Abstract: This study examines the influence of interpersonal trust and empowerment on organizational commitment. Interpersonal trust and empowerment are strong motivational tools shaped by the management to enhance the number of committed employees. Around 400 survey questionnaires were distributed to police officers in 7 regions of Kyrgyzstan and the capital city of Bishkek. The Structural Equation Modelling (SEM) and correlational research is used to examine the results of this study. There are very few studies assessed the aspects of obsolescent motivational theories in contemporary context. Besides, there is any significant research on organizational commitment and its determinants in Kyrgyzstan. The results of this study indicate that interpersonal trust and empowerment lead to a high level of organizational commitment at Kyrgyz National Police (KNP). Accordingly, police managers at KNP need to develop trusted environment and empower their subordinates.

Keywords: Theory Y; Theory Z; interpersonal trust; empowerment; organizational commitment; public management
Introduction

The developments of the last decade in organizational management indicate that there is a huge demand on new management approaches. In the era of globalization and technology enhancement these approaches should involve both management and regular employees in the collaborative decision-making processes (Kapucu et al. 2009). One of the most important tools in developing a successful organization is recruiting committed employees, who identify themselves with organizations’ goals and missions, plan to remain for long term and undertake extra role behaviors. This study identifies the determinants of organizational commitment and examines their roles in developing the profile of committed employees. Consequently, empowerment and interpersonal trust are considered as determinants of organizational commitment.

The beginning of 1960s, a period of intensive industrialization, was the paradigm shift in the management of the human resources (McGregor 1985). McGregor (1985) mentions the trend of democratization and movement from “hard” toward “soft” management in early 1960’s. For instance, Raadschelders and Lee (2011) in their recent piece on trends in public administration field argue that since 1980s public management has approached as “New Public Management” (NPM). Similarly, Cooper et al. (2007) saw a trend in study which has taken public administration away from the public like private model and moved in a direction of collaboration since 1960’s. This paradigm shift of 1960’s allowed the management of those days to adopt more humanitarian set of values (McGregor 1985). Moreover, McGregor (1985) argues that the foundation of the managerial paradigm shift was driven by severe pressure set after the Great Depression of thirties. “The wave of public antagonism, the open warfare accompanying the unionization of the mass production industries, the general reaction against authoritarianism, the legislation of the New Deal produced a wide ‘pendulum swing” (McGregor, 1985: 46). Even though McGregor (1985) accepts the consequences of these change trends of 1960’s as a temporary and relatively superficial reaction, it is safe to argue that these changes were not naught. Moreover, these are the circumstances which set the foundation for theories like McGregor’s Theory Y and Ouchi’s Theory Z.

This study examines the influence of interpersonal trust and empowerment on organizational commitment. Consequently, the main research question of this study is whether empowered employees within trusted environment are more committed to their organizations.
The high level of committed employees in organizations has huge impact on the entire organization. For instance, commitment plays a big role in developing a healthy organizational culture (Hartel et al. 2005). Moreover, in this study interpersonal trust, empowerment and organizational commitment are perceived as characteristics of theories Y and Z. There are relatively few studies done on the aspects of the motivational theories of Y and Z (McGregor 1985; Ouchi 1981). Moreover, there is any significant research on organizational commitment and its determinants in Kyrgyzstan. Consequently, it is safe to claim that organizations in Kyrgyz are in need for research focusing on employee motivation, especially in public sector. This study illustrates a research model for scholars that have interest in above-mentioned topics.

**Literature Review**

**Theoretical Framework**

The theoretical framework of this study includes theories Y and Z. McGregor (1985: 33) states that behind every managerial decision there are assumptions about human nature and human behavior. McGregor (1985) developed two opposite theoretical perspectives that explain managers’ perceptions on their subordinates. In the theory X McGregor (1985) established three main assumptions that state that the average employee has inborn characteristics to dislike work and try to avoid it; because of these characteristics employees must be controlled, directed and punished to reach organizational goals, and finally according to theory X an average employee prefers to be controlled, directed and does not want to take over much responsibility (McGregor, 1985).

