to communicate the strategic focus to employees, and more clearly establish what behaviors are rewarded, supported, and expected by the organization (Bowen & Ostroff, 2004). HR practices may indirectly impact the service quality delivered by employees, through empowerment and trust (Huselid, 1995), because the perception of HR practices can influence employees' behavior

and attitudes (Chuang & Liao, 2010; Salanova et al., 2005). The employees' response is therefore important to understand how a service climate is built and shared among the employees (Salanova et al., 2005). Service-oriented HR practices intend to improve employees' ability to, and effectiveness of, delivering high-quality customer service (Combs, Liu, Hall, & Ketchen, 2006). By implementing this type of practices, employees may feel more engaged and give an extra effort. Practices can be designed in a way that increase employee motivation and commitment, improve employees' knowledge and skills, and provide resources such that employees have the opportunity to contribute (Batt, 2002). The way employees feel at work can also produce a corresponding change of observers (Pugh, 2001). This means that when employees, as well as customers, may occur. For example, Schneider and Bowen (1993) found that employees' perception of the service level influence customers' perception of service received. Based on these arguments, we expect the following;

#### H2: Organizational resources is positively related to service climate.

#### Service Climate and LMX theory

Recent reviews clearly show that leaders are central in creating and maintaining a service climate (Bowen & Schneider, 2014; Hong et al., 2013), as leadership behavior can either enhance or suppress the development of a positive service climate (Auh et al., 2016). Through their own behavior, leaders can signalize full commitment to service quality. By setting and recognizing high standards, and removing obstacles, leaders can ensure that employees have the resources and support to accomplish high-quality service, and consequently, employees behave according to expectations (Bowen & Schneider, 2014; Salvaggio et al., 2007; Schneider et al., 2005). Additionally, the nature and quality of social relationships formed by leaders can impact employees' interpretation of policies and procedures, as well as their climate perception (Kozlowski & Doherty, 1989). Social exchange theory is often used to explain the relationship between LMX and effective work behavior, and that the felt obligation to reciprocate can explain employee motivation to exert effort on behalf of the organization (Walumbwa, Cropanzano,

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& Goldman, 2011). In general, LMX theory is often used to explain how leaders and members develop relationships of either lower or higher quality. Traditionally, the relationship has been measured on a continuum, where low quality is contractual of nature, while high quality is relational of nature (Flaherty & Pappas, 2000). However, Kuvaas et al. (2012) argue that one can differentiate between social leader-member exchange (SLMX) and economic leader-member exchange (ELMX). This means that one can divide LMX into two categories based on different qualities, instead of measuring it on a continuum. In both types of exchange relationships, there is an obligation to return a favor. However, in social exchange, the return of a favor is not specified. Thus, it may not be clear at what time, and in what way, this favor is returned, as there is less need to settle debt immediately. One may argue that there are similarities between SLMX and highquality LMX as it is relational of nature, while ELMX is similar to low-quality LMX. Compared to ELMX, SLMX is more long-term and the interaction is ongoing (Shore et al., 2006; Walumbwa, Cropanzano, et al., 2011).

Most research show that high-quality LMX are positively related to employee outcomes, such as job satisfaction and increased performance (e.g. Dulebohn, Bommer, Liden, Brouer, & Ferris, 2012; Graen, Novak, & Sommerkamp, 1982; Schriesheim, Castro, & Cogliser, 1999). However, it is unrealistic that leaders develop equal relationships with all employees, which may impact how well a unit functions (Auh et al., 2016). For example, Auh et al. (2016) argue that variability of LMX (i.e. LMX differentiation) within a unit can lead to in-groups and out-groups of employees, and consequently, a disintegration of the team may occur. The same authors investigate the relationship between LMX differentiation and service climate, and found that relationship conflict (i.e. interpersonal incompatibilities) mediates this relationship.

One may argue that the variability in relationships can also be applied when LMX is categorized into SLMX and ELMX. By definition, SLMX and ELMX can occur simultaneously, even though one may dominate the other (Goodwin, Bowler, & Whittington, 2008; Rousseau, Sitkin, Burt, & Camerer, 1998), and hence, have a different impact on the service climate. Kuvaas et al. (2012) found support for a positive relationship between SLMX and work performance, where work performance is measured through work effort and quality. On the other hand, when

ELMX is present, Song, Tsui, and Law (2009, p. 63) argue that "employees worry about the equivalence of returns, calculate and negotiate with their employer for rewards, have no patience for or expectations of future returns, and finally resort to the pursuit of self-interest". The same authors found a negative relationship between employee perception of economic exchange and employee performance, as well as organizational citizenship behavior. The same underlying mechanisms may be present in ELMX (Kuvaas et al., 2012), and therefore, a negative relationship between ELMX and employee performance may occur. This shows that SLMX and ELMX have different outcomes in terms of employee perception of leadership, and consequently, lead to different behaviors. However, the effect of different relationships within the same unit on service climate is not well documented (Auh et al., 2016). As the types of relationship leaders have with their employees can vary, one may assume that it influences to what extent employees have shared perceptions about the policies, practices, and procedures. Based on these arguments, one may argue that a positive service climate is more likely to occur if the same work unit is dominated by SLMX. Thus, we propose that the type of relationship have different impact on service climate, which leads us to the following hypotheses;

H3: Social Leader-Member Exchange (SLMX) will be positively related to service climate.

H4: Economic Leader-Member Exchange (ELMX) will be negatively related to service climate.

#### The Role of Collective Felt Trust

There are growing evidence for the importance of trust in organizational settings (Dirks & Ferrin, 2002; Fulmer & Gelfand, 2012). It has been linked to both individual outcomes, such as employee satisfaction (Edwards & Cable, 2009), citizenship behavior (Walumbwa, Luthans, Avey, & Oke, 2011), and work performance (Lau, Lam, & Wen, 2014), and organizational outcomes, such as a driving force for organizational change (Sonpar, Handelman, & Dastmalchian, 2009) and the success of merger and acquisitions (Stahl & Sitkin, 2005). Research has predominantly focused on the perspectives of employees trust in management

(Dirks & Ferrin, 2001), and thus, there is a need to understand how behavior and team performance are affected by being trusted (Brower, Lester, Korsgaard, & Dineen, 2009; Fulmer & Gelfand, 2012). Felt trust from management and trust in management are very often related, although the concepts are not necessarily equivalent (Schoorman et al., 2007). While Brower et al. (2009) found a moderate relationship between felt trust and trust in management, Salamon and Robinson (2008) found a strong relationship.

Salamon and Robinson (2008) argue that perception of trust can influence employees' behavior and has a greater effect on organizational performance than employees' trust in management alone. More specifically, Pierce and Gardner (2004) found in their study that employees experienced a feeling of self-esteem as a consequence of feeling trusted by their leaders, and this motivated the employees to perform well. If employees are trusted with important tasks, and leaders empower employees to complete tasks without much monitoring, the employees are more likely to be intrinsically motivated (Seibert, Silver, & Randolph, 2004). Thus, when a manager trusts his or her employees, it most likely influences the way an employee is treated, and in turn affects employees' behavior (Brower et al., 2009). Although little research has been made on the effect of feeling trusted by individuals on a group level, attitudes among team members are said to be non-independent (Bliese, 2000), and a "trust contagion" process might occur. This means that felt trust by one team member might affect, and be affected by, other members. A relatively new concept is collective felt trust, which occurs when there is an agreement between employees on the extent to which they feel trusted by management. Thus, collective felt trust is defined as "the shared perception of how much the organization is willing to be vulnerable to them based on positive evaluations of their trustworthiness" (Salamon & Robinson, 2008, p. 594).

