



Effect of Organizational Structure, Leadership and Trust on Job Performance of Employee: A Case Study on Employee at Universitas Ternama

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ABSTRACT

The objective of the research is to obtain the direct effect of organizational structure, leadership and trust on the performance of employee of Ternama University. The study was conducted at Ternama University in 2010 by using a survey method with path analysis applied in testing hypothesis and 80 samples selected by simple random sampling. The finding of the research are: (1) There is a direct effect of organizational structure on trust; (2) there is a direct effect of organizational structure on performance; (3) there is a direct effect of leadership on trust; (4) there is a direct effect of leadership on performance; (5) there is a direct effect of trust on performance; (6) there is an indirect effect of organizational structure on performance through trust, and (7) there is an indirect effect of leadership on performance through trust. Based on these findings, it could be concluded that any changing or variation occurred at performance might have been directly significant effected by trust and leadership, and also indirectly significant effected by organizational structure and leadership. Therefore, when we want to minimize the variation which occurred in performance, these factors such as trust, leadership and organizational structure are necessary to be taken into account.

Keywords: Organizational Structure, Leadership, Trust and Performance

JEL Classifications: L2, L22, L25

1. INTRODUCTION

Universitas Ternama (UT) is the merger of three universities, which are STIE “Ternama” (STIE “T”), Akademi Bahasa Asing “Ternama” (ABA “T”), and Sekolah Tinggi Manajemen dan Informatika Komputer “Ternama” (STMIK “T”). Since the Decree of Direktorat Jenderal Pendidikan Tinggi Nomor 237/Dikti/O/2002 was published on October 23, 2002, the three universities officially changed the name and form became UT.

The main purpose of the integration of STIE “T,” ABA “T,” and STMIK “T” becomes UT is to create synergy, effectiveness and efficiency by raising the resource sharing up so that the infrastructure and equipment can be increasingly utilized.

The merger process of those three universities becoming UT has been running as the plan. This is indicated by the lack of

major problems arising as the effect of the integration as well as the teaching and learning process that are running well. It also shows the existence of commitment and strong leadership at UT. The commitment on quality and the strong willing for always developing have been becoming the goal of the three integrating universities.

After determining the vision, mission, and objectives, the next step to be conducted is to establish an agreement on the performance that is adjusted to the organizational structure and job description. Norm, structure, and organizational value have become a part of main strategical planning for UT for achieving its long-term vision.

As an educational organization that is prioritizing job performance using information technology-based system to support main activities of the organization, UT is improving the organizational structure emphasizing more lean structure and efficient with the

optimal effectiveness achievement. Being supported with adequate information system, the lean structure of organization can support more the job performance's efficiency and effectiveness

Based on the analysis that the basic problem at UT is both job performances of the organization and the individual cannot fully support to face the rapid business competition internally, externally, and globally. Moreover, it is also not able to improve quality of the graduates.

The job performance problem faced by UT is generally caused by several factors. Internally, it is resulted by the personal factors of the employees and administrators of UT. In addition, externally, there is a changing of challenges and business condition in the education. In detail, the problem of job performance can be in the form of the low level of believe among the employees and administrators, enforcement of ethical professional is among academics, and also the impact of leadership in the management of UT. Additionally, the imbalance organizational structure to support the increase of trust becomes on of causal factor causing job performance problem.

In term of the extent of problem that influence the job performance at UT, the low level of trust should be restricted. For the information, thing that is influencing the low level of trust is leadership and organizational structure. Based on discussions above, the problems of research can be elaborated as follows:

1. Does the organizational structure have a direct effect on trust?
2. Does the organizational structure have a direct effect on job performance?
3. Does the leadership have a direct effect on trust?
4. Does the leadership have a direct effect on job performance?
5. Does the trust have a direct effect on job performance?
6. Does the organizational structure have an indirect effect on job performance through the trust?
7. Does the leadership have an indirect effect on job performance through the trust?

2. LITERATURE REVIEW

2.1. Job Performance

Job performance is a result or a creation from values of behavior shown by employees in conducting their jobs and responsibilities. Concept of job performance is simply defined by Hale (2004) as: "Doing meaningful work in effective and efficient ways." Job performance is also elaborated by Meyer (2002) as values brought to stockholder that is "performance as meeting requirements in the dominans of financial results, operations, performance for the customer, and learning and innovation." Relate in a company, job performance is able to be described as "meeting the requirements of diverse stakeholders groups and gauge performance by stakeholders' appraisals of the firm's performance." Job performance does not stand independently, it is integration of the target arrangement, comparison of the completion on target, and the measurement of shareholders value in company.

Based on Ivancevich et al. (2008), job performance is "the desired results of behavior," job performance is also function of:

(1) Capacity to do something that is related with the degree of relationship process of the individual should be relevant between job and skill, ability, knowledge, and experience, (2) opportunity to do something that is related with the availability of equipment and technology, and (3) willingness as the effort of achieving work performance. Concept of job performance is elaborated by Colquitt et al. (2009) as "the value of the set of employee behaviors that contribute, either positively or negatively, to organizational goal accomplishment."

Based on Colquitt et al. (2009), it is also defined by three factors which are: (1) Task performance, (2) citizenship behavior as contribution of positive behaviour, and (3) counter productive behavior as contribution of negative behavior. Task performance is influenced by factors of routine and adaptation, voluntary behavior is influenced by interpersonal and organizational factors, counter-productive behavior is influenced by the nature of the deviation factors, factors of production deviation, and deviation factor of political and personal aggression factor. Performance affected by many factors such as drawn in Figure 1 (Colquitt et al., 2009).