McGregor (1985) states that Theory X type of management strategy had existed in heavily industrialized America of 1960’s. As we see from the assumptions Theory X it is a static form of managerial strategy and not quality-performance oriented. However, this study utilizes theory Y, which illustrates a proactive type of organization management strategy. In contrast to Theory X assumptions the Theory Y assumptions are more dynamic and state the followings (McGregor 1985):

1. The expenditure of physical and mental effort in work is as natural as play or rest.
2. External control and the threat of punishment are not the only means for bringing about effort toward organizational objectives. Man will exercise self-direction and self-control in the service of objectives to which he is committed.
3. Commitment to objectives is a function of the rewards associated with their achievement.

4. The capacity to exercise a relatively high degree of imagination, ingenuity, and creativity in the solution of organizational problems is widely, not narrowly, distributed in the population.

5. Under the conditions of modern industrial life, the intellectual potentialities of the average human being are only partially utilized.

Kopelman et al. (2008) also mention these assumptions as: (1) not inherently lazy, (2) capable of self-direction and self-control, and (3) capable of providing important ideas/suggestions that will improve organizational effectiveness. McGregor (1985) believes that these assumptions indicate the likelihood of human development and highlight the fact that human collaborations are not caused by human nature but by management’s failure in determining their potential. Theory Y suggests that management and its methods of organization and control are responsible for having every “... lazy, indifferent, unwilling to take responsibility, intransigent, uncreative” employees (McGregor, 1985: 48).

According to Theory Y, some police officers see their duty as natural and will be self-directing if they are committed to the objectives. Thus, one of the most important roles of ranked officer’s is to help their subordinates achieve their potential. Kopelman and his colleagues (2008) also argue that with appropriate management practices, by providing objectives and rewards and the opportunity to participate in decision-making processes, personal and organizational goals can be easily comprehended. Consequently, it is safe to say that theory Y assumptions may lead to the reciprocal setting of objectives with intensive participation from subordinates. What theory Y accentuates is that organizational goals at any level of the organization are bounded together both through a "bottom up" approach and a "top down" approach (Kopelman et al. 2008; Wilkinson 1998; Nyhan 2000). So, if each police officer achieves his/her goals, then the whole police department will achieve its goals and the police organization objectives will be mostly met. Morden (1995) states that theory Y employees like their work, find meaning in it, understand rules, can be trusted and can exercise discretion.

Nyhan (2000) in his article states that the trust-based model does not seek worker compliance but rather collective development of opportunities to meet organizational goals. Consequently, organization’s goal “reaching high commitment” goes through the trust-based model. One of the determinants of trust to reach the high commitment is participative decision-
making and empowerment (Whisenand 2011). Wilkinson (1998) states that participation would satisfy human growth needs of self-actualization and fulfillment and through this mechanism increase motivation and performance. “The trust-based model proposes that increased participatory decision making (PDM) practices, specifically empowerment, feedback, and collective management decisions, will lead to increased trust and positive organizational outcomes” (Nyhan 2000: 88).

McGregor (1985) argues that to get more positive view of workers managers have to be open. McGregor (1985) believes that theory Y managers develop the climate of trust with employees, which is required for human resource development. Consequently, it is safe to say that human resource development mentioned by McGregor (1985) would include ranked police officers that communicate openly with subordinate officers, minimizing the difference between superior-subordinate relationships, creating a comfortable environment in which subordinate officers can develop and use their abilities. For instance, Whisenand (2011) states that police leadership must believe that most of their officers want to do a good job and they have to be treated with consideration and respect which encourages work culture.