Salamon and Robinson (2008) found a positive relationship between collective felt trust and organizational performance, and further argue that responsibility norms are strengthened when employees feel trusted by supervisors. Subsequently, responsibility norms, meaning that employees assume responsibility for organizational outcomes, had a positive effect on organizational performance (Salamon & Robinson, 2008). Additionally, Davis et al. (1997) state that trust in employees can lead to a more motivated workforce who is willing to cooperate with the organization. Although few studies address the linkage between collective felt trust and organizational performance, research made on this topic provide evidence for a positive relationship. Therefore, we expect the following;

### H5: Collective felt trust is positively related to unit performance.

Collective perception of felt trust is likely to be affected by management behavior (Salamon & Robinson, 2008). Examples of behavior that builds trust are exchange of information and empowerment of employees, because it puts the leaders in a vulnerable position (Lau et al., 2014). Also, accessibility to resources and opportunities can affect to what extent employees feel trusted. Salamon and Robinson (2008) claim that the presence of collective felt trust will impact how employees consider behaving, instead of behaving out of self-interest. This highlights that leaders need to account for employees trustworthiness (R. C. Mayer et al., 1995), as well as the effect of employees perception of being trusted (Salamon & Robinson, 2008), when considering to what extent they should express trust towards their employees. As collective felt trust is a collective phenomenon, it needs to be an agreement between employees that they feel trusted by their leader (Salamon & Robinson, 2008). If not, employees may behave differently. It can be challenging for leaders to build a service climate if collective felt trust is not present, because employees within the unit most likely do not have the same perception of what behavior are rewarded and expected from the organization. Additionally, employees who feel trusted are more likely to cooperate with the organization (Salamon & Robinson, 2008), and thus, behave according to the organization's best interests. Based on these argument, we propose the following hypotheses;

H6: Collective felt trust will partially mediate a) the positive relationship between organizational resources and service climate, b) the positive relationship between SLMX and service climate, and c) the negative relationship between ELMX and service climate.

*H7: Service Climate will mediate the relationship between collective felt trust and unit performance.* 

#### The Research Model

The research model is displayed graphically in *Figure 1*. The model shows the hypotheses presented in previous sections, including organizational resources, SLMX, and ELMX as predictors for service climate, which in turn predicts unit performance. Collective felt trust is proposed as a mediator between service climate and its antecedents.



Figure 1. The Conceptual Model. H = Hypothesis. H6a-c and H7 are not illustrated in the model.

#### Methodology

#### Sampling and Procedure

The sample was drawn from a retail company operating in Norway. A selfcompletion questionnaire was distributed via e-mail to 2597 employees in 78 selected units across Norway. The units are served by the same headquarter (HQ), and therefore has homogenous support functions. This minimizes noise (P. M. Wright, Gardner, & Moynihan, 2003), as all participants have the same access to resources. Together with the questionnaire, we informed about the confidential treatment of their responses in order to reduce presence of response distortion (Conway & Lance, 2010; Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). The expected time to complete the questionnaire was 10-15 minutes, and it was available for three weeks. The final sample consisted of 238 employees in 48 different units, equivalent to an overall response rate of 9.58%, and a response rate in the retained units of 12.19%. 66.8% was male and 31.9% was female, and the remaining respondents chose not to report gender. The employees were working in operations (n=100; 42%) or sales (n=138; 58%), and age ranged between 16-25 years old (n=100; 42%), 26-35 years old (n=87, 37%), 36-45 years old (n=32, 13%), 46-55 years old (n=13, 6%) and 55+ years old (n=6, 2%).

#### Measures

All items were measured on a 5-point Likert scale, where employees stated to what extent they agreed on the statements presented (1 =Strongly disagree, 5 =Strongly agree).

*Service climate* was assessed with a 7-item Global Service Climate Scale developed by Schneider et al. (1998) and translated by Kopperud, Martinsen, and Humborstad (2014).

*Organizational resources* was assessed with an 11-item scale (a 4-item training scale, a 3-item autonomy scale, and a 4-item technology scale), adopted by Salanova et al. (2005). These items were translated to Norwegian using back-translation method (Brislin, 1970), and modified to fit the context where the data was collected.

To measure *SLMX* and *ELMX*, an 8-item scale based on Kuvaas et al. (2012) were used, where 4 items measured SLMX and 4 items measured ELMX.

*Collective felt trust* was assessed with a 4-item scale, based on Salamon and Robinson (2008).

*Unit performance* was assessed by twelve performance measures received from the company HQ. The measures included sales, profitability, average value of transactions, and value of services sold (e.g. home delivery), in addition to customer retention and customer satisfaction. The measures were compared to the same period last year, and sales and profitability was also compared to budget. Therefore, the measures were reported in percentage. The performance measures were from the last twelve months.

#### Control variables

To strengthen internal validity of the current study, and rule out the possibility of pre-existing differences in dependent variables (Carlson & Wu, 2012), we included

several exogenous variables. Gender, age, education, tenure, employment status, department, and number of year the employees have worked for the same leader, were collected at the individual level, and aggregated measures were used as control variables. Employee's gender was collected using a dichotomous variable (1 =Female, 2 = Male). Some researchers suggest that employee age and tenure can impact performance (McEvoy & Cascio, 1989; Ng & Feldman, 2008; T. A. Wright & Bonett, 2002). Therefore, respondents reported their age on a 5-item scale (16-25 years, 26-35 years, 36-45 years, 46-55 years, and 55+ years). We also took tenure into consideration, which was measured by dividing into four categories ranging from less than one year to more than five years. We asked for how long the employees had worked for their current unit manager, named *relation*, as it takes time to build a trusting relationship (Fulmer & Gelfand, 2012). Level of education was assessed since it may inflict sales performance (Cotham, 1969), and was reported on a 5-item scale (1 = Lower Secondary School, 2 = Upper Secondary)School, 3 = Certificate of Apprenticeship, 4 = Bachelor's Degree, 5 = Master's Degree). Lastly, part-time employees may have more favorable attitudes towards the organization, compared to full-time counterparts (Eberhardt & Shani, 1984). Therefore, we asked respondents to report their *employment* status to identify the percentage of respondents who worked part-time, by using dichotomous variables (1 = Part-time, 2 = Full time). Since service type may influence the effect of service climate on performance (Brown & Lam, 2008; Hong et al., 2013; Jong et al., 2004), we also asked respondents to report what *department* they worked for, sales or operations, using dichotomous variables (1 = Sales, 2 = Operations).

#### Data aggregation

As the model's constructs are at the unit level, we aggregated the employee's responses to compute a single score for each unit. To statistically justify for data aggregation of individual measures, we calculated the intra-class correlation coefficients (ICCs) and multiple-item within-group agreement statistics ( $r_{WG(J)}$ ) for all variables, except the variables measuring unit performance, since the variables were reported on a unit level. Although there are no definite guidelines for determining acceptable values for ICC(1) and ICC(2), ICC(1) usually ranges from 0 to .50 with a median of .12 (James, 1982) and ICC(2) has a recommended cut-off

of .60 (Glick, 1985). Also, no critical cut-off exists for  $r_{WG(I)}$  estimates (Biemann, Cole, & Voelpel, 2012), but a traditional heuristic cut-off of .70 is recommended for aggregation (James, Demaree, & Wolf, 1984). As reported in Table 1, the ICC (1) values and F-test results for SLMX, collective felt trust, and service climate indicate sufficient between-unit variability. Also, the values for  $r_{WG(J)}$  were above, or very close to, the suggested threshold of .70 on all variables. Even though ICC (2) values for all variables, except SLMX and collective felt trust, were less than desirable, the within-unit agreement scores suggest that data aggregation is statistically justifiable (LeBreton & Senter, 2008). Overall, we see that there is a lack of sufficient between-unit variability on all variables related to organizational resources (i.e. training, autonomy, and technology) and ELMX. By looking at how the organization is organized, it is not surprising that the groups do not vary in terms of resources since accessibility to resources is mainly determined on an organizational level, and not on a unit level. This may explain why variance between teams are higher for the variables influenced directly by leaders (i.e. SLMX, collective felt trust, and service climate). Some authors argue that justification for aggregation is based on agreement within groups rather than the variation across groups (George, 1990; Gong, Law, Chang, & Xin, 2009; Schneider & Bowen, 1985), and therefore we mainly rely on the  $r_{WG(J)}$  statistics.

|                       |         |         |             |         | $r_{WG(J)}$ range |         |
|-----------------------|---------|---------|-------------|---------|-------------------|---------|
| Variables             | ICC (1) | ICC (2) | $r_{WG(J)}$ | F-Test  | Lowest            | Highest |
| Training              | .05     | .22     | .71         | 1.29    | .35               | .94     |
| Autonomy              | .05     | .20     | .69         | 0.15    | .31               | 1.00    |
| Technology            | .07     | .27     | .77         | 1.36*   | .44               | .94     |
| SLMX                  | .24     | .61     | .76         | 2.58*** | .23               | 1.00    |
| ELMX                  | .08     | .29     | .73         | 1.41*   | .44               | .97     |
| Collective Felt Trust | .31     | .69     | .79         | 3.24*** | .18               | 1.00    |
| Service Climate       | .13     | .42     | .89         | 1.72**  | .43               | .96     |
| Average               | .13     | .39     | .76         |         |                   |         |

 Table 1: Data Aggregation Statistics

Note. SLMX = Social Leader-Member Exchange, ELMX = Economic Leader-Member Exchange. ICC = Intraclass correlation coefficient. \*p < .10. \*\*p < .05. \*\*\*p < .001.

