The Effect of Delegation on Felt Trust

by

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ABSTRACT

THE EFFECT OF DELEGATION ON FELT TRUST

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Trust between leaders and their subordinates is key to successful interpersonal cooperation at work, and has been related to both performance and organizational citizenship behaviour (Colquitt, Scott, & LePine, 2007). Although research suggests that effective leadership improves a subordinate’s trust in their leader, little work has examined whether a leader’s behaviours can improve their subordinate’s felt trust (Brower, Schoorman, & Tan, 2000; Dirks & Ferrin, 2002; Mayer, Davis, & Schoorman, 1995).

The present study used a between-subjects online vignette experiment to examine how subordinate felt trust may be influenced by a) a leader’s task delegation, b) the probability of negative outcomes and c) the importance of avoiding negative outcomes in the task. Participants were n = 1196 people recruited over CrowdFlower. Results indicate that leader’s task delegation improves subordinate felt trust, $d = 0.90$, 95% CI = [0.78, 1.03]. The probability of negative outcomes for the delegated task did not affect felt trust, $d = 0.03$, 95% CI = [-0.14, 0.20]. However, delegating more important tasks had a greater positive effect on felt trust than less important tasks, $d = 0.57$, 95% CI = [0.4, 0.74]. Findings support the relational leadership model; subordinates perceive leader’s risk-taking actions as indicative of trust.
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The Effect of Delegation on Felt Trust

Interpersonal trust at work, defined as the willingness to become vulnerable to the actions of others without monitoring, is important because it is associated with positive outcomes for organizations (Colquitt et al., 2007; Dirks & Ferrin, 2002; Mayer et al., 1995). Two recent meta-analyses found that subordinates’ trust in their leaders was related to increased performance, organizational citizenship behaviour, organizational commitment, satisfaction with leaders, and satisfaction with the job (Colquitt et al., 2007; Dirks & Ferrin, 2002). Similarly, in past research subordinates’ perceptions of being trusted by their leaders (felt trust) have been positively related to citizenship behaviour, satisfaction, pride in one’s work, and loyalty to one’s leader (Baer et al., 2015; Deng & Wang, 2009; Lau & Lam, 2008; Lau, Lam, & Wen, 2014; Salamon & Robinson, 2008). Surprisingly, subordinates’ felt trust has shown stronger relations to performance, citizenship behaviour, and job satisfaction than has subordinates’ level of trust in their leaders (Lester & Brower, 2003). Although subordinate felt trust is important for organizational outcomes, most of the academic literature on how leadership affects subordinate felt trust has been theoretical. Just a single study has empirically examined how leaders affect their subordinate’s felt trust (Lau, Liu, & Fu, 2007). Given that felt trust may be a better predictor of organizational outcomes than trust in leaders, and that there is little empirical work on how leaders’ behaviour affects felt trust, it is an important topic to research to understand how leaders can improve subordinate felt trust.

The effect of leadership behaviour on felt trust

The relational leadership model explains how trust forms between a leader and a subordinate by drawing together insights from the integrative trust model with leader member
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exchange (LMX) theory (Brower et al., 2000). The integrative trust model put forth by Mayer, Davis, and Schoorman (1995) forms the background for the relational model. The integrative model posits that the decision to trust another person is influenced by one’s own trait propensity to trust, as well as perceptions about the ability, benevolence, and integrity of a trustee. When an acceptable combination of these antecedents to trust is found, one will consequently be willing to become vulnerable to the actions of the trustee, in other words to take a risk on the actions of the trustee. The relational model retains these antecedents of trust and risk-taking, and draws on LMX to examine trustee reactions to this leader vulnerability.

LMX is a theory of leadership that argues interactions between a leader and an organizational member are perceived by each as representative of the quality of the relationship. Higher quality relationships are mutually recognized and characterized by positive affect, loyalty, mutual respect, and the contribution of effort (Blau, 1964; Graen & Uhl-Bien, 1995). LMX theory recognizes that the perceptions of quality held by each member of a dyad might be inconsistent with one another such that a leader might perceive a strong relationship with a subordinate while the subordinate might perceive the relationship to be poor. Relational leadership theory applies this perceptual asymmetry to trust. While a leader may trust a subordinate through becoming vulnerable to the actions of the subordinate, the subordinate forms their own perception of this trust. Within this relational model, subordinates use the leader’s risk-taking actions as cues to the leader’s degree of trust for them.

The relational model argues that leaders perceive the ability, benevolence, and integrity of subordinates. Based on these characteristics, and the leaders’ own propensity to trust, leaders decide to take risks on the subordinate’s actions (Brower et al., 2000). Evidence supports this
proposition; that a leader trusting a subordinate tends to take risks on the subordinate (Herz, Hutzinger, Seferagic, & Windsperger, 2016). The model further argues that subordinates have their own perception of the degree to which they feel their leader trusts them, and use leader risk-taking as a cue to this level of trust. Thus, the model predicts that this leader risk-taking should increase the subordinate’s feeling of being trusted by their leader. When a subordinate perceives that they have the leader’s trust a sense of increased obligation to the leader should make the subordinate more satisfied, committed, and engage in more citizenship behaviour. The proposition that leader risk-taking should make the subordinate feel trusted has not been empirically tested, and is the focus of the present study.