Ouchi (1981) states that theory Z focuses on increasing employees’ loyalty to the company by providing a job for life supported with a strong focus on the well being of the employee. Type Z companies more likely to have long-term employment relationship where the relationship is not formally stated (Ouchi 1981). As a result of this lifetime relationship employers try to keep their employees and invest in their training to increase commitment and performance (Ouchi 1981). Ouchi (1981) states that long-term employment relates to career development in a critical way.

Theory Z approach quite simply suggests that involved workers are the key to increased productivity (England 1983). Those workers who are involved in large Japanese organizations are the result of an internally consistent set of norms, practices, and behaviors that are grounded in trust and interpersonal intimacy (England 1983). England (1983: 131) state that Japanese organizations “… foster lifetime employment, slow evaluation and promotion, non-specialized career paths, implicit control mechanisms, collective decision making, collective responsibility, and holistic concern in internally consistent ways which produce worker involvement and thus higher productivity”.
The most important point of this theory is that employees participate in decision-making process of the company. Ouchi (1981) emphasizes that employees must be informed about different issues of the company and be empowered to make decisions in solving those issues. Ouchi (1981) also emphasizes the importance of trust for both employees and managers. Theory Z assumes that consensus and trust can be formed throughout the organization by empowering employees in operational decision-making (Morden, 1995).

**Study Variables**

**Interpersonal Trust**

It is becoming more and more accepted that trust in the organizations and workplace is a critical factor leading to better organizational commitment (Williams 2003; La Porta et al. 1997; Nyhan 2000). Connell et al. (2003: 570) state that nowadays “…environmental and competitive pressures are pushing organizations towards flat, team-oriented structures where employees perform multidimensional work with the autonomy to make decisions”. Interpersonal trust is the glue that holds relationships between supervisor and his staff (Whisenand 2011). Consequently, the trust between co-workers and managers is vital in order to increase commitment to the organization. Nyhan (1999) defines trust as a level of confidence that person has in another person to behave in a fair, ethical and predictable manner. Gilmour (2007: 53) defines trust as a “…belief, despite uncertainty, that something you believe should be done will be done and the belief, despite uncertainty, that something you believe should not be done, will not be done, the outcome of which will be beneficial to you or another”. Six (2007) argues that in explaining trust the traditional rational choice approaches are limited, especially when we examine the interactive development of trust. There are very few empirical studies on the dynamics of interpersonal trust within an organization. One of them is Nyhan’s (2000) study which determines the probability of a trust-based organizational paradigm as a new model for public sector management.

Geller (1999) states that most frequent practitioners’ and consultants’ recommendation on facilitation of interpersonal trust is to be trustworthy. Geller (1999) provided a brainstorming with his students to discover what the trust building behaviors are. Geller’s (1999) findings consist of seven C-words which offer distinct directives for trust-building behavior which are communicating, consistency, character, commitment, caring appreciation, continuous trust-building and coaching. Geller (1999: 27) explained his seven C-words of the interpersonal trust definition as follows:
Communicating these guidelines to others in a candid and caring way opens up the kind of dialogue that starts people on a journey of interpersonal trust-building. Then people need to give each other consistent and candid feedback regarding those behaviors that reflect these trust-building principles. With character and commitment, they need to recognize others for doing it right and offer corrective feedback when there's room for improvement. And of course it's critical for the recipient of such behavior-based feedback to accept it with caring appreciation and a commitment to improve. Then the feedback recipient needs to show the character to thank the observer for the feedback, even when the communication is not all positive and is not delivered well. The feedback recipient might offer feedback on how to make the behavior-based feedback more useful. Dialogue like this is necessary to build consensus and sustain a journey of continuous trust-building. Such a journey is essential for an effective interdependent coaching process that prevents unintentional injury.