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#### Analysis

The analysis was conducted in several steps. We started by testing for common method bias (CMB), since our data was collected at a single point in time. The Harman's single factor test was used to see if the majority of explained variance (i.e. above 50 %) lies within one single factor. It is important to stress the fact that Harman's test is not a specific statistical test for CMB, and high explained variance may be caused by the causal relations amongst the variables or lack of discriminant validity (Podsakoff et al., 2003). To examine item retention and evaluate discriminant validity, we conducted an exploratory factor analysis (EFA) with promax rotation (Farrell, 2010). The number of factors were determined using Kaiser's criterion of eigenvalues equal to 1 and above (Hair, 2013, p. 109). The stringent rules of thumb were applied, and items with a loading less than .40 (Ford, MacCallum, & Tait, 1986), a cross-loading of more than .35 (Ford et al., 1986; Kiffin-Petersen & Cordery, 2003), and a differential of less than .20 were excluded (Van Dyne, Graham, & Dienesch, 1994).

Although EFA provides initial insights, Gerbing and Anderson (1988) argue that additional analysis is needed to test for unidimensionality. Therefore, we evaluated unidimensionality through several confirmatory factor analyses (CFA) between two constructs (Koufteros, 1999). Discriminant validity is supported if a two-construct model is significantly different from a one-construct model (i.e. two constructs loads on a single latent variable; Hair, 2013, p. 619). Also, to ensure that a scale is useful, reliability should be tested once unidimensionality is established (Gerbing & Anderson, 1988). The reliability was assessed using Cronbach alpha,  $\alpha$ (Cronbach, 1951). To examine the model fit of the measurement model, we ran a CFA including all constructs. In CFA, multivariate normality is assumed, and was therefore tested prior to the models using Mardia's multivariate normality test (1970) for skewness and kurtosis.

To examine model fit of the measurement model, we used chi-square per degree of freedom ratio  $(\chi^2/df)$ , since the  $\chi^2$  and resulting *p*-value is less meaningful when the model is complex. Also, researchers propose using alternative measures of fit when the model complexity increases (Hair, 2013, p. 578). Therefore, we report absolute goodness-of-fit indices, including the root-mean square error of approximation (RMSEA), and the relative goodness-of-fit indices including the

comparative fit index (CFI) and Tucker Lewis index (TLI; Hu & Bentler, 1999). Koufteros (1999) argues that the  $\chi^2/df$ -ratio should not exceed 2. A value less than .08 for RMSEA indicates adequate fit (Hair, 2013, p. 579), however, it should be interpreted with caution because RMSEA tend to reject true population models when sample size is small. Hu and Bentler (1999) suggest that a value close to .95 for TLI indicate a relative good model fit. When the value of CFI is above .90, the model usually fits well (Hair, 2013, p. 580). Although these goodness-of-fit indices are commonly used, it is important to stress the fact that our model is complex due to a large number of observable variables, and consequently, high cut-off values for CFI and TLI may be difficult to accomplish (Hair, 2013, p. 589; Hu & Bentler, 1999).

Once we verified the adequacy of model fit, we evaluated the reliability and validity of the measures. We used the standardized loading estimates between items and related construct to examine construct validity, and removed non-significant or items with loadings less than .50 from the model. To further test for convergent and discriminant validity, we calculated the composite reliability index (CRI) and average variance extracted (AVE; Fornell & Larcker, 1981; Hair, 2013, pp. 618-619). There are no generally accepted values for CRI, but Koufteros (1999) suggests that the value of CRI should be above .80. We also applied the most often used cut-off value of .50 for AVE (Bagozzi & Yi, 1988; Hair, 2013, p. 619).

According to Hair (2013, p. 201), a bivariate correlation of .70 or higher among variables may indicate problems with multicollinearity, and was thus used to assess the degree of multicollinearity. We also used the variance inflation factor (VIF) and the corresponding tolerance value. If the value of VIF is below 10, which corresponds to a minimum of .10 for tolerance values, multicollinearity is not problematic (Hair, 2013, p. 201).

To statistically test for heteroskedasticity, we applied the Breusch-Pagan test (1979). Since both service climate and unit performance operate as dependent variables in our hypotheses, we performed two tests.

As our mediational model involves latent constructs, we used structural equation modeling (SEM; Baron & Kenny, 1986). We used the four basic steps proposed by Baron and Kenny (1986) and Judd and Kenny (1981) to test hypotheses 6a-c and 7. First, the independent variable must be significantly related to the

dependent variable. Second, the independent variable must be significantly related to the proposed mediator. Third, the mediator must be significantly related to the dependent variable, and fourth, the relationship between independent and dependent variable becomes insignificant, or statistically weaker, once the mediator is added to the model. We started by testing a full mediation model where service climate fully mediates the relationship between collective felt trust and unit performance, and collective felt trust fully mediates the relationship between organizational resources, ELMX, and service climate. We did not include SLMX in the model, due to high correlation between SLMX and collective felt trust. The items measuring unit performance were added to the SEM, and we removed items with non-significant loadings or items with loadings less than .50. We also added the control variables in the SEM to see if the variables had any effect on the dependent variables (i.e. service climate and unit performance), and retained the control variables with significant effect (p < .05) on dependent variables. Further, we compared the models to four alternative models, where additional paths were added to test only a partial mediational role. The competing models are nested, and therefore, we used the chi-square difference test,  $\Delta \chi^2(df)$ , to statistically compare the models.

#### Results

The results from Harman's single-factor test revealed that total variance explained by one factor was 55%. This may indicate a problem of CMB. According to Richardson, Simmering, and Sturman (2009), all statistical techniques suggested for correcting CMB has not been proven to be reliable. Further, since the causal relations amongst variables, or lack of discriminant validity, might influence the results from Harman's single-factor test, we proceeded with EFA and CFA to further examine the structure of the variables.

The EFA revealed a presence of four factors with eigenvalues above 1. We eliminated two items for training (TR1 and TR4), one item for technology (TE1), one item for ELMX (ELMX4), and two items for service climate (SC5 and SC6), as they did not meet the inclusion criteria. The result also shows that training and technology, autonomy and service climate, and SLMX and collective felt trust loaded on the same factor. See Appendix 1 for results from EFA.

When comparing two-construct models with one-construct models (Hair, 2013, p. 619), we found a significant difference between all constructs, except training and technology,  $\Delta \chi^2(1) = 3.06$ , p > .05. Salanova et al. (2005) found that the scales for training and technology were two separate constructs, which was not coherent with our results, and we can therefore not confirm discriminant validity for these constructs. As training and technology are both related to organizational resources, and are theoretically related, we combined the constructs into a single latent variable. Based on these findings, we tested a correlated two-factor model of organizational resources through CFA, to examine model fit of a second-order construct for organizational resources (i.e. autonomy and a combination of training and technology). However, we were not able to run the model. We decided to remove autonomy as an indicator for organizational resources, since it loaded on the same factor as service climate, and thus, used the remaining items for technology and training to measure organizational resources.

The results from Mardia's test (1970) shows a multivariate skewness of 238.35, with  $\chi^2(1771) = 2037.360$ , p < .01 and a multivariate kurtosis of 484.22,  $\chi^2(1) = 0.019$ , p > .10, indicating a non-normal distribution of data due to high skewness. For further analysis, we used the Satorra-Bentler scaling correction which is robust to non-normality (Satorra & Bentler, 2011).