Based on the Figure 1, within an organization, job performance and organizational commitment is output of the organizational behavior process which is affected by individual mechanism in the form of: (1) Job satisfaction, (2) stress, (3) confidence, (4) trust, fairness and ethics, and (5) learning and decision making. In addition to the individual mechanisms, the performance is also influenced indirectly by: (1) Organization mechanism in the form of: (a) The organizational structure and (b) a description of the position; (2) group mechanism comprising: (a) Leadership (style and behavior), (b) leadership (power and influence), (c) the process of the group, and (d) the characteristics of the group; (3) individual characteristics such as: (a) the personality and values of structures and (b) ability.

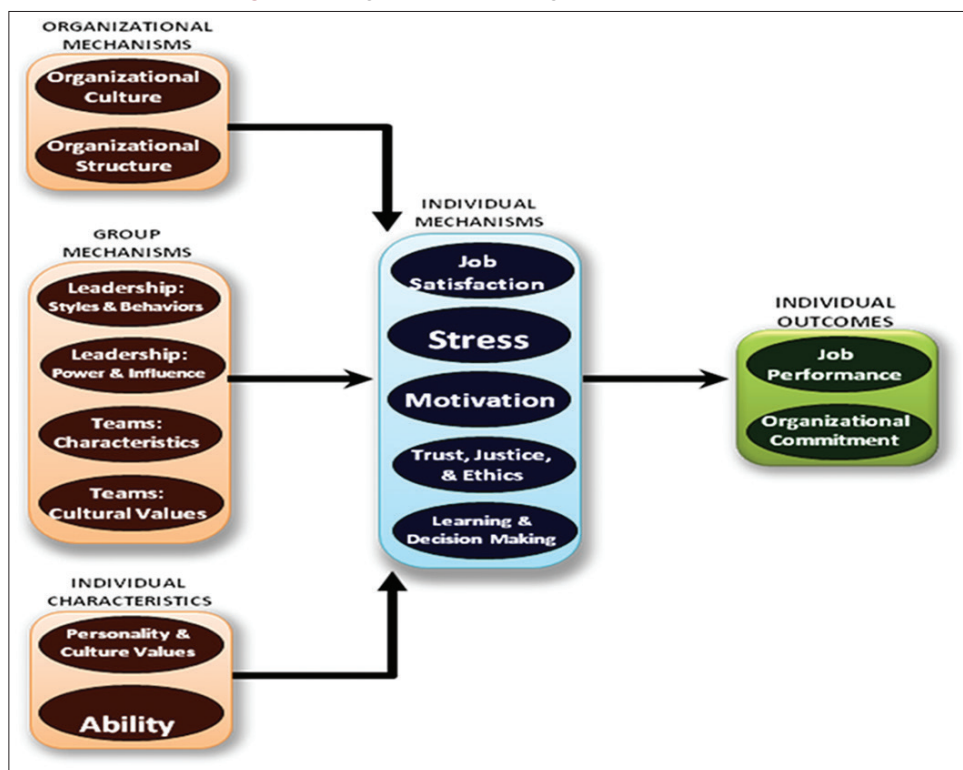
According to Sonnentag (2002) performance is defined as:

"As behavior or action that is relevant for the organization's goals and that can be scaled (measured) in terms of the level of proficiency (or contribution to goals) that is represented by a particular action or set of actions. Performance is what employers (self or other) pay you to do, or what they should pay you to do."

According to Nelson and Quick, the performance was intended as a "task accomplishment," that is seen from the outcomes and effort as a good performance. The accomplished work indicates that the performance related to employee behavior in doing their tasks with responsibility and skills that they have. Accomplishment also illustrates the qualified results as part of their precision, accuracy and ability to do the job, as well as closely related to efforts in carrying out this responsibility in order to deliver a good performance.

Armstrong (2006) says "performance is often defined simply in output terms – the achievement of quantified objectives," Definition of the performance relates the work of the behavior. As a behavior, the job performance is a human activity that is directed to the implementation of organizational tasks assigned to him.

Figure 1: Integrative model of organizational behavior



Briefing of the behavior performed by the organization through the work of reference. It is, usually in the form of regulations, description of work duties and functions, and the direction and authority of the organization. Based on some previous brief elaborations, performance in this research is the value of a set of employee behaviors that contributes positively to the fulfillment of organizational goals.

2.2. Trust

Employees who believe to the organization automatically may work quietly so that it can produce optimal performance. Belief according to Stephen and Timothy (2009) is “a positive expectation that another will not – through words, actions, or decisions – act opportunistically.” Trust according to Stephen and Timothy (2009) is a history that depends on process that underlying the relationship but with a limited sample of experience. Trust involves personal sensitivity for example like when conducting good communication. Stephen and Timothy (2009) also stated that there are five dimensions of trust, namely: (1) Integrity, (2) competence, (3) consistency, (4) loyalty and (5) openness.

According to Muchinsky (2006) trust is defined as a belief that appears even though one cannot control the actions of others against himself, the person will remain profitable actor behave towards him. The trust based on research results of Zolin and Pamela (2004) is influenced by many factors, including by the number and quality of communication, perceptions of followers, risk, leadership, and formalization. While the trust effects on organizational transparency, and performance results of the process performance.

According to McShane and Mary (2009), trust is “a psychological state comprising the intention to accept vulnerability based on

positive expectations of the intent or behavior of another person.” In other books, McShane and Mary (2009) define trust as “a person’s positive expectations toward another person in situations involving risk.” The trust also means the fate of the other person or group.

While Colquitt et al. (2009) define trust as “the willingness to be vulnerable to an authority based on positive expectations about the authority’s actions and intentions.” According to Colquitt et al. (2009) confidence influenced by, (1) The trust propensity which is a fundamental disposition of trust, (2) trustworthiness which consists of competency, character, and the benevolence, (3) feelings towards trustee.