Interpersonal trust in organizations is viewed both on organizational and individual levels (McAllister 1995). McAllister (1995: 24) argues that efficiency in organizations is only possible when interdependent parties work together. On the other hand, DePasquale and Geller (1999) state that it is widely accepted that high level of interpersonal trust is advantageous for organizational functioning. Many scholars split interpersonal trust into two dimensions, cognitive and affect-based interpersonal trust (Hartel et al. 2005; McAllister 1995). Cognition-based trust in organizational setting includes competence, responsibility, reliability and dependability, on the other hand, affect-based trust represent emotional bonds between coworkers (McAllister 1995). McAllister (1995) interviewed 194 managers and professionals and his results demonstrate that managers with high affect-based trust in their colleagues are more inclined to look for opportunities to meet coworkers’ work-related needs and to engage in productive intervention. This study builds path for future research on how interpersonal trust among managers and subordinates in organizations influence their behavior and commitment. This study hypothesizes that interpersonal trust increases organizational commitment.

Zaheer et al. (1998) examined the effects of trust on employee negotiations costs and developed five-item measurement instrument by modifying previous measurement instruments. Rempel et al. (1985) research interpersonal trust in close relationships. In order to measure interpersonal trust Rempel et al. (1985) developed 26 items with .81 Cronbach’s Alpha. This study measures interpersonal trust with four items adopted from Nyhan (2000) with .85 Cronbach’s Alpha.
Empowerment

Empowerment is assumed to be the healing for “job satisfaction”, “low morale”, employee inefficiency”, poor performance” and “risk avoidance” (Whisenand 2011). Whisenand (2011) states that police supervisors are responsible for creating a work team through empowerment which enhances commitment. Peak et al. (2010) state that empowerment ranges between delegation of authority to having more communication, goal setting and feedback. “The supervisory dynamic of the moment for getting desired results is empowerment” (Whisenand, 2011: 266). We need to learn dissolving authority and self-discipline can easily replace top-down imposed discipline (Whisenand 2011). Whisenand (2011) believes that in order to have empowered employees, organizations must have a leader who empowers them and empowerment is a really strong motivating tool for doing the right work.

Wilkinson (1998) claims that the main goal for empowerment is targeting shop floor workers with the double goals of increasing productivity and commitment to employers’ goals. Cunningham and Hyman (1999) in their research on empowerment in a private company state that explanation of empowerment is predominantly focused on the role of managers. Consequently, it is safe to claim that management and leadership would be the main source to empower employees. Cunningham and Hyman (1999) believe that empowerment is becoming among management efforts to increase organizational commitment. Thus this study hypothesizes that empowerment in organizations increases organizational commitment. Moreover, this study measures empowerment with four items adopted from Nyhan (2000), which indicated the Cronbach’s Alpha as .79.

Organizational Commitment

Allen and Meyer (1990) in their study conceptualize three components of organizational commitment. These components are affective component, continuance component and normative component. Allen and Meyer (1990) in detail explain each of the components and their measurements. For instance, affective component of organizational commitment, mentioned as emotional attachment to the organization, is considered as a type of commitment that explains individuals who are involved in and enjoy membership in the organization (Allen and Meyer 1990; Hartel 2005). Porter and colleagues developed 15-item Porter Organizational Commitment Questionnaire to measure the construct (Allen and Meyer 1990). Current study also uses Potter’s questionnaire to measure commitment construct. In this study Allen and Meyer (1990: 8) found
that antecedents of affective organizational commitment are employees’ perceptions of job challenge, role clarity, goal difficulty, management receptiveness, peer cohesion, organizational dependability and commitment, employees’ equity, employees’ personal importance), feedback, trust and participation.

Eisinga et al. (2010) in their study using structural equation modeling examined whether affective, continuance and normative components of organizational commitment different among six geographically proximate Northern and Western European countries using samples of university faculty staff. These countries are Belgium, Germany, Netherlands, UK, Finland and Sweden. Eisinga et al. (2010) believe that communication and participation in decision-making are antecedents of organizational commitment and see strong correlation between intra-organizational communication and organizational commitment. Eisinga (2010) claim that affective component of commitment has positive relationship with performance and empowerment. Furthermore, this study adopted Nyhan (2000) and Porter and Smith’s (1970) questionnaires to measure organizational commitment. The Cronbach’s Alpha was .88 for five item measurement items.