To run CFA on all constructs, we had to remove TE2 from the model. All standardized factor loadings were above .50 and statistically significant. Although the proposed paths were significant, the CFA did not have satisfactory fit to the data,  $\chi^2/df = 1.91$ , RMSEA = .137, CFI = .848, TLI = .819. When testing for convergent and discriminant validity, the results show a problem with discriminant validity between collective felt trust and SLMX. All variables had acceptable AVE values (>.50, Bagozzi & Yi, 1988) and CR values (>.80, Koufteros, 1999), however SLMX and CFT had a shared variance of .912, while the AVE values for SLMX and CFT were .909 and .784 respectively. Thus, AVE value for SLMX is lower than shared variance between the constructs, which means that the constructs share some of their predictive power over dependent variables (Farrell, 2010). This is not surprising, as the variables are theoretically related. Item removal can solve the issue (Farrell, 2010), and we found that retaining only one item for SLMX (SLMX4), we were able to separate the constructs. However, it is less than number

of indicator variables recommended (Hair, 2013, p. 574). Therefore, we decided to remove SLMX from the model, and were not able to test hypothesis 6b. The model shows close to adequate fit for all fit indices,  $\chi^2/df = 1.79$ , CFI = .873, TLI = .844 except for RMSEA = .128. Based on modification indices, we improved the model slightly by allowing two pairs of measurement errors to correlate; two items for service climate (SC1 and SC4) and two items for technology and service climate (TE3 and SC7). For SC1 and SC4, both items are measures of service climate, and are both related to the quality of service delivered (see Appendix 2). In the items TE3 and SC7, respondents are asked to consider to what extent they have access to technology, and thus, has similar content (see Appendix 2). The model showed adequate fit on most fit indices,  $\chi^2/df = 1.67$  (RMSEA = .118, CFI = .894, TLI = .868). Although RMSEA was higher than recommended, the proposed cut-off criteria are less preferable to use due to low sample size (Hu & Bentler, 1999). We proceeded with this model as a final measurement model. Table 2 shows the results from the models.

**Table 2:** Comparison of Fit for Measurement Models

| Measurement models           | $\chi^2(df)$     | $\chi^2/df$ | RMSEA | CFI  | TLI  | $\Delta \chi^2(df)$ |
|------------------------------|------------------|-------------|-------|------|------|---------------------|
| Initial CFA                  | 305.11 (160) *** | 1.91        | .137  | .848 | .819 |                     |
| Remove SLMX                  | 175.45 (98) ***  | 1.79        | .128  | .873 | .844 | 130.74***           |
| Correlation between measure- | 160.42 (96) ***  | 1.67        | .118  | .894 | .868 | 11.05**             |
| ment errors                  |                  |             |       |      |      |                     |

Note. RMSEA = The Root Mean Square Error of Approximation, CFI =Comparative Fit Index TLI = Tucker Lewis Index. p < .10, p < .05, p < .01.

The final measures used in further analysis are a four-item scale for organizational resources ( $\alpha = .81$ ), a three-item scale for ELMX ( $\alpha = .79$ ), a four-item scale for collective felt trust ( $\alpha = .98$ ), and a five-item scale for service climate ( $\alpha = .87$ ). Although SLMX were excluded from the final model, we also used a four-item scale for SLMX ( $\alpha = .93$ ) in the correlation matrix to see if hypothesis 3 were supported. We computed the variables by calculating the mean value (i.e. adding the values of measurement items and dividing it by the number of measurement items). Table 1 shows means, standard deviations and intercorrelations of all variables.

| Variable      | М    | SD    | 1       | 2       | 3    | 4      | 5     | 6     |
|---------------|------|-------|---------|---------|------|--------|-------|-------|
| 1. Gender     | 0.33 | 0.25  | -       |         |      |        |       |       |
| 2. Age        | 1.86 | 0.57  | 04      | -       |      |        |       |       |
| 3. Education  | 2.73 | 0.45  | .11     | 11      | -    |        |       |       |
| 4. Relation   | 1.98 | 0.59  | .01     | .38***  | 05   | -      |       |       |
| 5. Employment | 0.50 | 0.26  | .22     | 56***   | 12   | 21     | -     |       |
| 6. Tenure     | 2.87 | 0.83  | .13     | .48***  | .08  | .44*** | 43*** | -     |
| 7. Department | 0.40 | 0.26  | .04     | .09     | 12   | .01    | .25*  | .06   |
| 8. OR         | 3.87 | 0.39  | .01     | 20      | 01   | 04     | .30** | 34**  |
| 9. SLMX       | 3.88 | 0.58  | 14      | 14      | 14   | 19     | .08   | 20    |
| 10. ELMX      | 3.42 | 0.56  | 05      | 24      | 27*  | 18     | .29** | 52*** |
| 11. CFT       | 3.99 | 0.64  | 11      | 18      | 13   | 15     | .06   | 15    |
| 12. SC        | 4.00 | 0.42  | 15      | 17      | 03   | 03     | 02    | 24*   |
| 13. UP        | 0.87 | 0.04  | 33**    | 07      | 08   | 28*    | .07   | 05    |
|               |      |       |         |         |      |        |       |       |
| Variable      | 7    | 8     | 9       | 10      | 11   | . 12   |       |       |
| 7. Department | -    |       |         |         |      |        |       |       |
| 8. OR         | 14   | -     |         |         |      |        |       |       |
| 9. SLMX       | 10   | .38** | * _     |         |      |        |       |       |
| 10. ELMX      | 15   | .46** | * .11   | -       |      |        |       |       |
| 11. CFT       | 03   | .36** | .92**   | ** .05  | -    |        |       |       |
| 12. SC        | 36** | .63** | * .63** | ** .27* | .57* | ** _   |       |       |
| 13. UP        | 09   | .01   | .23     | .03     | .29* | * .10  |       |       |

Table 1: Means, Standard Deviations, Internal Consistencies and Intercorrelations

Note. OR = Organizational Resources, CFT = Collective Felt Trust, SC = Service Climate, UP = Unit Performance. \* p < .10, \*\* p < .05, \*\*\*p < .01.

The correlation between organizational resources and ELMX was lower than proposed threshold of .70 (Hair, 2013, p. 201), r = .46, p < .01, and was therefore not problematic (see Table 1). The value of VIF for all pairs were below 10, and the tolerance values were higher than the minimum cut-off threshold of 0.1 (Hair, 2013, p. 201). These results indicate that there is no problem with multicollinearity. The results from the Breusch-Pagan Test (1979), showed no evidence for heteroskedasticity when predicting service climate (i.e. organizational resources:  $\chi^2$  [1.90], p > .10; ELMX:  $\chi^2$  [.30], p > .10; CFT:  $\chi^2$  [0.02], p > .10; SLMX:  $\chi^2$ [0.06], p > .10) or unit performance (i.e. service climate:  $\chi^2$  [0.15], p > .10; CFT:  $\chi^2$  [.09], p > .10; organizational resources:  $\chi^2$  [0.08], p > .10; ELMX:  $\chi^2$  [2.00], p > .10; SLMX:  $\chi^2$  [.01], p > .10). In Table 1, we found preliminary support for hypothesis 2 and 3, which propose a positive relationship between service climate and organizational resources (r = .63, p < .01), and service climate and SLMX (r = .63, p < .01). We also found a positive relationship between service climate and ELMX (r = .27, p < .10), which goes in the opposite direction as proposed in hypothesis 4. Also, we found a positive relationship between collective felt trust and unit performance (r = .29, p < .05), as proposed in hypothesis 5. However, the correlation between service climate and unit performance (r = .10, p > .10) were insignificant.

Hypotheses 6a-c suggests that collective felt trust mediates the relationship between service climate and organizational resources, SLMX, and ELMX. In the full mediation model (M1 in Table 3), the proposed paths were significant and consistent with our expectations, except the path between service climate and unit performance ( $\beta = .09, p > .10$ ), and the path between ELMX and collective felt trust ( $\beta = -.18, p > .10$ ). The model included unit performance, where we removed six items due to low factor loadings (< .50). Consequently, the six remaining items measuring unit performance included sales and profitability compared to budget and last year, average transaction value, and value of service sold compared to last year. To control for the effect of control variables on dependent variables, we decided to retain gender, relation, and department in the model. Gender and relation had a negative significant impact on unit performance ( $\beta_{gender} = -.33, p < .01, \beta_{relation}$ = -.31, *p* < .01) and department had a negative significant impact on service climate ( $\beta_{department} = -.35, p < .01$ ). The result shows a model fit of  $\chi^2/df = 1.54$  (RMSEA = .106, CFI = .833, TLI = .812).

In the second model, a direct path from organizational resources to service climate were added (M2 in Table 3). By including this direct path, the model fit improved significantly,  $\Delta \chi^2(I) = 9.53$ , p < .01. Also, the parameter estimate was positive and statistically significant ( $\beta = .43$ , p < .01). The model fit is close to adequate,  $\chi^2/df = 1.51$  (RMSEA = .103, CFI = .843, TLI= .824). As the path between collective felt trust and organizational resources ( $\beta = .52$ , p < .01), and collective felt trust and service climate ( $\beta = .48$ , p < .01) remain significant, we conclude that collective felt trust partially mediates the relationship between organizational resources and service climate. Thus, we accept hypothesis 6a.