To date, there has only been a single empirical study of leadership and felt trust. Lau, Liu, and Fu (2007) studied 85 Chinese firms, and found that autocratic leadership, asserting absolute authority and demanding obedience from subordinates, was negatively related to subordinate felt trust. They also found that moral leadership, which is unselfish, righteous, and fair to all, and demographic similarity were positively related to felt trust (Lau et al., 2007). Although the study suggests that moral leadership behaviour is related to felt trust, the cross-sectional design of the study limits conclusions to correlation rather than causation. Using an experimental method to support causal conclusions, the present study will test how perceptions of leader risk-taking behaviour affect subordinate felt trust.

A leader can demonstrate trust in a subordinate through taking a risk on the subordinate’s actions. One way that a leader might take such a risk is through delegating a task (Brower et al., 2000; Mayer et al., 1995). Within the present study I define delegation as a leader assigning a portion of their task to a subordinate (Bechtoldt, 2015). An example of delegation is making a
subordinate responsible for a sales presentation that will determine whether a potential client signs a deal. The leader trusts that the subordinate will deliver an effective presentation, and demonstrates this trust through risking the deal on the subordinate’s presentation. It is possible that the subordinate will fail to convince the client, negatively impacting the leader. If the subordinate perceives their leader’s risk-taking, they should feel trusted. Thus, delegation should cause the subordinate to feel trusted.

**H1:** Higher leader delegation will increase subordinates’ felt trust.

Delegation is a form of risk-taking; however, a leader may delegate tasks with different levels of inherent risk. The risk inherent in a task is a function of both the *probability*, and the *importance* of avoiding negative outcomes (see Mitchell, 1999 for a review). I define the probability of negative outcomes as *the likelihood of a task having undesirable results*. Likewise, I define the importance of negative outcomes as *the magnitude of an undesirable result*. The risk of a delegated task can be conceptualized as a function of the probability and the importance of avoiding negative outcomes. As an example, consider a salesperson attempting to close a deal with a client. If a salesperson and client have met multiple times, and the client has indicated an intention to purchase (probability of negative outcome is low) a small quantity of a product (importance of negative outcome is low), then the risk of the deal is low. Alternatively, if a salesperson and client have met only once and there is not a clear intention to purchase (probability of negative outcome is high) a large amount of product (importance of negative outcome is high), then overall risk is higher. In the present study, both the probability of negative outcomes and the importance of negative outcomes of delegated tasks will be manipulated.
The risk-based view of interpersonal trust clarifies the relationship between the concepts of trust and risk. Das and Teng (2004) review the literature and offer three distinct conceptualizations of trust; trust antecedents, subjective trust, and behavioural trust. Trust antecedents include personal factors, like propensity to trust, which lead one to trust others generally. Subjective trust, the probability of having desired actions performed by a trustee, mirrors perceived risk, the probability of not attaining desirable results. So, perceived risk has a negative relation to subjective trust. Behavioural trust is the consequence of subjective trust. It involves putting the belief that another’s actions will serve one’s own interests into action by becoming vulnerable to the actions of a trustee. Therefore, the relation of subjective trust to behavioural trust is that of perceived risk and risk-taking; perceiving low risk leads to risk-taking. Subjective trust decreases the perceived risk of relying on a trustee, and so leads to behavioural trust.

The risk-based view of trust argues that one should be willing to take risks on another person in proportion to the degree of trust for the person (Das & Teng, 2004). As perceived trust leads to behavioural trust through decreasing perceived risk, behavioural trust in situations of increased risk indicates increased subjective trust. Therefore, per the risk-based model of trust, a leader delegating tasks with higher a) probability of negative outcomes or b) importance will signal greater trust in the subordinate. Because risk-taking should occur in proportion to trust, a subordinate should feel trusted in proportion to the level of risk that their leader takes on them. So, delegation of tasks higher in probability or in importance of negative outcomes might result in proportionally higher subordinate felt trust than delegation of tasks lower in these factors. Therefore, when a leader delegates a task with higher probability of negative outcomes, the
increased risk should lead the subordinate to feel more trusted than when a task is delegated with lower probability of negative outcomes. Likewise, when a leader delegates a task with higher importance of negative outcomes, felt trust should be higher than when a task is delegated with lower importance of negative outcomes (Brower et al., 2000; Das & Teng, 2004).

**H2:** Delegating a task with higher probability of negative outcomes will result in greater felt trust than delegating a task with lower probability of negative outcomes.

**H3:** Delegating a task with higher importance will result in greater felt trust than delegating a task with lower importance.