Effect of trust in performance described by Lusch and Brown (1996) as shown in Figure 2.

In the approach to human resources, according to Stone, the trust is defined as a measure of how much the desire of employees to share information, cooperate each other and not to take advantage. According to Nelson and James (2006) trust is “the willingness to be vulnerable to the actions of another.” Relation between trust and leadership, according to Nelson and James is the followers’ confidence that their leaders will act in line with followers’ welfare purpose.

Shaw (1997) stated that trust supported by some key things like leadership practices, organizational design and organizational structure. According to Greenberg (2010), the trusts “are referring to a person’s degree of confidence in the words and action of another.” Greenberg divides trust into two parts, namely the belief that is calculus-based trust and identification-based trust.

Based on the various opinions about the trust mentioned above, in this study, the trust that is intended is a desire to rely on an authority that is based on positive expectations for action and the attention of authority.

2.3. Leadership

Some experts describe leadership differently. But most of them state that leadership relates to the leader behavior in influencing the member of organization to achieve the goal of organization. Based on Daft (2005), “leadership is influence relationship among leaders and followers who intend real changes and outcomes that reflect their shared purposes.” Thus, leadership includes of: Leader, follower, influence, purpose, responsibility and personal integrity, changes, and common goals. The direct effect of leadership on performance is illustrated by Daft as in Figure 3.

Slocum and Don (2009) describe leadership as “a person who exhibits the key attributes of leadership – ideas, vision, values, influencing others, and making tough decisions.” Leader is someone who shows the keys attributes of a leader that is the idea, the vision, values, influencing others and decision making.

According to Ivancevich et al. (2008), leadership is “using influence in an organizational setting or situation, producing effects that are meaningful and have a direct impact on accomplishing challenging goals.” This opinions supported by Kinicki and Robert (2008) by

stating: “Leadership is defined as a social influence process in which the leader seeks the voluntary participation of subordinates in an effort to reach organizational goals,” leadership involves more than taking advantage of the power and authority as well as showing the different levels. At the individual level, there involves mentoring, training/coaching, generating confidence and enthusiasm. At the group level, the leader builds groups, creates cohesion, and resolves conflicts, builds structures and eventually leader creates changes at the organizational level.

Mullins (2005) stated that there are many variables underlying the effectiveness of leadership in the organization of work, namely: The characteristics of the leader, the type of leader’s power, subordinate’s characteristics, the relationship between the leader of the group, the type and nature of the organization, the type of tasks that can be accomplished, technology, organizational structure and management system, the type of problem and the nature of the leader’s decision, characteristic and influence of the external environment, social structure and organizational structure, and also the influence of the national structure. This opinion is clearly explained how many variables that underlie the effectiveness of leadership.

Leader behavior is influenced by situational variables and intermediaries to leadership effectiveness. Yukl (2010) describes causal relationships in multiple linkage model. Leader behavior is influenced by situational variables as intermediary variables which subsequently neutralizing effect on the effectiveness criteria.

Meanwhile, Greenberg (2010) stated that leadership is “the process by which an individual influences others in ways that help attain group or organizational goals.” According to Crawford et al. (1997) that the following characters are consistently demonstrate the characteristics of effective leaders, namely: A sense of responsibility, importance of task completion, spirit, willpower, take risks, originality, confidence, capacity to handle the pressure, the capacity to influence, capacity coordinate the efforts of others in the achievement of goals. These characters indicate that leaders have a great responsibility towards his job so that he has a spirit, willpower, risk taking, confidence, and teamwork’s support.

Based on previous description, the leadership in this study is the behavior of a person to influence and direct subordinates in carrying out the work to achieve organizational goals effectively and efficiently.

Figure 2: Model of trust and job performance

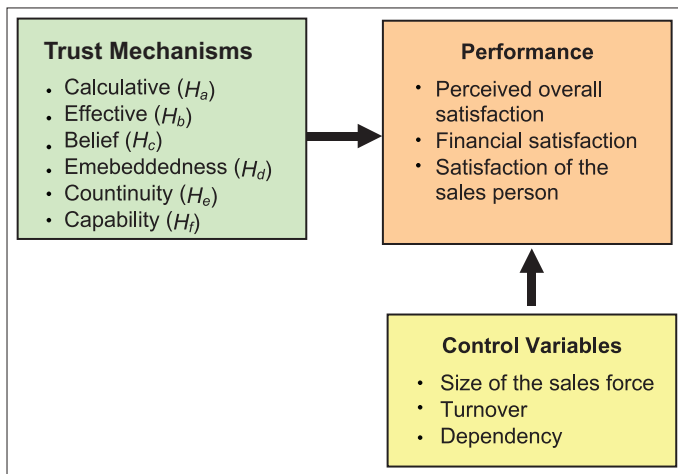
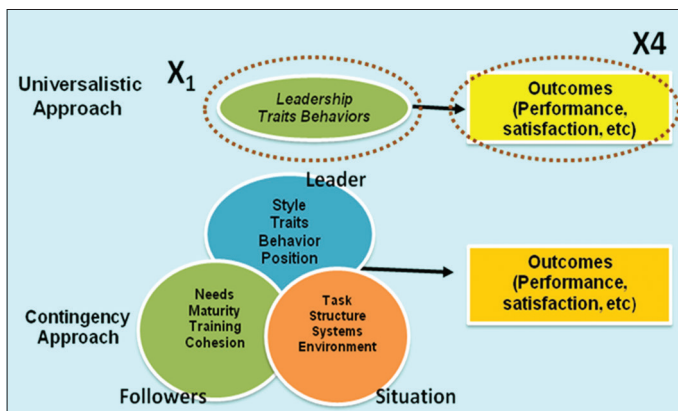


Figure 3: Universalistic and contingency leadership



2.4. Organizational Structure

Organizational structure according to Nelson and James (2006) is “the linking of departments and jobs within an organization.” Based on Nelson and James, in the organizational structure, there are six dimensions, which are: (1) Formalization which is the degree of the role of employees in the form of formal documentation such as procedures, job descriptions, guidelines and rules, (2) centralization is a level of decision made by the leaders of the organization, (3) specialization which is an arrowly defined job level and depends on the unique expertise, (4) standardization which is the activity level of work completed in a routine manner, (5) complexity, and (6) hierarchy of authority. The organizational

structure has a direct impact on job performance, as elaborated by Shani (2009) as in Figure 4.