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Further, we added a direct path from ELMX to service climate (M3 in Table 3), and the new parameter estimate were not statistically significant ( $\beta = -.002$ , p > .10). Adding this path did not improve the model,  $\Delta \chi^2(1) = 0.00$ , p > .10 ( $\chi^2/df = 1.51$ , RMSEA = .103, CFI = .843, TLI= .822). Although the relationship between collective felt trust and service climate was statistically significant ( $\beta = .48$ , p < .01), we found an insignificant relationship between ELMX and collective felt trust ( $\beta = -.19$ , p > .10). Therefore, we concluded that collective felt trust did not partially mediate the relationship between ELMX and service climate. Thus, we reject hypotheses 4 and 6c.

By adding a direct path from collective felt trust to unit performance (M4 in Table 3), we found a significant positive relationship ( $\beta = .50, p < .01$ ). Hence, hypothesis 5, proposing a positive relationship between collective felt trust and unit performance, was accepted. Also, the relationship between collective felt trust and service climate remain significant ( $\beta = .46, p < .01$ ), and the relationship between service climate and unit performance changes from insignificant to significant from M3 ( $\beta = -.26$ , p < .05). However, the relationship between service climate and unit performance goes in the opposite direction as proposed in hypothesis 1. According to Rucker, Preacher, Tormala, and Petty (2011), this change in significance, strength, and sign between the mediator and the dependent variable can indicate a suppression effect. By excluding service climate from the model, we found that the path from collective felt trust to unit performance decreased in strength ( $\beta = .34$ , p < .01). Rucker et al. (2011, p. 366) further state that "evidence of suppression is found when an including intervening variable produces a value of c' that is greater in magnitude than c". Here, c is the path from collective felt trust to unit performance when service climate, as an intervening variable, is included. Path c is the direct path from collective felt trust to unit performance when service climate is excluded. Service climate, conceptualized as a mediator, strengthens the direct relationship between collective felt trust and unit performance instead of weakening it, and thus acts as a suppressor. Our final model includes service climate, and thus, includes a suppression effect. Maassen and Bakker (2001, p. 268) argue that "if a variable has been designated as the suppressor, and a path coefficient between this variable and the dependent variable has been found with a sign opposite to that hypothesized, one should not then conclude that a direct effect contrary to that expected is operating". Therefore, we cannot make any conclusions about the relationship between service climate and unit performance. Since we were unable to interpret the direct effect from service climate to unit performance, we instead interpreted the total effect of collective felt trust on unit performance, since the total effect is higher when including service climate. In conclusion, the model fit improved significantly from M3,  $\Delta \chi^2(1) = 12.37$ , p < .01 ( $\chi^2/df = 1.49$ , RMSEA = .101, CFI = .851, TLI = .832).

Based on modification indices, we allowed measurement errors between four items to correlate; 1) sales growth and sales against budget, 2) profitability growth and profitability against budget, 3) sales growth and profitability growth, 4) sales against budget and profitability against budget (M5 in Table 3). The model improved significantly,  $\Delta \chi^2(1) = 23.57$ , p < .01 ( $\chi^2/df = 1.40$ , RMSEA = .092, CFI = .878, TLI = .860). There were no significant changes in the proposed relationships. We kept M5 as the final mediation model.

**Table 3:** Comparison of Fit of Alternative Models

| Model | $\chi^2(df)$    | $\chi^2/df$ | RMSEA | CFI  | TLI  | $\Delta \chi^2(df)$ |
|-------|-----------------|-------------|-------|------|------|---------------------|
| M1    | 408.91 (265)*** | 1.54        | .106  | .833 | .812 |                     |
| M2    | 398.79 (264)*** | 1.51        | .103  | .843 | .824 | 9.54 (1)***         |
| M3    | 398.23 (263)*** | 1.51        | .103  | .843 | .822 | 0.00(1)             |
| M4    | 389.68 (262)*** | 1.49        | .101  | .851 | .832 | 12.37 (1)***        |
| M5    | 362.45 (258)*** | 1.40        | .092  | .878 | .860 | 23.57 (4)***        |

Note. RMSEA = The Root Mean Square Error of Approximation, CFI =Comparative Fit Index TLI = Tucker Lewis Index. \*p < .10, \*\*p < .05, \*\*\*p < .01.

Table 4 presents the direct, indirect, and total effects of organizational resources, ELMX, and collective felt trust on service climate and unit performance. The results from the Sobel's test (1982) showed a significant indirect effect between organizational resources and service climate (z = 2.117, p < .05), however, an insignificant indirect effect between service climate and ELMX (z = .3148, p > .10), and between collective felt trust and unit performance (z = -.5665, p > .10).

| Variable                 | Direct Effect | Indirect Effects Total Effe |        |  |
|--------------------------|---------------|-----------------------------|--------|--|
| Collective Felt Trust    |               |                             |        |  |
| Organizational Resources | .51***        |                             | .51*** |  |
| ELMX                     | 19            |                             | 19     |  |
| Service Climate          |               |                             |        |  |
| Collective Felt Trust    | .46***        |                             | .46*** |  |
| Department               | 30***         |                             | 30***  |  |
| Organizational Resources | .44***        | .24***                      | .68*** |  |
| ELMX                     | 01            | 09                          | 10     |  |
| Unit Performance         |               |                             |        |  |
| Collective Felt Trust    | .51***        | 13***                       | .38*** |  |
| Service Climate          | 28***         |                             | 28**   |  |
| Department               |               | .08**                       | .08**  |  |
| Relation                 | .41***        |                             | .41*** |  |
| Gender                   | 34***         |                             | 34***  |  |
| Organizational Resources |               | .07                         | .07    |  |
| ELMX                     |               | 07                          | 07     |  |

**Table 4:** Direct, Indirect, and Total effect of Collective Felt Trust andOrganizational Resources, SLMX and ELMX on Service Climate

Note. Based on standardized coefficients in the final model (M5). p < .10, p < .05, p < .01.

The final model (M5) is displayed graphically in *Figure 2*. Parallel to this analysis, we also tested the effect of including SLMX in the mediation model. The results showed that the positive relationship between organizational resources on collective felt trust was weaker when including SLMX in the model ( $\beta = .10, p < .01$ ). Additionally, we found a weak, but negative, relationship between ELMX and collective felt trust ( $\beta$  = -.08, *p* < .10). Since inclusion of SLMX affected the size and nature between independent and dependent variables, a spurious relationship (i.e. false or misleading relationship, Hair, 2013, p. 556) may exist between organizational resources, ELMX, and collective felt trust. Therefore, we interpreted the results with caution. The relationship between service climate, organizational resources, and ELMX, between collective felt trust and service climate, and between service climate and unit performance, did not change. Further, we tested lower dimensions of unit performance, meaning that we separated sales, margin, average transaction value, and value of services sold, to examine changes in the relationships between collective felt trust, service climate, and unit performance. However, the change did not lead to different conclusions. Additionally, the model fit did not improve by separating the measures for unit performance, and therefore we decided to include all six measures as indicators for overall unit performance.



**Figure 2.** Results from structural equation model for the mediation model. \*p < .10, \*\* p < .05, \*\*\*p < .01.

#### Discussion

This study builds on existing theories and research on service climate and collective felt trust, and integrate collective felt trust as a mediator on a fairly established relationship between service climate and its antecedents. It contributes by further investigating the relationship between leadership and service climate, where we include both SLMX and ELMX relationships as antecedents. Additionally, we further explored the relationship between collective felt trust and unit performance by proposing service climate as a mediating factor.