Although subordinate felt trust is higher when a leader delegates tasks high in importance or probability of negative outcomes, it should be highest when delegating tasks high in both factors. Whereas risk is a function of the probability and importance of negative outcomes, the risk of a delegated task increases proportionately to its probability and its importance (Das & Teng, 2004; Mitchell, 1999). Again, greater levels of leader risk-taking might lead to greater subordinate felt trust. Risk taking in the present study is highest when a leader delegates tasks high in both a) probability of negative outcomes, and b) importance of negative outcomes. Consequently, felt trust should be highest when delegating tasks high in both factors. This relationship means that felt trust will be higher when delegating a task that is both high in probability of negative outcomes, and high in importance than when either factor is low.

**H4:** Delegating a task with both high probability, and importance will result in higher felt trust than when either, or both, of these factors are low.
Summary

Improving subordinate felt trust could lead to increased organizational performance (Lester & Brower, 2003). However, the actions a leader can take to improve their subordinates’ felt trust are unclear, as just one study has examined the topic (Lau et al., 2007). The relational leadership model suggests that leader risk-taking should lead to subordinate felt trust (Brower et al., 2000). Delegation represents one form of risk-taking behaviour in relationships, so delegation should cause subordinates to feel more trusted. The present study will use an experimental vignette design to support causal conclusions about how delegation, the probability of negative outcomes, and importance of negative outcomes affect felt trust.

Method

To understand how delegation, task importance and probability of negative outcomes affect felt trust, the present study used a 2 (delegation: high, low) x 2 (probability of negative outcomes: high, low) x 2 (importance of avoiding negative outcomes: high, low) between-subjects experimental design.

Participants

Prior to conducting the study, a-priori contrast based accuracy in parameter estimation (AIPE) power analyses were run to determine necessary sample size using MBESS in R (Kelley, 2016). Individual AIPE models were run for each hypothesis to determine the number of participants necessary to calculate a 95% confidence interval no wider than the estimated effect size. To conservatively estimate effect sizes, safeguard estimates of previous effect sizes were used (Perugini, Gallucci, & Costantini, 2014). For Hypothesis 1, an effect size estimate of the lower bound of the 95% confidence for the effect size from a meta-analysis of trust for leaders
and risk-taking behaviour in relationships is $r = .28, n = 1384$ (Colquitt et al., 2007). Converting this $r$ value to a $d$-value results in $d = 0.58$ which informed the AIPE model for the first hypothesis (Borenstein, Hedges, Higgins, & Rothstein, 2009; Perugini et al., 2014). No direct research on the effect of delegating tasks higher or lower in probability or importance of avoiding negative outcomes exists, however these variables are components of supervisor risk-taking behaviour in relationships. As risk-taking behaviour in relationships is expected to have a medium effect on felt trust, probability of negative outcomes, and the importance of avoiding negative outcomes might also be expected to have medium sized effects, therefore estimated effect sizes of $d = 0.5$ were used to inform AIPE models. Hypothesis by hypothesis contrasts by cells, estimated and actual effect sizes, required $n$ and observed power are reported in Table 1.

The proposal for the present study is archived on the Open Science Framework (www.osf.io/w5d32/). This proposal includes preregistered hypotheses, analysis plans, and materials. Data are available at the Open Science Framework website. R code used in analysis will also be posted upon completion of the project.

The accuracy in parameter estimation models suggested a target $n$ of 992 participants. Participants in the present study were $n = 1196$ individuals recruited from the eLancing website CrowdFlower between November 6, 2016 and March 14, 2017. Participants included both Canadians and Americans fluent in English who were presently, or had been previously, employed. Participants’ ages ranged from 18 to 76 ($M = 35.01$, $SD = 11.56$). They had worked in their respective fields for an average of 9.37 years ($SD = 8.69$). Regarding gender, 564 identified as male, 629 as female, and 2 other. Regarding employment, 761 reported working full-time, 273 part-time, 59 occasional/seasonal, and 102 unemployed.
Procedure

Participants signed up to complete the study on CrowdFlower. A letter of information provided details of the study tasks to participants, and information about the process of consent including their rights. After indicating consent, participants progressed to an instruction screen. On the instruction screen participants were informed that they were to take the perspective of a fictitious employee in a small sales firm by reading a preamble and were presented with one scenario randomly selected from the eight total scenarios (Appendix A). Participants then rated the degree they would feel trusted in the scenario. On a separate page, the participant rated the degree to which they felt the leader was delegating to them, perceived leader risk-taking, perceived probability of the task reaching a negative outcome, and the importance of avoiding that outcome. Following rating the scenario, participants filled out demographic information. As compensation, participants were paid fifty cents (USD) over CrowdFlower.