**Methodology**

In order to have the right amount of samples that represent the population each participant is chosen from all regions of Kyrgyzstan and 400 questionnaires were distributed. The systematic random selection method is used in this study to choose the sample. The population of this study is 17,000 sworn police officers of KNP which is a public organization. According to Bartlett et al.’s (2001) table for determining minimum return the minimum sample size is determined as 264 with a .95 confidence level and a total of 267 officers completed the questionnaires.

This study uses Confirmatory factor analysis (CFA) to develop measurement model for latent variables. In the website of the StatSoft (2007) CFA is defined as “...an extension of factor analysis in which specific hypotheses about the structure of the factor loadings and inter-correlations are tested”. This study has two latent variables in the model, (1) interpersonal trust and (2) organizational commitment and one dependent variable which is (3) organizational commitment. Both of the exogenous and endogenous variables are latent and cannot be observed directly. Consequently, measurement models for the latent variables are developed by using observable variables (indicators). For two of the exogenous latent variables four indicators each will be included in the model (Table 1) to measure. Five indicators measure the endogenous
latent variable. For the internal consistency, Nunnally & Bernstein (1994) state that a set of items indicating a Cronbach’s Alpha higher than 0.80 is acceptable. As the Table 1 shows the Cronbach’s Alpha for all three latent variables of this study indicate acceptable value.

Table 1: Variable definition

<table>
<thead>
<tr>
<th>Variable</th>
<th>Role</th>
<th>Operational Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interpersonal Trust (IT)</td>
<td>Exogenous</td>
<td>4 items ($\alpha$: 0.85)</td>
</tr>
<tr>
<td>(Latent)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Empowerment (E)</td>
<td>Exogenous</td>
<td>4 items ($\alpha$: 0.79)</td>
</tr>
<tr>
<td>(Latent)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational Commitment</td>
<td>Endogenous</td>
<td>5 items ($\alpha$: 0.88)</td>
</tr>
<tr>
<td>(OC)</td>
<td>(Latent)</td>
<td></td>
</tr>
</tbody>
</table>

For each latent variable, one measurement model is developed and tested to evaluate the validity of the measurement models by using CFA. This study chooses one indicator as a scale factor and assigns a regression weight of 1 to the factor loading in order to derive estimates of other factor loadings (Schumacker and Lomax 1996). The goodness-of-fit statistics is analyzed to decide whether the measurement models fit the data. The AMOS software in the CFA analysis produces the goodness-of-fit statistics.

In order to evaluate the overall model fit it is recommend to use at least three fit tests (Schumacker and Lomax 1996). This study utilizes four indices to evaluate the overall model fit: GFI, AGFI, RMSEA and CMIN chi-square. For each of these indices a value greater than .90 is expected to reach and considered acceptable (Schumacker and Lomax 1996). After reaching the reasonable goodness-of-fit statistics for the model, the measurement models are used in the SEM analysis.

**Results**

With several steps of adjustment of modification indices (MI) there was observed substantial improvements in the results. Because of irrelevant critical ratios the insignificant control variables were eliminated from the model. All hypothesized latent variables indicate significant relationships and are all retained in the model. After removing control variables the
SEM analysis was conducted over again and the goodness-of-fit statistics indicate that the revised structural model was substantially improved but did not reach the accepted levels.

Based on the MI several error terms of indicators were correlated and the model reached recommended levels as it is shown in Table 2.