#### Collective felt trust and SLMX

Before presenting the main findings, there is a need to explain the relationship between collective felt trust and SLMX since we were unable to account for this relationship in the mediation models. We found a strong correlation between SLMX and collective felt trust (r = .92, p < .01), and thus, the constructs share considerable common variance with each other. Although the quality of LMX relationships and felt trust are considered separate constructs, their confounding nature can explain the strong relationship between them. The main difference between trust in general and LMX is that trust is considered a unilateral construct, while LMX relationships are considered a bilateral construct. Additionally, leader's willingness to assume risk is not a necessary condition in LMX, which is the case for trust (Lau et al., 2014). However, both constructs reflect the relationship between leaders and employees, and trust often characterizes an SLMX relationship (Kuvaas et al., 2012). In this study, we used the average score of SLMX within the unit, which means that a high score of SLMX in the same unit implies that leaders have established similar high-quality relationships with the majority of the group members. As collective felt trust is a group construct, the employees need to agree on the extent to which they feel trusted by their leader (Salamon & Robinson, 2008). On the other hand, if the value of SLMX is lower, it either indicates unequal quality of relationships, or that the relationships between leaders and employees within the unit does not consist of high-quality relationships. Consequently, one may argue that collective felt trust is not possible to achieve. Further, felt trust may be seen as an expression of SLMX, since trust is reciprocated in SLMX. There could be a causality causing these two variables to correlate. However, this is beyond the scope of this master thesis, and future studies should examine this relationship further.

#### Service climate and unit performance

Our hypothesis proposing a positive relationship between service climate and unit performance was not supported. Hong et al. (2013) highlights that the inconsistent results found between service climate and performance can be explained by the different contexts where this relationship has been examined. For example, Brown and Lam (2008) found in their study that service quality and customer satisfaction depends on whether the service was personal or non-personal, where personal service are more strongly related to service climate. Although we were able to control for variation between the departments, the level of personal service is likely to be different between companies, and thus, could have affected our results. Also, Jong et al. (2004) argue that the relationship depends on whether employees are performing routine or non-routine tasks, because non-routine tasks more likely requires extensive interaction between employees and customers, which leads to different perceptions of service quality. Consequently, this may moderate the relationship between service climate and financial performance (Hong et al., 2013). The level of analysis may also influence the effect of a service climate on unit performance. For example, when lower levels of service climate (e.g. unit) is aggregated to an organizational level, lower level random errors (e.g. individual

deviations) may be averaged out, and thus, the error variance at the higher level is reduced (Ostroff, Kinicki, & Clark, 2002). Based on these arguments, Hong et al. (2013) argue that one may expect a stronger relationship between organizational level service climate and organizational performance, compared to a unit level service climate and unit performance. However, investigating service climate at a unit level may give lower "psychological distance" from the employees who are directly in contact with customers, and thus, a service climate at this level has a more direct influence on employees (Dietz et al., 2004).

#### Organizational resources, collective felt trust, and service climate

In accordance with existing research (Salanova et al., 2005; Schneider et al., 1998), we found a positive relationship between organizational resources and service climate. However, this study only includes technology and training as indicators for perceived access to organizational resources, since autonomy was excluded as a result of the analysis. Auh, Menguc, Fisher, and Haddad (2011) argue that autonomy is a necessary, but not a sufficient, condition to develop a positive perception of service climate. This may explain why these constructs are related. However, examination of this relationship is out of the scope of this master thesis, and future research may further investigate this relationship. Additionally, previous research treat training and technology as separate constructs (Salanova et al., 2005), which were not coherent with our results. The strong relationship between resources and service climate indicate that when employees in the same unit have equal perception of availability of resources (i.e. training and technology), a service climate is more likely to occur compared to a unit where employees have different perceptions. However, we found that collective felt trust partially mediated the relationship between resources and service climate, which indicate that resources does not directly impact service climate. Rather, leaders can use organizational resources to communicate that they trust their employees, and which influences the way employees behave. These results extend previous research on predictors for service climate, by showing that equal access to organizational resources can shape employee's shared perception of felt trust, and that felt trust improve perception of a positive service climate. It is noteworthy that the perception of accessibility to resources seem to be different between the work units, although resources are

decided on an organizational level (i.e. the companies headquarter). It may therefore be interesting for future studies to explore the relationship between actual versus perceived access to organizational resources. Perhaps in combination with leaders' ability to convey accessibility to resources.

#### ELMX, collective felt trust and service climate

Previous research propose that ELMX is negatively related to employee outcomes, such as work performance and citizenship behavior (Kuvaas et al., 2012), and thus is mostly explored at the individual level. This study contributes by investigating to what extent ELMX affect collective felt trust and service climate, two collective phenomena which are critical for a work unit to function well (Bowen & Schneider, 2014; Hong et al., 2013; Salamon & Robinson, 2008; Salanova et al., 2005). Our findings propose that ELMX does not have a significant effect on neither collective felt trust nor service climate. This may imply that leaders who develop relationships consisting of qualities such as economic, transactional, and contractual (Kuvaas et al., 2012), does not affect to what extent a service climate exists or have any effect on felt trust among employees within the same unit. When looking at the relationships in isolation between ELMX and service climate, and between ELMX and collective felt trust, ELMX and service climate seemed to have a weak positive relationship (i.e. r = .27 p < .10), while the relationship between ELMX and collective felt trust were insignificant (r = .05, p > .10). However, the relationship between ELMX and service climate became insignificant in the structural model, and thus, analyzing the relationship simultaneously with a mediator and other possible antecedents provided different results. Theoretically, it makes sense that ELMX is not related to collective felt trust, as one considers SLMX and ELMX as quality relationships that can coexist (Kuvaas et al., 2012), and the trust dimension is reflected in SLMX. Consequently, lack of trust can result in a low score on SLMX, and may not impact ELMX.

#### Collective Felt trust and Unit performance

The current study replicates Salamon and Robinson's (2008) findings on the positive relationship between collective felt trust and organizational performance. Thus, our results add evidence to the importance of felt trust among employees on how well the unit performs in terms of financial outcomes. It is important to stress

that service climate seem to act as a suppressor variable in this relationship, and it is the total effect in our final model that must be interpreted, not the more powerful direct effect. There is significant evidence that collective felt trust are positively related to unit performance, possibly because employees feel trusted to make their own decisions and improved self-esteem for the task they were assigned to do. Employees may also feel that they are empowered to complete their tasks, without always consulting with their leader. This may also explain the positive relationship between collective felt trust and service climate.

## Limitations and Implications for Future Research

To our best knowledge, this study is the first to explore the relationship between collective felt trust and service climate, where SLMX and ELMX are proposed as possible antecedents for service climate. Additionally, we explored the relationships by using SEM, which allows us to estimate the relationships simultaneously. However, there are several limitations that need to be taken into consideration when interpreting the results. First of all, this study looks at a single climate in isolation, which may cause problems because it does not provide a "full and accurate understanding of how work climates affect individuals and collective outcomes within organizations" (Kuenzi & Schminke, 2009, p. 706).

Second, the present study is based on a cross-sectional design, and thus, we are not able to provide concrete evidence about causality between the variables. We also rely on data from a single organization located in Norway. The benefit of using this design is that we are more likely to achieve a higher degree of homogeneity in terms of organizational context, and thus, are able to rule out alternative explanations for the relationships observed. However, investigating the same relationships in other service organizations or countries may provide different results. In a different company, one may find a different company culture, and in different countries, both cultural and legal implications may impact the relationships. Therefore, future research may investigate these relationships in a different organizational setting to learn more about the generalizability of our findings. Additionally, it takes time to build trust, and therefore, these relationships could be further explored by using longitudinal data (Salamon & Robinson, 2008).

For example, previous research show an effect of trust after 18 months (Robinson, 1996).

Further, we collected individual data from employees and unit performance measures from the HQ. It could be interesting for future studies to extend the analysis by collecting data from multiple respondents. Particularly, one could collect data from customers to look at the effect of perceived customer service. Since inclusion of performance measures in the structural model led to deletion of several measures, the final model only reflects the effect on financial performance. Although financial measures are most likely related to customer service performance, there could be other contextual factors that influence financial performance. Thus, this study fails to examine to what extent collective felt trust and service climate directly relates to customer service performed by employees.

Third, several items were excluded from the final measurement model due to cross-loading or weak factor loading, and one item for technology (TE2) was removed simply because the statistical program were not able to run the model when the item was included. On the other hand, by retaining items with high factor loadings, we are sure that the indicators are strongly related to its associated construct, which is a strong indication of construct validity (Hair, 2013, p. 617).

Fourth, the results from our analysis indicate that common method bias may be problematic (i.e. Harman's single factor test > 50%), and thus, threatens the conclusions made (Podsakoff et al., 2003). However, the high level of explained variance may be caused by lack of discriminant validity between variables (Podsakoff et al., 2003), and therefore, the strong relationship between SLMX and collective felt trust can inflate the results.