Based on the Figure 4, organizational structure which is a form of the existing structure that adapts to the needs, whether to global competition or to the global innovation together with other factors such as the process of handling the transformation, human resources in the organization, objectives, context and process management that have direct impact on organizational performance, especially in terms of improving the productivity, quality, satisfaction and organizational growth.

Colquitt et al. (2009) organizational structures have substantial impact on the financial performance and ability to manage employees. The organizational structure is expressed as “how jobs and tasks are divided and coordinated between individuals and groups within the company.” According to Colquitt et al. (2009), there are five dimensions in organizational structure, namely: (1) Work specialization, (2) the chain of command, (3) span of control, (4) centralization and (5) formalization.

Based on Stephen and Thimoty (2009), an organizational structure is “how jobs tasks are formally divided, grouped, and coordinated.” Elements of organizational structure according to Stephen and Thimoty are working specialization, departmentalize, chain of command, the level of supervision, centralization and decentralization, and formalization.

Strong organizational structure accordance with the needs of the organization and in line with the existing circumstances and conditions directly affects the performance of the organization as described by Stephen and Thimoty as in Figure 5.

According to Greenberg (2010) organizational structure is “the formal configuration of individuals and groups with respect to the allocation of tasks, responsibilities, and authority within organization.” Based on McShane and Mary (2009), organizational structure is defined as “the division of labor as well as the patters of coordination, communication, workflow, and formal power that direct organizational activities.” The elements of organizational structure are: (1) The

Figure 4: Factors influencing job performance of the organization

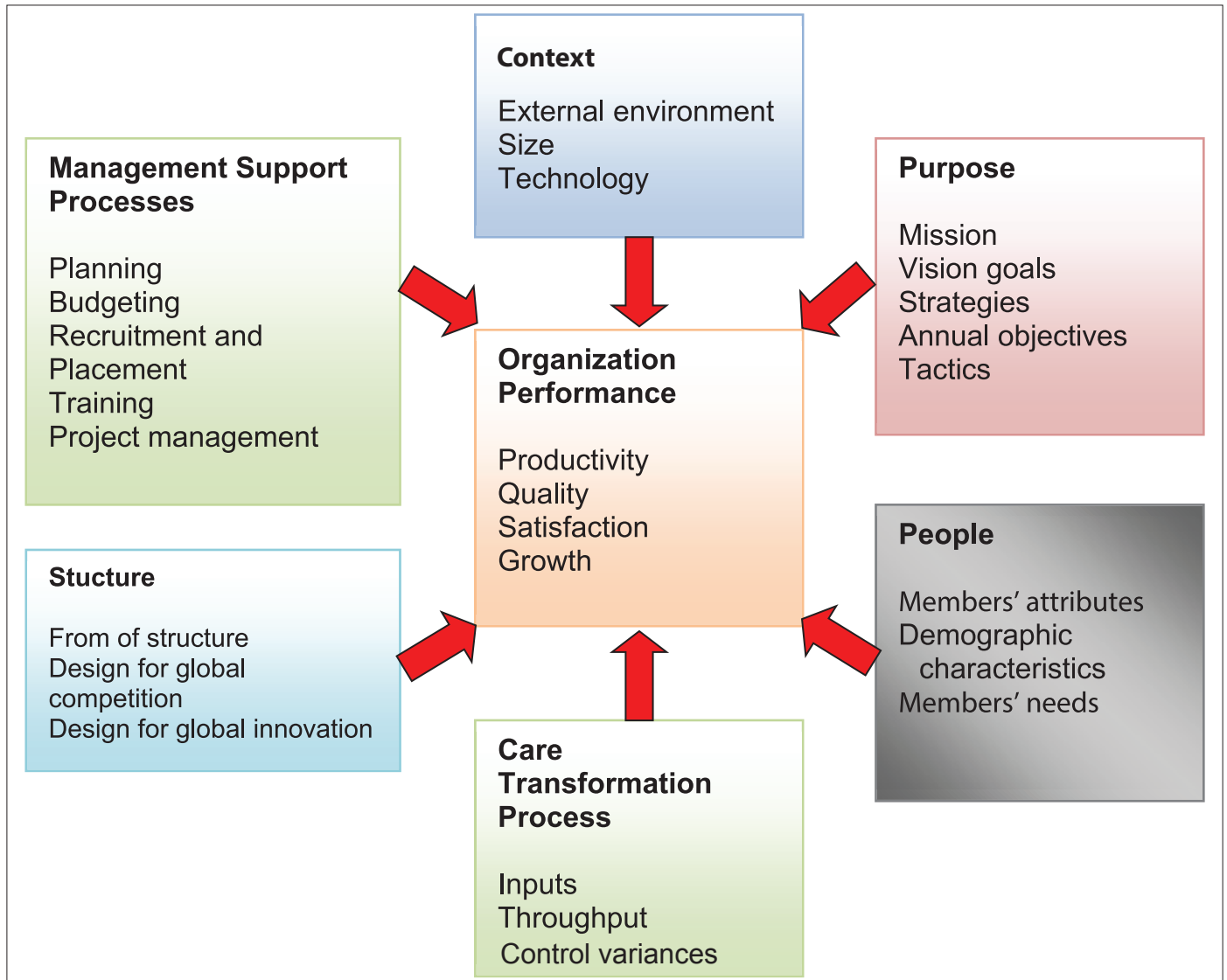
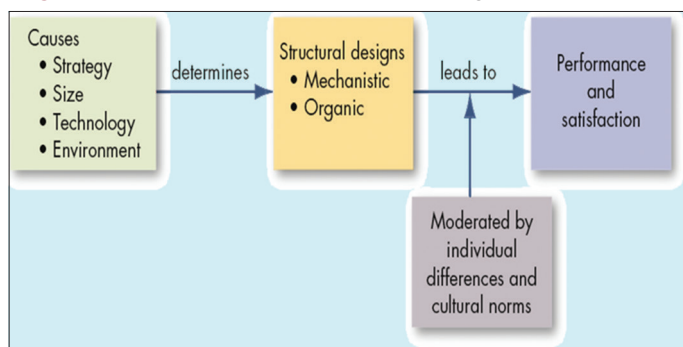