Table 2: Goodness-of-Fit Statistics of SEM model

<table>
<thead>
<tr>
<th>Fit Indices</th>
<th>Criterion</th>
<th>Generic Model</th>
<th>Revised Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-square ($\chi^2$)</td>
<td>Low</td>
<td>248,596</td>
<td>98,885</td>
</tr>
<tr>
<td>Degrees Of Freedom (df) ≥0</td>
<td></td>
<td>74</td>
<td>48</td>
</tr>
<tr>
<td>Likelihood Ratio ($\chi^2$/df) &lt;4</td>
<td></td>
<td>3,359</td>
<td>2,060</td>
</tr>
<tr>
<td>Tucker Lewis Index (TLI) &gt;.90</td>
<td></td>
<td>0.881</td>
<td>0.955</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI) &gt;.90</td>
<td></td>
<td>0.903</td>
<td>0.968</td>
</tr>
<tr>
<td>Root Mean Square Error ≤.05</td>
<td></td>
<td>0.094</td>
<td>0.063</td>
</tr>
<tr>
<td>Hoelter's Critical N (CN) &gt;200</td>
<td></td>
<td>113</td>
<td>199</td>
</tr>
</tbody>
</table>

Table 2 demonstrates the goodness-of-fit statistics for generic and revised SEM models of this study. The critical ratios in the revised model were identified as statistically significant at the .05 level. The control variables of this study have issues with critical ratios and had to be eliminated from the SEM model. After eliminating the insignificant control and correlating error terms of indicator variables based on MI the goodness-of-fit statistics indicated significant improvements. Table 2 illustrates the improvement of revised generic SEM model goodness-of-fit scores. According to Table 2 the TLI and CFI improved from .881 to .955 and from .903 to .968 respectively. The likelihood ratio decreased from 3.359 to 2.060. Substantial change was seen in RMSEA value which decreased from .094 to .063 ($\leq .05$). According to MacCallum et al. (1996) the RMSEA value ranging between .05 and .08 is accepted as mediocre fit. Consequently, it is safe to claim that the RMSEA value in this study reached the recommended level. The
Hoelter’s statistics in the generic model was too low reaching to 199 with the recommendation of 200 (MacCallum et al. 1996). In general, the results indicate that the revised SEM model provided an adequate model fit.

The revised SEM model results in Figure 1 indicate that the regression coefficients of latent variables, construct items and correlation coefficients among the measurement error terms are statistically significant. Moreover, the correlation coefficients among the exogenous latent variables indicate statistically significant correlation. The factor loadings in the SEM model range between .67 and .90. The regression coefficient for Empowerment was detected as .32 and higher than regression coefficient for Interpersonal Trust which was obtained as .29. There was located positive and strong correlation between Interpersonal and Organizational Commitment (r: .78).

Conclusion and Discussion
This study utilizes the motivational theories of Y and Z (McGregor 1985; Ouchi 1981) to demonstrate the influence of interpersonal trust and empowerment on organizational commitment at KNP. The results indicate positive and strong correlation of interpersonal trust and empowerment with organizational commitment. Allen and Rush (1998) state that organizational commitment increases organizational performance and productivity. Consequently, commitment of officers is one of the important aspects of motivation for stability and high performance in their departments. Moreover, it is important to develop a trusted environment which is possible to create by mutual communication and officers’ empowerment.

The main goal for officer empowerment is targeting lower rank officers with increasing commitment to their organization’s goals. Therefore, implementation of empowerment is mainly focused on the role of managers at KNP. Management and leadership determine the level of commitment in organizations and the results of this study confirm this point. If managers at KNP manage to develop a trusted environment within the organization it would be safe to claim that there will be more officers willing to be a part of this organization and have high levels of commitment. Thus, in order to increase interpersonal trust within KNP managers need empowerment as work practices.

The results of this study corroborate the new public management approaches mentioned by Raadschelders and Lee (2011). It is crucial for KNP managers and leadership to discover and implement these new approaches. The NPM methods encourage managers to utilize a collaborative initiative which is the main tool for motivating employees (Cooper et al. 2007). Moreover, it is also important for managers to develop trustworthy work conditions with participative decision-making process. Consequently, managers play a big role in developing trusted environment, training committed officers and implementing policy recommendations (Whisenand 2011).
References