Further, our study examines the relationship between variables at an aggregated level, where we computed the variables using the mean value of responses per unit. This approach may be problematic, since the "sample matrix may be a biased estimate of the population between-group covariance matrix" (Dyer, Hanges, & Hall, 2005, p. 153). Even though the data was collected from a lower level (in this case, individual level), Dyer et al. (2005) stress the importance of assessing the factor structure of constructs intended to reflect group-level phenomena and highlights that factor analysis of means can produce misleading results. Further, our findings cannot be generalized to an individual level using

aggregated data (e.g. one cannot conclude that training of one person strengthens collective felt trust). The authors suggest that these types of relationships should be explored using the multilevel-CFA developed by Muthén (1994). Therefore, future research may explore the relationships examined in the present thesis by taking this into account to get a more accurate view.

The sample size after aggregation was small (i.e. < 50), which also limits the generalizability of our findings. Also, the low statistical power in some of our proposed relationships between variables may have provided us with a conservative test of the proposed hypotheses. Additionally, our model are of higher complexity (i.e. more than five constructs), which also requires a higher sample size (Hair, 2013, p. 573). To help address these limitations, future research could further examine our hypotheses with a larger sample size.

Another limitation is that we did not have access to data on employees who did not participate, and thus, we were not able to compare participants with nonparticipants within the organization. This means that we cannot assume that our sample is a true representation of the organization.

When testing the appropriateness of data aggregation, the results showed low ICC values for all variables, except for collective felt trust and SLMX. The low between-group variability may inflate the path coefficient estimates. The reason for low ICC(2) values might be a consequence of low sample size, since it is related to ICC(1) as a function of group size (Bliese, 2000). A value of .70 or higher are considered adequate, however, achieving a value as high as .70 with small sample size may be challenging (Schneider et al., 2013). As argued in the present study, we rely on  $r_{WG(J)}$ , which were high on all variables, but insignificant for training and technology. Even so, there were enough variation in the outcomes between groups (collective felt trust and service climate) necessary to conduct a multilevel analysis.

We also found a significant correlation between unit performance and two control variables, gender and relation (see Table 2), and between service climate and department, which were not discussed. For example, the relationship between gender and unit performance was negatively significant ( $\beta = -.34$ , p < .01), which can indicate that a unit dominated by male workers has a better financial performance than units dominated by female workers. However, it is important to stress the fact that our sample per unit may not truly represent the gender ratio. In

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other words, a unit which performs well may consist of more females than males, however, the females may have chosen not to participate. Thus, we cannot draw any conclusions on this relationship. Further, a positive relationship between relation and unit performance was found ( $\beta = -.41$ , p < .01), which signifies that a unit consisting of employees who has worked longer with their leader, performs better. A negative relationship between service climate and department was also found ( $\beta = -.30$ , p < .01), which can indicate that the department employees work for can have implications for their perceptions of a service climate. More specifically, employees working in operations experience a higher degree of service climate. However, a closer examination of the gender and relation was beyond the scope of the present study, and could therefore be examined in future studies. Lastly, team size can affect the quantity and quality of social interactions, and thus, affect employees' relationships with their leaders. Therefore, one may consider including team size as an additional control variable in future research.

## **Practical Implications**

The results from our study provide insight to practitioners for managing service firms more effectively, by highlighting the role of collective felt trust to how well a unit functions. It also underlines the importance of considering context when developing a service climate in organizations, as the positive effect of service climate previously found was not replicated in this study.

The importance of perceived accessibility to resources finds support in this study, since it seems to be an important predictor for service climate and collective felt trust. To create a shared perception of the accessibility to resources among employees, leaders should communicate that they all have equal opportunities for training, and thus, a chance to develop, grow, and learn. If employees have different perceptions, there may be a chance that employees view differently on practices, procedures, and behaviors that are rewarded, supported, and expected. It may also create a conflict between employees, due to unfair treatment. Additionally, leaders should make sure that employees have access to technology, which can help employees do their tasks more efficiently and focus on customers' needs.

It also highlights the importance of employees perceived trust from leaders. Therefore, leaders need to consider both the effect of trusting their employees, in addition to the trustworthiness of their employees. It is important to note that our study does not consider actual trust from leaders, and it may therefore be a chance that leaders do not trust their employees, even though their employees feel trusted. The research area of collective felt trust is under development (Salamon & Robinson, 2008), and there is still a need to understand when and how collective felt trust is related to unit performance. However, the results imply that leaders need to pay particular attention to what and how leaders communicate with their employees in terms of trust.

Although our study did not include the effect of SLMX, we found a strong relationship between SLMX and collective felt trust. The practical implication of this relationship is that leaders who build high-quality relationships with their employees can increase the chances of felt trust among employees, which consequently, can lead to improved work behavior and organizational performance. Previous research shows that ELMX is negatively related to individual work performance (Kuvaas et al., 2012). However, when looking at the collective phenomena, ELMX was not significantly related to collective felt trust or service climate. This highlights that leaders who has a transactional and contractual relationship with their employees may not be able to create felt trust among employees or build a service climate.

Overall, our findings suggest that involvement-oriented management have true benefits for the organization. On a top-management level, one may argue that the organization should also facilitate proper training for their leaders on how to communicate efficiently with their employees, and stress the need to show trust towards their employees.

## Conclusion

Reviews show that there are known antecedents and consequences of a service climate (Bowen & Schneider, 2014; Hong et al., 2013). However, there is still a need to understand the underlying mechanisms between these variables, and more specifically, investigate the relationships with other possible mediators. Also, few studies address the concept of collective felt trust, and although Salamon and Robinson (2008) found a positive impact of collective felt trust on performance, the authors underline the importance of understanding when and how this strong relationship occurs. This study aimed at filling these gaps by proposing collective felt trust as a mediator between service climate and its antecedents, as well as service climate as a possible mediator between collective felt trust and unit performance. The results show that organizational resources have a positive effect on service climate, and this relationship is affecting the extent to which leaders are able to foster collective felt trust within a unit. This implies that leaders need to consider the effect of providing equal access to organizational resources to all employees to build a shared perception of what practices, procedures, and behavior are rewarded, supported, and expected. When considering the relationship between leaders and employees, the results also underline the importance of SLMX, while ELMX seem to be of less importance. SLMX and collective felt trust are constructs which were difficult to separate in this study, and should therefore be examined further in future research. This also applies to the relationship between collective felt trust, service climate, and performance, since we were not able to explore this relationship due to a suppressor effect. Overall, our contribution lies in the mediating role of collective felt trust. We welcome future researchers to further investigate the relationships studied in this thesis using multilevel analysis, and across different contexts. Also, we encourage future researcher to consider other dimensions of performance, such as perceived customer service.

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| Items         | Factor 1 | Factor 2 | Factor 3 | Factor 4 |
|---------------|----------|----------|----------|----------|
| SLMX1         | .9141    |          |          |          |
| SLMX2         | .8282    |          |          |          |
| SLMX3         | .9489    |          |          |          |
| SLMX4         | .5631    |          |          |          |
| CFT1          | .9289    |          |          |          |
| CFT2          | .9980    |          |          |          |
| CFT3          | .9626    |          |          |          |
| CFT4          | .9183    |          |          |          |
| AU1           |          | .7095    |          |          |
| AU2           |          | .9086    |          |          |
| AU3           |          | .8313    |          |          |
| SC1           |          | .5373    |          |          |
| SC2           |          | .7254    |          |          |
| SC3           |          | .7659    |          |          |
| SC4           |          | .7764    |          |          |
| SC7           |          | .5068    |          |          |
| TR2           |          |          | .9633    |          |
| TR3           |          |          | .5147    |          |
| TE2           |          |          | .8383    |          |
| TE3           |          |          | .8428    |          |
| TE4           |          |          | .4048    |          |
| ELMX1         |          |          |          | .5782    |
| ELMX2         |          |          |          | .8734    |
| ELMX3         |          |          |          | .7174    |
| Eigenvalues   | 11.19    | 3.50     | 1.59     | 1.14     |
| % of Variance | 55.46 %  | 17.34 %  | 7.88 %   | 5.65 %   |

## Appendix 1 – Exploratory Factor Analysis with Promax Rotation

## Appendix 2 - Questionnaire

Dette spørreskjemaet inneholder spørsmål som ber deg beskrive til hvilken grad du har tilgang til ressurser på arbeidsplassen og ditt forhold til din nærmeste leder. Ta stilling til utsagnene og velg det svaralternativet som passer best til deg.