Materials

Cue Development. Three cues were manipulated in each scenario; a) leader delegation, b) probability of negative outcome, and c) importance of avoiding negative outcome. In the pilot, the probability of negative outcome cue, and importance of negative outcome cue were the same as the present study, but the delegation cue was different. In the high delegation cue, the participant was assigned to present the sales pitch, and a co-worker was assigned to attend the presentation. In the low delegation cue, a co-worker was assigned to present the sales pitch, and the participant was assigned to attend the presentation. The design of the scenarios was fully crossed such that each level of each cue appeared with each level of every other cue for eight cells (See Table 2 for summary of experimental cells). Cues were developed in consultation with
subject matter experts from the Guelph Organizational Trust lab. A pilot study was run with $n = 144$ students from the University of Guelph to ensure that participants perceived differences in delegation, probability of negative outcomes, and importance of avoiding negative outcomes in the intended direction of each cue. There were differences in perceived delegation ($d = 0.35$, 95% CI [0.02, 0.68], $p = .04$), probability ($d = 0.89$, 95% CI [0.54, 1.23], $p < .001$), and importance ($d = 1.57$, 95% CI [1.19, 1.95], $p < .001$). Because of the small effect size of the delegation manipulation, the cue was amended with the input of the subject matter experts.

Descriptions of the leader delegation, probability of negative outcome, and importance of avoiding negative outcome cues follow below. Please see Appendix A for the general form of a scenario. The scenarios involve a leader discussing an upcoming important task with a subordinate, and are consistent with delegation scenarios used in recent research (Bechtoldt, 2015).

**Delegation cue.** Delegation is defined as a supervisor assigning a portion of their task to a subordinate. In the high delegation condition, the supervisor asks the participant to meet with the client as her representative to pitch the proposal. In the low delegation condition, the supervisor asks another sales team member to meet with the client as her representative to pitch the proposal. See Appendix A for the complete delegation cue.

**Probability cue.** Probability is defined as the likelihood of a task having undesirable results. The probability of negative outcome cue communicates the likelihood that the client meeting will result in a sale. In the high probability of negative outcome condition, the client has just made initial contact with the company and is considering alternatives so the sale is uncertain. In the low probability of negative outcome condition the client has met with the company
multiple times and just needs more information before closing the deal. See Appendix A for the complete probability cue.

**Importance cue.** Importance is defined as the magnitude of an undesirable result. The importance cue communicates the degree of importance attached to closing the deal. In the high importance condition, the sale is very important as it would account for a large portion of the firm’s income in the coming year. In the low importance condition, the sale is not very important as it would account for a small portion of the firm’s income in the coming year. See Appendix A for the complete importance cue.

**Felt trust.** Felt trust was measured with three items adapted from Salamon and Robinson (2007). A sample item is, “My supervisor believes I am trustworthy”. Participants rated agreement on a scale from 1 (strongly disagree) to 7 (strongly agree). Internal consistency was $\alpha = 0.93$. For the complete felt trust measure, please see Appendix B.

**Risk.** Perceived leader risk-taking was measured with three original items. A sample item is, “How much risk is your supervisor taking by involving you in the sale?” with all responses rated from 1 (no risk) to 7 (extreme risk). Internal consistency was $\alpha = 0.91$. For the complete risk measure, please see Appendix C.

**Manipulation Check.** Degree of perceived leader delegation, importance of avoiding negative outcomes, and probability of negative outcomes will be measured using a single item each. The delegation item is, “To what extent did your supervisor delegate to you?” rated from 1 (very little) to 7 (very great). The probability of negative outcomes item, “How likely was the sale to succeed?” is rated from 1 (extremely unlikely) to 7 (extremely likely), and the importance of avoiding negative outcomes item is, “How important is making the sale?” rated from 1 (not at
all important) to 7 (extremely important). For the complete manipulation check measure, please see Appendix C.

**Demographics.** The demographics form asked participants for information which could impact trust decisions including gender, age, years working in their field, and present employment status. Please see the complete demographics form in Appendix D.

**Instructed Response.** Some participants on CrowdFlower show a tendency toward insufficient effort responding, threatening the validity of online survey data (Huang, Curran, Keeney, Poposki, & DeShon, 2012; Lloret, Plaza, & Aker, 2013). Previous work has found instructed response items, where participants are told to choose a correct answer, can effectively screen participants without adverse reactions (Huang, Bowling, Liu, & Li, 2015; Marjanovic, Struthers, Cribbie, & Greenglass, 2014). Two instructed response items (adapted from Marjanovic et al., 2014) were included to screen participants who provided insufficient effort. One item appeared in the felt trust measure, and the other in the manipulation check measure. These items are, “To answer this question, please choose option number six, “agree”” and, “Choose the first option – “strongly disagree” – in answering this question”. Rated from 1 (strongly Disagree) to 7 (strongly Agree).

**Results**

Prior to conducting analyses, $n = 52$ cases where participants started the survey, and quit prior to completing any outcome measures were removed from the data set. Prior to hypothesis testing, data were screened for insufficient effort responding by removing $n = 114$ participants who incorrectly answered instructed response items (Huang et al., 2015; Marjanovic et al., 2014; Meade & Craig, 2012). The *Hmisc* package in R was used to identify missing data (Harrell &
Analyses indicate that no datum was missing among outcome measures in the remaining 1082 cases. This is likely a byproduct of requiring each item in the online survey to be completed before moving on to the next.