Figure 5: The determinants and outcomes of organizational structure

level of supervision, (2) centralization, (3) formalization, (4) departmentalize.

Gibson (2009) explains organizational structure as “pattern of jobs and groups of jobs in an organization. An important course of individual and group behavior.” While, according to Ivancevich et al. (2008) organizational structure is an organizational structure that is specifically based on decisions and actions of the managers.

Based on the previous theoretical studies, the organizational structure in this study is intended as a way in which the work obligations are formally divided, grouped and coordinated within the organization.

2.5. Previous Research

These are results of previous studies that are relevant to this study:

1. Research of Zolin (2004) titled “Trust in context: The development of interpersonal trust in geographically distributed work, in trust and distrust in organizations,” found that trust is influenced by many factors, including by the number and quality of communication, perceptions of followers, risk, leadership, and formalization. While, the confidence effects on organizational transparency, and performance results of the process performance.
2. Research of Chen et al. (2007) titled “The relationship between leader-member exchange (LMX), trust, supervisor support, and organizational citizenship behavior (OCB),” found that LMX affects the trust of the subordinates to supervisors and supported feeling by supervisors, and both mutually have positive effect on OCB.
3. Research of Ning and Yan (2009) titled “The effects of trust climate on individual performance,” found that the climate of trust in the workplace affects individual performance.
4. Research of Greiling (2007) titled “Trust and performance management in non-profit organizations,” found that, in a non-profit organization, there is a complementary relationship shown in three variations, namely: Performance management as a basis for the belief system, the basic belief for performance management, and performance management as a safety device in the belief that regulates relationships.
5. Research of Lookman and Fred (2005) titled “The joint effect of task characteristics and organizational context on job performance,” found that the existence of an influence, linking of task characteristics and organizational context, has a critical effect on organizational context variables towards the limited job performance.

6. Research of Jian and Ming (2007) titled “The relationship of leadership, team trust and team performance,” found that, comparatively, there is a touching relationship with the leadership. Before the team’s tasks are started, leaders need a clear communication with the team and ensure that the team has understood the jobs and task objectives. Those will effectively help the performance of the team.
7. Research of Aronson et al. (2006) titled “The impact of leader personality on new product development teamwork and performance: The moderating role of uncertainty,” found that, there is the importance of teamwork as a connecting personality variables on the performance of organizational processes and confirming a direct relationship between the openness of leadership and performance, as well as indirect relationships through teamwork under a high degree of uncertainty.

3. METHODS

3.1. Effect of Organizational Structure on Trust

Organizational structure gives flexibility to the members of the organization for working in accordance with their expertise. On the other hand, the delegation of powers and duties to members of the organization at a particular position in the organizational structure shows the trust existence of organization to the members. The organizational structure is the way sharing, grouping and coordinating the work tasks formally. Division and grouping according to the skills and interests as well as the ability of members will increase the bond of members to work within the organization. The will to do job performance well reflects the trust of employee on organization. While, the trust is defined as a willingness for relying on an authority that is based on positive expectations for action and attention of the authorities. Trust may increase when members of the organization work within the appropriate structure as their ability and interests. Based on that ideas, this is expected that organizational structure is influencing the trust.

Hypothesis 1: There is a direct effect of the organizational structure on the trust.

3.2. Effect of Organizational Structure on Job Performance

The organizational structure is one of the key factors that affect job performance. This can influence the job performance by its ability in managing people who are in the organization. Organizational structure organizes the division arrangements of employees and also the patterns of coordination, communication, work flow, and formal power that directs organizational activities. Good organizational structure will be able to improve job performance. Based on that idea, it is expected that organizational structure influences job performance.

Hypothesis 2: There is a direct effect of the organizational structure on the job performance.

3.3. Effect of Leadership on Trust

In organization that has a strong leadership, leader’s influence is extremely important in order to bring the members in the process of

approaching the goals. Leadership is essentially a person-specific characteristics in influencing the members of the organization in order to achieve organizational goals. Effective leaders will provide encouragement and direct the organization and its member to work diligently in term to achieve the desired goals. Effect of the leader who directs the organization in achieving its goal will provide assurance to members of the organization for relying and acting in accordance with the given direction. Trust itself is defined as a willingness to rely on an authority that is based on positive expectations for the action and intention of the authorities. Strong trust of the members to organizations is affected by the leader's ability to influence its members.

Based on that idea generation, it is expected that leadership may influence the trust.