## Service klima

Denne delen inneholder syv påstander som beskriver til hvilken grad din organisasjon fokuserer på kundeservice og kvalitet på servicen som blir gitt. Angi i hvilken grad du er enig i påstandene ved å velge **ett** svaralternativ på hvert spørsmål nedenfor.

|   | Svært uenig | Uenig | Hverken uenig | Enig | Svært enig |
|---|-------------|-------|---------------|------|------------|
|   |             |       | eller enig    |      |            |
| SC1: Ansatte i vår organisasjon har kunnskapen og evnene som kreves for å         | _           | _     | _             | _    |            |
| prestere med høy kvalitet og gi kundene våre best mulig service                   |             |       |               |      |            |
| SC2: Vår organisasjon jobber bevisst for å kontinuerlig vurdere kvaliteten på     |             |       |               |      |            |
| arbeidet vi leverer og den servicen vi yter til våre kunder.                      |             |       |               |      |            |
| SC3: I vår organisasjon mottar vi anerkjennelse og belønning når vi yter          |             |       |               |      |            |
| optimalt og gir kundene våre best mulig service                                   |             |       |               |      |            |
| SC4: Generelt sett, praktiserer vi utmerket kundeservice i vår organisasjon       |             |       |               |      |            |
| SC5: Ledelsen i vår organisasjon støtter tiltak som øker kvaliteten på            |             |       |               |      |            |
| kundeservice  |             |       |               |      |            |
| SC6: Vår organisasjon kommuniserer godt med både ansatte og kunder                |             |       |               |      |            |
| SC7: Ansatte i vår organisasjon har verktøy, teknologi og/eller andre relevante   |             |       |               |      |            |
| ressurser tilgjengelig for å kunne yte optimalt og tilby den beste kundeservicen. |             |       |               |      |            |

## Organisatoriske ressurser

Denne delen inneholder elleve påstander som beskriver til hvilke grad ansatte har tilgang til kurs og opplæring, friheten til å velge og tilgang på teknologiske hjelpemidler. Angi i hvilke grad du er enig i påstandene ved å velge **ett** svaralternativ på hvert spørsmål nedenfor.

## Kurs og opplæringsaktiviteter

|  | Svært uenig | Uenig | Hverken uenig<br>eller enig | Enig | Svært enig |
|--|-------------|-------|-----------------------------|------|------------|
| TR1: Ledere etterspør våre oppfatninger vedrørende kurs og<br>opplæringsaktiviteter      |             |       |                             |      |            |
| TR2: Kurs og opplæringsaktiviteter hjelper oss med å håndtere jobbrelaterte utfordringer |             |       |                             |      |            |
| TR3: Kurs og opplæringsaktiviteter fokuserer på hvordan jobben skal gjøres i praksis     |             |       |                             |      |            |
| TR4: Vi tilbys tilstrekkelig med kurs og opplæringsaktiviteter                           |             |       |                             |      |            |

## Autonomi

|  | Svært uenig | Uenig | Hverken uenig<br>eller enig | Enig | Svært enig |
|--|-------------|-------|-----------------------------|------|------------|
| AU1: Vi har frihet til å velge hvilke oppgaver vi ønsker å utføre                  |             |       |                             |      |            |
| AU2: Vi har frihet til å bestemme i hvilken rekkefølge vi ønsker å utføre oppgaver |             |       |                             |      |            |
| AU3: Vi har frihet til å bestemme når vi ønsker å starte og avslutte oppgaver      |             |       |                             |      |            |

## Teknologi

|  | Svært uenig | Uenig | Hverken uenig<br>eller enig | Enig | Svært enig |
|--|-------------|-------|-----------------------------|------|------------|
| TE1: Teknologiske hjelpemidler er brukervennlige og nyttige  |             |       |                             |      |            |
| TE2: Tekniske brukerveiledninger og det materiellet som trengs for å utføre oppgaver er tilgjengelig |             |       |                             |      |            |
| TE3: Teknologiske hjelpemidler er tilgjengelige  |             |       |                             |      |            |
| TE4: Ekstern teknisk support er tilgjengelig   |             |       |                             |      |            |

## Forhold til din nærmeste leder

Denne delen inneholder tolv påstander som beskriver ditt og dine kollegers forhold til nærmeste ansatte. Angi i hvilken grad du er enig i påstandene ved å velge **ett** svaralternativ på hvert spørsmål nedenfor.

## **SLMX**

|  | Svært uenig | Uenig | Hverken uenig<br>eller enig | Enig | Svært enig |
|--|-------------|-------|-----------------------------|------|------------|
| SLMX1: I vår butikk er mitt og mine kollegers forhold til vår nærmeste leder<br>basert på gjensidig tillit |             |       |                             |      |            |
| SLMX2: I vår butikk har vår nærmeste leder investert mye i oss   |             |       |                             |      |            |

| SLMX3: I vår butikk forsøker jeg og mine kolleger å bidra til å ivareta vår        |   |  |  |
|--|---|--|--|
| nærmeste leders interesser fordi vi stoler på at han eller hun vil ta godt vare på |   |  |  |
| oss  |   |  |  |
| SLMX4: Den innsatsen jeg og mine kolleger legger ned i jobben i dag vil være       | _ |  |  |
| fordelaktig for vår relasjon til nærmeste leder                                    |   |  |  |

## ELMX

|  | Svært uenig | Uenig | Hverken uenig | Enig | Svært enig |
|--|-------------|-------|---------------|------|------------|
|  |             |       | eller enig    |      |            |
| ELMX1: Den beste beskrivelsen av min og mine kollegaers relasjon til vår<br>nærmeste leder er at vi gjør det vi får beskjed om å gjøre                         |             |       |               |      |            |
| ELMX2: I vår butikk gjør vi det vår nærmeste leder krever av oss, hovedsakelig<br>fordi han eller hun er vår formelle sjef                                     |             |       |               |      |            |
| ELMX3: Vårt forhold til vår nærmeste leder er hovedsakelig basert på autoritet,<br>han eller hun har myndighet til å bestemme                                  |             |       |               |      |            |
| ELMX4: Det eneste jeg og mine kollegaer egentlig forventer av vår nærmeste<br>leder er at han eller hun oppfyller sin formelle rolle som overordnet eller sjef |             |       |               |      |            |

## Kollektiv opplevd tillit

|   | Svært uenig | Uenig | Hverken uenig<br>eller enig | Enig | Svært enig |
|---|-------------|-------|-----------------------------|------|------------|
| CFT1: Vår nærmeste leder viser at hun/han stoler på sine medarbeidere |             |       |                             |      |            |

| CFT2: Vår nærmeste leder opptrer på en måte som viser at han/hun stoler på sine<br>mederbeiders kompetense og motivasion til å gjøre en god jobb |  |  |   |
|--|--|--|---|
| inclui belders kompetatise og motivasjon til a gjøre en god jobb   |  |  |   |
| CFT3: Vår nærmeste leder viser at han/hun har tillit til at medarbeidere opptrer i   |  |  | _ |
| tråd med butikkens beste   |  |  |   |
| CFT4: I vår butikk opplever vi at vår nærmeste leder stoler på oss   |  |  |   |

## Bakgrunnsvariabler

| 1. Hva er ditt kjønn?   | 🗆 Mann                                  | 🗆 Kvinne       |            |                  |          |
|---|---|----------------|------------|------------------|----------|
| 2. Hva er din alder?  | □ 16-25 år                              | □ 26-35 år     | □ 36-45 år | □ 46-55 år       | □ 55+ år |
| 3. Hvilke høyest formell utdannelse har du?                     | 🗆 Ungdomsskole                          | ☐ Videregående | □ Fagbrev  | □ Bachelor       | □ Master |
| 4. Hvor mange år har du jobbet i selskapet?                     | □ Mindre enn 1 år                       | □ 1-2 år       | □ 3-4 år   | □ 5 år eller mer |          |
| 5. Hvordan type stilling har du?                                | 🗆 Deltid                                | 🗆 Heltid       |            |                  |          |
| 6. Hvilke avdeling tilhører du?                                 | □ Sales                                 | Operations     |            |                  |          |
| 7. Hvilke butikk jobber du i?                                   | Fritekst: Legg til<br>butikknavn og nr. |                |            |                  |          |
| 8. Hvor mange år har du jobbet under din nåværende varehussjef? | □ Mindre enn 1 år                       | □ 1-2 år       | □ 3-4 år   | □ 5 år eller mer |          |