**Manipulation check**

A contrast revealed that participants in the high delegation condition \((M = 5.43, SD = 1.82)\) perceived greater delegation than those in the low condition \((M = 3.74, SD = 1.32)\), \(d = 1.08, 95\% CI = [0.95, 1.21]\), \(F(1, 1074) = 316.71, p < .001\). Likewise, participants in the high probability condition \((M = 5.57, SD = 1.21)\) perceived greater probability than those in the low condition \((M = 4.82, SD = 1.35)\), \(d = 0.42, 95\% CI = [0.30, 0.54]\), \(F(1, 1074) = 46.86, p < .001\). Those in the high importance condition \((M = 6.32, SD = 1.11)\) perceived greater importance than those in the low condition \((M = 4.10, SD = 1.68)\), \(d = 0.33, 95\% CI = [0.21, 0.45]\), \(F(1, 1074) = 28.80, p < .001\).

**Hypothesis tests**

The first hypothesis states that higher delegation will lead to increased felt trust. This hypothesis was tested using an a priori contrast comparing felt trust in the high delegation condition \((M = 5.80, SD = 1.04)\) to the low delegation condition \((M = 4.78, SD = 1.20)\). Results indicate more delegation led to increased reported felt trust \(d = 0.90, 95\% CI = [0.78, 1.03]\), \(F(1, 1074) = 221.33, p < .001\). See Figure 1 for a graph of the first hypothesis.

The second hypothesis states that delegating a task with higher probability of negative outcomes will result in greater felt trust than delegating a task with lower probability of negative outcomes. As the probability of negative outcomes of a task can only be interpreted when a task is delegated, this hypothesis was tested as a simple main effect by comparing high to low
probability of negative outcomes cells within only the high delegation condition. An a priori
contrast was used to compare felt trust of cells 1 and 2 ($M = 5.72, SD = 1.06$) to cells 3 and 4 ($M
= 5.68, SD = 1.10$). Results indicate that within high delegation, there is not a significant effect
of probability on felt trust $d = 0.03$, 95% CI = [-0.14, 0.20], $F(1, 536) = 0.15, p = .701$. See
Figure 2 for a graph of the second hypothesis.

The third hypothesis states that delegating tasks with high importance of avoiding
negative outcomes will result in greater felt trust than delegating tasks with lower importance of
avoiding negative outcomes. Again, as importance of negative outcomes of a delegated task can
only be interpreted when a task is delegated, this hypothesis was treated as a simple main effect
by contrasting high to low importance cells within only the high delegation condition. This
hypothesis was tested using an a priori contrast to compare felt trust of cells 1 and 3 ($M = 6.03,$
$SD = 0.98$) to cells 2 and 4 ($M = 5.38, SD = 1.18$). Results indicate that within high delegation
condition greater importance increased felt trust $d = 0.57$, 95% CI = [0.40, 0.74], $F(1, 536) =
44.74, p < .001$. See Figure 3 for a graph of the third hypothesis, and Table 2 for descriptions of
each cell.

The fourth hypothesis states that felt trust will be greatest when tasks are delegated with
high importance of avoiding negative outcomes, and probability of negative outcomes. This
hypothesis was tested using a series of a priori paired comparisons within only the high
delegation condition again as the importance and probability of negative outcomes of a task are
only interpretable when a task is delegated. See Figure 4 for a graph of the fourth hypothesis,
and Table 2 for descriptions of each cell. For the first contrast (a), felt trust in cell 1 ($M = 6.17,$
$SD = 0.83$) was compared to cell 2 ($M = 5.45, SD = 1.18$) $d = 0.66$, 95% CI = [0.41, 0.90], $F(1,$
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265) = 29.38, p < .001. For the second contrast (b) felt trust in cell 1 was compared to cell 3 (M = 6.07, SD = 0.99) d = 0.25, 95% CI = [0.01, 0.49], F(1, 263) = 4.13, p = .042. For the third contrast (c) felt trust in cell 1 was compared to cell 4 (M = 5.50, SD = 1.12) d = 0.41, 95% CI = [0.17, 0.65], F(1, 270) = 11.88, p < .001. These results indicate that felt trust is highest when delegation, importance, and probability are high compared to when either importance, or probability are low.

**Exploratory hypothesis generation**

Post hoc contrasts were used to explore whether perceived leader risk-taking, as a dependent variable, followed a similar pattern of results to felt trust. Contrasts parallel to those used to test the effects of delegation, importance, and probability on felt trust were used to examine the effects on perceived risk. Additionally, post-hoc tests were run to examine the effects of demographic variables on felt trust.

A post-hoc contrast compared risk in the high delegation condition (M = 3.68, SD = 1.24) to the low delegation condition (M = 3.09, SD = 1.36). Results suggest that more delegation may lead to increased perceived risk-taking d = 0.45, 95% CI = [0.33, 0.57], F(1, 1074) = 55.37.