Hypothesis 3: There is a direct effect of the leadership on the trust.

3.4. Effect of Leadership on Job Performance

Effective leader based on the perspective of followers include: Placing the work appropriate with the context, develop the followers, lead by giving examples, and provide support. Effective leaders must be able to support the work of the group, encourage sustainable development, empower group members, creating the confidence of group members to complete a given job, develop the group identity, manage conflict directly, and create change. Meanwhile, the job performance is the result of work/performance that can be in the form of set of values which contributes positively to the achievement of organizational goals. To obtain a set of values, there is needed direction, coaching and development of members' ability to be appropriate with the expected results. Based on that idea generation, it is expected that leadership may influence the job performance.

Hypothesis 4: There is a direct effect of the leadership on the job performance.

3.5. Effect of Trust on Job Performance

Growing trust within the organization's members gives the confidence to rely and work whole heartedly for achieving organizational goals. The work confidence and willingness for carrying out the task give an encouragement to achieve the optimal results. Job performance that is expected by members of the organization will be stronger when the trust to the organization also increases. Without trust in the organization, the resulted job performance will also decrease. Based on that idea generation, it is expected that trust could influence the job performance.

Hypothesis 5: There is a direct effect of the trust on the job performance.

3.6. Indirect Effect of Organizational Structure on Performance through Trust

The organizational structure also play a role in improving job performance. With the effective organizational structure, it is expected to increase the trust of organization's members for performing well. Organizational structure which is appropriate to the needs of the organization and in accordance with the

capabilities and expertise of members of the organization will increase the trust of the organization's members to the organization itself. Trust can be improving the job performance of organization's members during the working process. Good organizational structure indirectly improves the job performance of organization's members to work through the increase of their trust during conducting the working process. Based on that thought, this is expected that organizational structure indirectly effects the job performance through the trust.

Hypothesis 6: There is an indirect effect of the organizational structure on the job performance through the trust.

3.7. Indirect Effect of Leadership on Job Performance through Trust

Leadership is an ability for influencing others, so the others want to work in order to achieve the goal. Improved performance can be done by the leader that be conducted by increasing the trust of the organization's members. Trust is influenced by the ability of a leader to influence the members, so they will believe and rely on to the organization during the working process. Based on that idea, this is expected that leadership has indirect effect on the job performance through the trust.

Hypothesis 7: There is an indirect effect of the leadership on the job performance through the trust.

Hypothetical model of this study can be described in Figure 6.

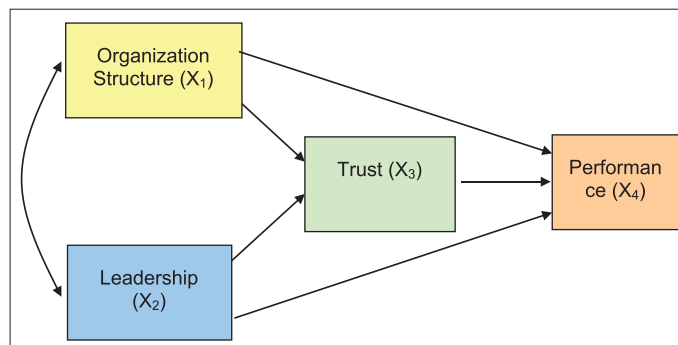
3.8. Population and Sample

The location of research was UT where is located in the city of Yogyakarta, Special Province of Yogyakarta. The method used was a survey method with causal techniques. Then, for analyzing about whether there is existed or not the effect of one variable to another variable, it is used path analysis.

The population in this study is all employees of Universitas Ternama located in the city of Yogyakarta, Special Province of Yogyakarta. Sampling frame in this study were 120 employees of UT, through a simple random sampling technique. There has been determined that the sample size for this study is 80 people.

To capture the research data, there is used instrument that is in the form of methods of data collection with the scale of attitude. This item is developed by researchers and has been tested for

Figure 6: Hypothetical model of the research



validity and reliability. Measurement of the validity of the instrument is using the product moment correlation formula. While the reliability of the instrument is applying an alpha Cronbach formula. The experimental results show that from the 40 points of job performance's questions, there are 37 points which are valid by the calculation of instrument reliability performance of 0.95, items of the trust variable are 32 points and there are 28 points which are valid by the calculation of the trust instrument reliability was 0.93, items of the leadership variable are 30 points of questions and there are 27 points which are valid by the calculation of reliability of the leadership instrument was 0.95, and items of the organizational structure variables are 38 points of questions and there are 35 points which are valid by the calculation of reliability of the organizational structure instrument was 0.94. Based on these results, there indicates that the four variables are very reliable and feasible to be used for collecting the data of research.

4. RESULTS AND DISCUSSIONS

4.1. Testing of Model

Causal effect is calculated using path coefficient (p_{ij}). Based on the path diagram below, there are five path coefficients, namely p_{31} , p_{32} , p_{41} , p_{42} and p_{43} as well as five pieces of the correlation coefficient, those are r_{13} , r_{23} , r_{14} , r_{24} , and r_{34} . The magnitude of the path coefficient is calculated either manually through Excel, and using SPSS version 17 and Lisrel 8.70, and there after for each path coefficient was calculated and tested using t-test statistics, obtained a summary of the results of all calculations are shown in Table 1 and Figure 7.

Based on the Table 1, through the t-test, it is known that X4X1 path with the path coefficient $p_{41} = -0.16$ is not significance at P value 1%, so it is appropriate with trimming theory that the path must be removed and it is obtained by calculation of modified path coefficient are shown in Figure 8 and Table 2.

