

## **EXECUTIVE SUMMARY**

Conflict and trust are central to the success of every organization. Conflict is important because, when managed appropriately, it can stimulate the growth of both the people and the organization concerned. Interpersonal trust is vital as research evidence has showed that managers who are able to build a trusting relationship with employees can promote individual and organizational effectiveness. While managers frequently deal with workplace conflicts and play a primary role in establishing trust, it is possible that employees observe how they are treated in conflict situations to draw inferences about their degree of trust towards the managers as part of the social exchange process, which, in turn, influences their work attitudes and behaviors. Therefore, the main purpose of this study is to examine the relationships between superiors' conflict management styles, trust in supervisor, and employees' work outcomes. More specifically, this study proposes that certain conflict management styles of supervisors would enhance the trust developed by subordinates towards their supervisors, while others would hurt the trust between supervisors and subordinates. Consequently, this trust towards supervisors would affect subordinates' work outcomes of creative behavior, job satisfaction and turnover intention. To date, no research has examined this relationship in the context of Chinese joint venture.

Rahim's (1983a) ROCI-II conflict management instrument was used to evaluate subordinates' perceptions of their managers' styles of handling interpersonal conflict with subordinates. Interpersonal trust was assessed with the affect- and cognition-based trust measure developed and validated by McAllister (1995). The survey was carried out in

Guangzhou, China, and the sample consisted of 121 employees from a Chinese joint venture. Correlation and regression analyses were used to test the proposed relationships.

The findings of this research show that: 1) among five styles of conflict management of supervisors, integrating style is positively related to subordinates' trust towards their supervisors. However, no relationship is found between the obliging, compromising, dominating and avoiding conflict styles of supervisors and subordinates' trust towards their supervisors. 2) Trust in supervisor is positively related to subordinates' creative behavior, job satisfaction and negatively related to turnover intention. 3) Among three cooperative conflict management styles of supervisors (i.e., integrating, obliging and compromising), trust only mediates the relationship between the supervisors' integrating style and the subordinates' work outcomes of job satisfaction and turnover intention. However, trust does mediate the relationship between supervisors' cooperative conflict management styles and subordinates' creative behavior. Finally, implications of these results and suggestions for future research are discussed.