A post-hoc contrast compared perceived risk-taking in the high delegation, high probability of negative outcomes cells (M = 3.69, SD = 1.21) to the high delegation, low probability cells (M = 3.66, SD = 1.27). Results suggest no effect of probability on perceived risk-taking d = 0.03, 95% CI = [-0.14, 0.20], F(1, 536) = 0.10.

A post-hoc contrast compared perceived risk-taking in the high delegation, high importance cells (M = 4.10, SD = 1.27) to the high delegation, low importance cells (M = 3.26,
Results suggest that within the high delegation condition, high importance may have increased perceived risk-taking $d = 0.64$, $95\% \ CI = [0.47, 0.82]$, $F(1, 536) = 56.13$.

A series of post-hoc contrasts compared perceived risk-taking when delegation, probability, and importance were all high to when probability or importance were low. This was done through contrasting cell 1 ($M = 4.16$, $SD = 0.83$) to cell 2 ($M = 3.21$, $SD = 1.18$, $d = 0.74$, $95\% \ CI = [0.50, 0.99]$, $F(1, 265) = 37.51$), cell 3 ($M = 4.03$, $SD = 1.31$, $d = 0.29$, $95\% \ CI = [0.05, 0.53]$, $F(1, 263) = 5.64$), and cell 4 ($M = 3.31$, $SD = 1.23$, $d = 0.45$, $95\% \ CI = [0.21, 0.69]$, $F(1, 270) = 14.17$). This pattern of results suggests that within this study perceived risk-taking was highest when all three factors were high compared to when importance, probability, or both were low.

An ANOVA suggested no effect of gender on felt trust $d = 0.06$, $95\% \ CI = [-0.06, 0.18]$, $F(2,1078) = 0.90$. Bivariate linear regression suggested a small positive effect of age on felt trust, $r^2 = .009$, $95\% \ CI = [.00, .03]$, $F(1, 1078) = 16.43$.

**Discussion**

The present study examined how leaders’ delegation behaviour, and the probability and negative outcomes of the delegated task affect subordinate felt trust. Results support most of my hypotheses. The results support the first hypothesis that delegation increases subordinate felt trust. The second hypothesis that delegating tasks with higher probability of negative outcomes would lead to higher felt trust was not supported. The manipulation check demonstrated that participants did perceive differences in the probability of negative outcomes as intended by the manipulation. However, the probability of negative outcomes did not seem to affect perceptions of either leader risk-taking, or felt trust. One reason for the lack of support might be that a high
probability of negative outcomes was interpreted by the participants as a leader setting up the subordinate to fail rather than taking a risk on the subordinate. The third hypothesis that delegating important tasks increases felt trust to a greater degree than delegating less important tasks was supported. The final hypothesis, that subordinate felt trust should be highest when the leader delegated tasks high in both importance and probability, was also supported.

One interesting observation within the present study is the high level of reported felt trust when the supervisor did not delegate a task to the subordinate (See Figure 5 for a summary of felt trust in the low delegation condition). The lowest observed felt trust was in the low delegation, high probability of negative outcomes, low importance cell at $M = 4.62$. This mean was above the average of $M = 3.62$ from previous research using the same felt trust scale (Salamon & Robinson, 2008). It is possible that participants perceived that the supervisor had a higher than neutral level of trust due to the supervisor disclosing information about the upcoming meeting. It is possible that this high felt trust rating limited the range of the scale, potentially causing a ceiling effect. Future research on felt trust might avoid using situations where a leader is disclosing sensitive information to a subordinate to avoid limiting the range of felt trust.

My findings support a key proposition of the model of relational leadership (Brower et al., 2000). The relational leadership model argues a subordinate should perceive that their leader taking a risk on them indicates trust (Brower et al., 2000). Two findings support the proposition of relational leadership theory. Firstly, task delegation is one way that a leader can take a risk on a subordinate and I found that task delegation increased subordinate felt trust. This generally supports the idea that subordinates perceive leader risk-taking to indicate trust. Furthermore, delegating high importance tasks led to greater felt trust than less important tasks. This suggests
that subordinate felt trust is proportionate to the level of leader risk-taking. Future research could examine other forms of risk-taking on subordinates such as entrusting subordinates with sensitive information, or allowing subordinates to make important decisions. Results support the relational leadership model, and provide initial evidence for a proportionate relationship between perceived risk and felt trust.

In addition to support for the relational leadership model, exploratory analyses provide tentative support for the proposition of a risk-based trust theory that perceived trust is proportional to perceived risk which could be tested in future research (Das & Teng, 2004; Mitchell, 1999). The pattern of effects that delegation of tasks with different levels of probability and importance had on perceived risk paralleled the findings around felt trust. In situations where a leader’s actions increased perceived risk, felt trust was similarly affected. Participants seemed to perceive greater risk-taking in situations where the supervisor delegated tasks, especially when tasks were important, and felt more trusted. These analyses were exploratory, and provide initial evidence for hypotheses which could be examined in future research. Future studies could examine the extent of correlation between perceived leader risk-taking and subordinate felt trust.