4.2. Calculation of Direct and Indirect Effects

Based on the results of the path coefficients calculation and hypothesis testing, the direct and indirect influence among variables is presented in Table 3:

4.3. Discussion

Results' discussion of this study will link the research findings to relevant theories.

4.3.1. Effect of organizational structure on the trust

Direct effect of organizational structure on trust (p_{31}) has coefficient 0.51 and significance at P value 1%, it can be concluded that there is a significant direct effect the organizational structure on the trust. Based on this empirical evidence, it can be stated that the findings shows organizational structure is one of the most important variables and directly affects the trust variable.

Table 1: Summary of calculation result and path coefficient testing

Path	Path coefficient	t _{counted}	t _{table}	
			α=0.05	α=0.01
X ₃ X ₁ p31	0.51	5.28**	1.66	2.38
X ₃ X ₂ p32	0.27	2.75**	1.66	2.38
X ₄ X ₁ p41	-0.16	-1.35 ^{ns}	1.66	2.38
X ₄ X ₂ p42	0.33	3.11**	1.66	2.38
X ₄ X ₃ p43	0.51	4.22**	1.66	2.38

**P value 1%. ns: Not significance

Table 2: Summary of calculation result and path coefficient testing after trimming

Path	Path coefficient	t _{counted}	t _{table}	
			α=0.05	α=0.01
X ₃ X ₁ p31	0.51	5.28**	1.66	2.38
X ₃ X ₂ p32	0.27	2.75**	1.66	2.38
X ₄ X ₂ p42	0.29	2.84**	1.66	2.38
X ₄ X ₃ p43	0.42	4.09**	1.66	2.38

**P value 1%

Figure 7: Empirical model of structural relationship variables between based on the analysis results of initial path calculation

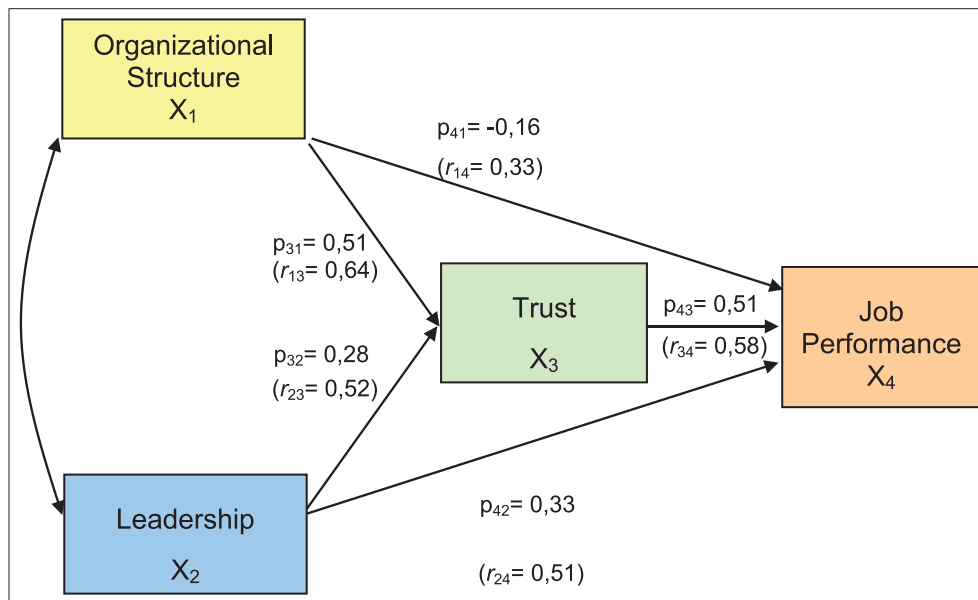


Figure 8: Empirical model of structural relationship variables between based on the analysis results of initial path calculation

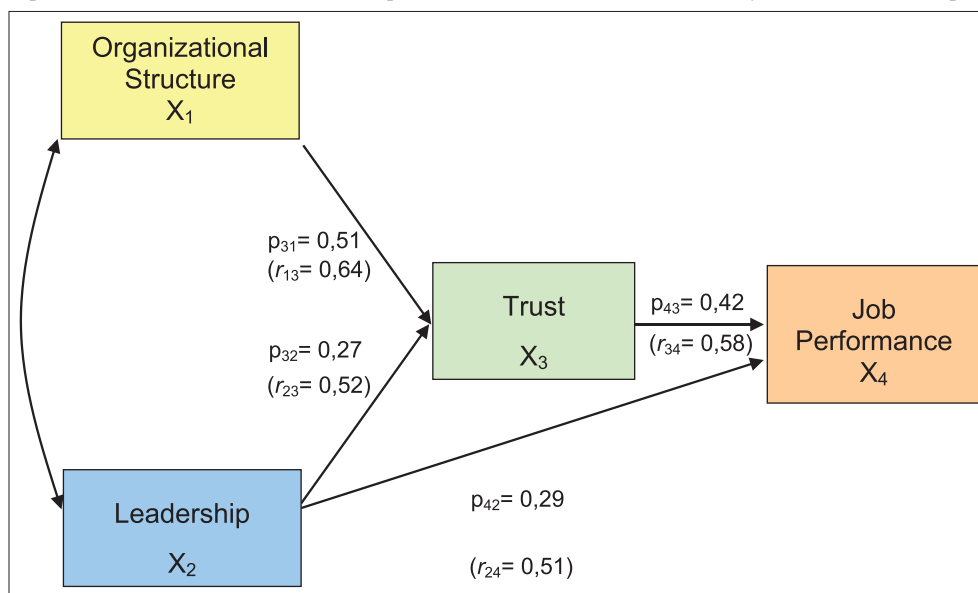


Table 3: Recapitulation of the effects of exogenous variables (X_1, X_2, X_3) on the endogenous variable (X_4)

Variable	Causal effect (p)		
	Direct	Indirect	Total
Organizational structure on trust (X_1 towards X_3)	0.51	-	0.51
Organizational structure on job performance (X_1 towards X_4)	-	0.22	0.22
Leadership on trust (X_2 towards X_3)	0.27	-	0.27
Leadership on job performance (X_2 towards X_4)	0.29	0.11	0.40
Trust on job performance (X_3 towards X_4)	0.42	-	0.42

Theoretical representations of the direct influence of the organizational structure on the trust uses an integrative model of organizational behavior from Colquitt et al. (2009), which illustrates that the organizational mechanism factors (including organizational structure) directly influences the individual mechanisms (such trust).