My findings provide a course of action for leaders seeking to make their subordinates feel more trusted. Because felt trust has been associated with workplace performance, improving the degree to which subordinates feel trusted could increase employee performance (Lau & Lam, 2008; Lau et al., 2014; Salamon & Robinson, 2008). The results from this study suggest that supervisors seeking to make their subordinates feel trusted might consider delegation, particularly of important tasks. A leader should only delegate when they truly feel that their
subordinate is up to the task to control risks of failure. Although findings are actionable, it is important to note the boundary conditions and limitations of the present study.

The present study is limited in generalizability by its experimental vignette design. This design has a strong ability to support causal relationships at the cost of doing so in an artificial environment. Having participants rate hypothetical scenarios with standardized, controlled leadership behaviour minimizes the complexity of real world situations, such as long-term dyadic dynamics, alternative forms of risk-taking, subordinate expectations and experience level, and wider group dynamics. Further, delegation needs to be perceived as risk-taking by subordinates to affect trust. Factors like whether subordinates attribute risk-taking to leader’s trust or some external circumstance could change the effect of delegation on felt trust. Future research could examine the relationship between leadership delegation and subordinate felt trust in naturalistic settings to extend the ecological validity and generalizability of the present study. Additionally, longitudinal research could examine how dyadic trust dynamics change over the life time of a working relationship. Despite the limitations of the present study, the results have both theoretical and practical importance and help to elucidate trust processes between leaders and subordinates.

In summary, findings of the present study suggest that delegation by a leader may improve subordinate felt trust, particularly when the delegated task is important. Results support propositions from the relational model of leadership. However, generalizability to the real world is limited by the low-fidelity nature of the hypothetical vignette methodology. Future work can address this question of generalizability through using surveys with leader-subordinate pairs in an organizational sample.
References


THE EFFECT OF DELEGATION ON FELT TRUST


Table 1.
Accuracy in Parameter Estimation by Hypothesis

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Contrasted cells</th>
<th>Estimated $d$ (95% CI)</th>
<th>Target total $n$</th>
<th>Observed $d$ (95% CI)</th>
<th>Observed power (1-β)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1,2,3,4 vs 5,6,7,8</td>
<td>0.58 (0.29, 0.87)</td>
<td>192</td>
<td>0.90 (0.78, 1.03)</td>
<td>1.00</td>
</tr>
<tr>
<td>2</td>
<td>1,2 vs 3,4</td>
<td>0.50 (0.25, 0.75)</td>
<td>504</td>
<td>0.03 (-0.14, 0.20)</td>
<td>0.06</td>
</tr>
<tr>
<td>3</td>
<td>1,3 vs 2,4</td>
<td>0.50 (0.25, 0.75)</td>
<td>504</td>
<td>0.57 (0.40, 0.74)</td>
<td>0.99</td>
</tr>
<tr>
<td>4a</td>
<td>1 vs 2</td>
<td>0.50 (0.25, 0.75)</td>
<td>992</td>
<td>0.66 (0.41, 0.90)</td>
<td>0.99</td>
</tr>
<tr>
<td>4b</td>
<td>1 vs 3</td>
<td>0.50 (0.25, 0.75)</td>
<td>992</td>
<td>0.25 (0.01, 0.49)</td>
<td>0.54</td>
</tr>
<tr>
<td>4c</td>
<td>1 vs 4</td>
<td>0.50 (0.25, 0.75)</td>
<td>992</td>
<td>0.41 (0.17, 0.65)</td>
<td>0.93</td>
</tr>
</tbody>
</table>

*Note.* SD = standard deviation. Observed power calculated using G*Power ANOVA fixed effects, special, main effects, and interactions post hoc power analysis (Faul, Erdfeld, Lang, & Buchner, 2007).
Table 2.

Summary of Felt Trust by Experimental Cells

<table>
<thead>
<tr>
<th>Cell</th>
<th>n</th>
<th>Felt Trust mean (95% CI)</th>
<th>SD</th>
<th>Delegation</th>
<th>Probability</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>139</td>
<td>6.17 (6.02, 6.31)</td>
<td>0.89</td>
<td>High</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>2</td>
<td>134</td>
<td>5.44 (5.25, 5.65)</td>
<td>1.23</td>
<td>High</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>3</td>
<td>132</td>
<td>6.07 (5.90, 6.24)</td>
<td>1.06</td>
<td>High</td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>4</td>
<td>139</td>
<td>5.50 (5.31, 5.69)</td>
<td>1.14</td>
<td>High</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>5</td>
<td>134</td>
<td>4.62 (4.42, 4.82)</td>
<td>1.15</td>
<td>Low</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>6</td>
<td>131</td>
<td>4.81 (4.59, 5.03)</td>
<td>1.25</td>
<td>Low</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>7</td>
<td>135</td>
<td>4.91 (4.70, 5.12)</td>
<td>1.23</td>
<td>Low</td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>8</td>
<td>138</td>
<td>4.76 (4.57, 4.96)</td>
<td>1.16</td>
<td>Low</td>
<td>Low</td>
<td>Low</td>
</tr>
</tbody>
</table>

Note. Delegation, probability of negative outcomes, and importance of negative outcomes refer to the level of each cue. n = number of participants in cell; SD = standard deviation; Probability = probability of negative outcomes; importance = importance of negative outcomes.
Figure 1. Graph of first hypothesis. Comparison of felt trust at low and high delegation conditions. Error bars represent confidence intervals around the mean.
Figure 2. Graph of the second hypothesis. Comparison of felt trust within high delegation at low and high probability. Error bars represent confidence intervals around the mean.
Figure 3. Graph of the third hypothesis. Comparison of felt trust in high delegation condition at low and high importance. Error bars represent confidence intervals around the mean.
Figure 4. Graph of the fourth hypothesis. Comparison of felt trust in high delegation condition at high probability and importance to every other cell. Error bars represent confidence intervals around the mean.
Figure 5. Graph of felt trust in low delegation condition. A comparison of felt trust by importance, and probability within the low delegation condition. Error bars represent confidence intervals around the mean.
Appendix A

Scenario format

Scenarios were in the following general form:

**Instructions.** Within the following scenario, you will take the perspective of an employee at a sales business. Following the scenario, you will respond to questions about your perceptions of the work environment.

Imagine that you have been working at CHOAM Corporation for the last four years, and that you have built positive working relationships with the other members of your sales team. Today, you are discussing an upcoming client meeting with your supervisor when she tells you, “I have planned a meeting with a potential client in about three weeks where someone from our company will pitch a sales contract we want to secure. The client has (probability of negative outcome cue). The contract is (importance of avoiding negative outcome cue). (Delegation cue).” The meeting ends, and you head back to your office.

Probability of negative outcome cue:

- High: just made initial contact with us and is considering other companies, so the sale is uncertain.
- Low: met with us multiple times, and I believe that they just need a little more information before closing the deal.

Importance of avoiding negative outcome cue:
• High: very important as it would account for a large portion of the firm’s income in the coming year.

• Low: not very important as it would account for a small portion of the firm’s income in the coming year.

Delegation

• High: Upon reviewing the members of our sales team who could go on my behalf, I have decided that I want you to be responsible for giving the presentation.

• Low: Upon reviewing the members of our sales team who could go on my behalf, I have decided that I want Pat to be responsible for giving the presentation.
In the preceding scenario, please rate how much you agree with the following statements:

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly disagree</td>
<td>Disagree</td>
<td>Somewhat disagree</td>
<td>Neither agree nor disagree</td>
<td>Somewhat agree</td>
<td>Agree</td>
<td>Strongly agree</td>
</tr>
</tbody>
</table>

1. My supervisor places trust in me.

   1  2  3  4  5  6  7
   Strongly disagree  Disagree  Somewhat disagree  Neither agree nor disagree  Somewhat agree  Agree  Strongly agree

2. My supervisor believes I am trustworthy.

   1  2  3  4  5  6  7
   Strongly disagree  Disagree  Somewhat disagree  Neither agree nor disagree  Somewhat agree  Agree  Strongly agree

3. To answer this question, please choose option number six, “agree”.

   1  2  3  4  5  6  7
   Strongly disagree  Disagree  Somewhat disagree  Neither agree nor disagree  Somewhat agree  Agree  Strongly agree

4. My supervisor believes I can be trusted.

   1  2  3  4  5  6  7
   Strongly disagree  Disagree  Somewhat disagree  Neither agree nor disagree  Somewhat agree  Agree  Strongly agree
### Appendix C

Manipulation check: In the preceding scenario, please rate the following questions:

1. To what extent did your supervisor delegate to you?
   
<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Very little</td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Very great</td>
</tr>
</tbody>
</table>

2. How likely was the sale to succeed?
   
<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Extremely unlikely</td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Extremely likely</td>
</tr>
</tbody>
</table>

3. Choose the first option – “strongly disagree” – in answering this question.
   
<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Strongly disagree</td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Strongly agree</td>
</tr>
</tbody>
</table>

4. How important was making the sale?
   
<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Not at all important</td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Extremely important</td>
</tr>
</tbody>
</table>

5. How much risk is your supervisor taking by involving you in the sale?
   
<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No risk</td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Extreme risk</td>
</tr>
</tbody>
</table>

6. To what extent will your participation in the sale put your supervisor at risk?
   
<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No risk</td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Extreme risk</td>
</tr>
</tbody>
</table>

1. How much risk is your supervisor taking by letting you attend the meeting?
   
<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>No risk</td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Extreme risk</td>
</tr>
</tbody>
</table>
Appendix D

Demographics form

Age ______ years

Years working in your field _______

Please select your gender:

☐ Male
☐ Female
☐ Other

Please select your employment:

☐ Full-time
☐ Part-time
☐ Occasional/Seasonal
☐ Unemployed