In addition, research is also consistent with the Shaw (1997) concept about trust is influenced directly by organizational architecture (also called organizational structure) organizational structure at UT that already exists today always considers the integrity, competence, loyalty and openness. This thing can increase the level of trust to the organization. From the theoretical description above and based on empirical evidence that is conducted in this research, proven that organizational structure directly influences the trust.

4.3.2. Effect of organizational structure on job performance

Direct effect of organizational structure on job performance has coefficient value -0.16 and is not significance with P value above 1%, then can be declared that there is no direct influence

of organizational structure on job performance. However, through the trust variable, organizational structure is proven has indirect effect with coefficient value 0.22 and significance at P value 1%. Based on empirical evidence, the findings of this study show that organizational structure has no direct effect on performance, but through trust variable there is indirect effect on job performance.

The results of this study differed with Stephen and Thimoty (2009) that stated a strong organizational structure in accordance with the needs of the organization and in line with the existing condition have direct effect on organizational performance. Similar with Shani (2009) that the organizational structure has a direct influence on performance.

Organizational structure at UT that exists today considers the task performance and citizenship behavior. However, it will be less able to improve the job performance if the integrity, competence, loyalty, and openness is not intended. From the theoretical description above and based on the empirical evidence in this research, it is proven that the organizational structure has not direct effect on performance, but through trust variables.

4.3.3. Effect of leadership on trust

Direct effect of leadership on trust has coefficient value 0.27 and significance at P value 1%, it can be concluded that there is significant direct effect of the leadership on the trust. Based on this empirical evidence, it can be stated that the findings shows that leadership is one of the most important variables and directly affects the trust variable.

Theoretical representations of the direct influence of the leadership on trust are stated by Kinicki and Robert (2008) that leadership is a process of social influence in which leaders seek voluntary participation of subordinates in an effort to achieve organizational goals. The same thing is also served by Shaw (1997) that the participation of leadership is the key point of leverage that has direct effect on trust. These results are also in line with some of

journals which are stating that leadership can affect trust. Those are according to Zolin and Pamela (2004), Chen et al. (2007), Aronson et al. (2006).

Leadership at UT currently is considering the organizational power and the power of individuals. This turned out to increase the level of trust in the organization. From the theoretical description above and based on empirical evidence that is conducted in this research, it is proven that leadership directly influences the trust.

4.3.4. *Effect of leadership on job performance*

Direct effect of leadership on job performance has coefficient value 0.29 and significance at P value 1%, it can be concluded that there is significant direct effect of the leadership on the job performance. Through the trust variable, leadership has proven that it significantly and indirectly influences the job performance with coefficient value 0.11 and significance at P value 1%. Based on this empirical evidence, it can be stated that the finding shows that leadership is one of the most important variables and directly affects the job performance variable.

Theoretical representations of the direct and indirect effect of the job performance on leadership as stated by Daft (2005) that leadership is an influence of the relationship among leaders and followers who expect real change and the result is a common goal. Similarly, as illustrated by Ivancevich et al. (2008) who are stating that leadership directly affect the performance.

These results are also in line with several journals which are stating that leadership is one of the most important variables, and it has the direct and indirect influence on the job performance variables. That are stated by Aronson et al. (2006), Leadership at UT currently is considering the organizational power and the power of individuals. This turned out to increase the level of trust in the organization.

From the theoretical description above and based on empirical evidence that is conducted in this research, it is proven that leadership directly influences the job performance.

4.3.5. *Effect of trust on job performance*

Direct effect of trust on job performance has coefficient value 0.42 and significance at P value 1%, it can be concluded that there is significant direct effect of the trust on the job performance. Based on this empirical evidence, it can be stated that the finding shows that trust is one of the most important variables and directly affects the job performance variable.

Theoretical representations of the direct and indirect influence of trust are using integrative model of organizational behavior from Colquitt et al. (2009) which illustrates that the mechanism of individual factors (including trusts) directly affect the individual out comes (job performance). Besides that, the influence of trust on the job performance is also presented by Lusch and Brown (1996) which shows that trust is affected by the mechanism of trust and control variables.

These results are also in line with several journals which are stating that trust can directly affect the performance, which are according

to Zolin and Pameola (2004), trust that is formed at UT currently is considering the integrity, competence, loyalty and openness. This turned out to increase the level of employee's job performance. From the theoretical description above and based on empirical evidence that is conducted in this research, it is proven that trust directly influences the job performance.

4.4. **Limitation**

As a scientific study to achieve optimal results, the writing process of this dissertation used the procedure in accordance with the procedures of the scientific method. However, due to certain limitation, the research is still far from perfection. The limitations in this research are: (1) The limited ability of researchers to analyze theories related to the research variables, (2) the process of data collection which is in the form of attitude perception can be doubtful, because researchers do not fully supervise the seriousness and honesty of respondents, and (3) this study only limited on organizational structure, leadership and trust on job performance, while there are many other variables that can be used as variables in further research in determining the trust and employee performance.

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