Employee Cynicism and Organizational Change

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Abstract

Organizational performance and its sustainability significantly depend on aligning business procedures with the fast-changing environment. Because of its significance, the study is based on the Social Exchange Theory. It has developed a new model that has five latent variables (i.e., organizational change, organizational commitment, trust, employee cynicism, and tendency to gossip and a total of fifteen direct and indirect relationships. The study has focused on SMEs in New York. The sample size for the survey was 390 calculated at a 95% percent confidence level and a 5% margin of error. The scales used in the study were adapted from earlier studies. The author has collected the data personally by visiting selected SMEs and used SmartPLS for data analysis. The results suggest that employee cynicism has a negative association with organizational change, the tendency to gossip, and trust. The organizational change also has a negative relationship with organizational commitment and trust. The tendency to gossip and trust have a negative association with organizational commitment. The results support all five single mediating relationships and two multi-mediating relationships. Based on the results, the study has concluded that the element of trust between employees and management is the most crucial aspect in SMEs of the surveyed units. Employees who have confidence and trust in management policies and procedures tend to support change management processes and have a high commitment level towards the organization.

Keywords: *Organizational change, commitment, trust, employee cynicism, the tendency to gossip.*

Introduction

Businesses have become highly competitive due to globalization and deregulation. Therefore, firms across the world have to continuously adapt to remain competitive for achieving sustainable growth (Stouten, Rousseau & De-Cremer, 2018). Firms that can motivate their employees to adopt the change management process would not only grow steadily but will also have a competitive edge. The literature suggests that trust is a critical

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element in the change management process (Clegg & De Matos, 2016). If employees have confidence in the organization's management, they will not only support the change management processes, but their motivation and commitment level will not decrease (Kotlar & Chrisman, 2019). Many employees, due to the lack of confidence in organizations, develop cynic attitudes and behaviors. Such behaviors create obstacles in business operations and the organizational change process (Clegg & De Matos, 2016). Gossiping in an organization is universal. Employees' lack of confidence in the management and unethical corporate practices promotes gossiping. Employees also use gossip channels to acquire information about the change management process. Gossips in an organization adversely affect the trust relationship between the management and employees of an organization (Clegg & De Matos, 2016). There are many studies on change management. But this study is different from earlier studies because it has adopted a holistic approach by examining fifteen relationships, including seven indirect hypotheses, five single mediating hypotheses, and two multi-mediating hypotheses.

Literature Review

The Social Exchange Theory was extended for understanding the factors that both directly and indirectly, affect change management. The Social Exchange Theory explains employees' attitudes and behavior at work (Cropanzano, Anthony, Daniels & Hall, 2017). The theory postulates that trust is a critical element in all social and official relationships (Albasu & Nyameh, 2017). Thus, when an individual does a favor to others, he/she expects others will reciprocate it shortly. Therefore, the "propensity to trust is critical in initiating the social exchange process." (Madden, Madden, Strickling & Eddleston, 2017). Similarly, Chou and Hsu (2016) suggest that the need to reciprocate benefits received to continue receiving them served as a continuing mechanism of social interaction. The term "reciprocity" used in theory is conceptualized as a "bond within each party and instills in them the obligation to return benefits or favors that they may have received." (Albasu & Nyameh, 2017).

Social exchange in an organization depends on the supportive behavior of the management towards employees. Employees' perception of favorable management policies motivates them to reciprocate through a positive attitude towards work. Consequently, it stimulates job satisfaction and increases organizational Commitment (Madden, Madden, Strickling & Eddleston, 2017). On the contrary, management's non-supportive behavior promotes cynicism, generates gossips and other non-cooperative responses. Based on the above discussion, we have developed the conceptual framework presented in Figure 1.
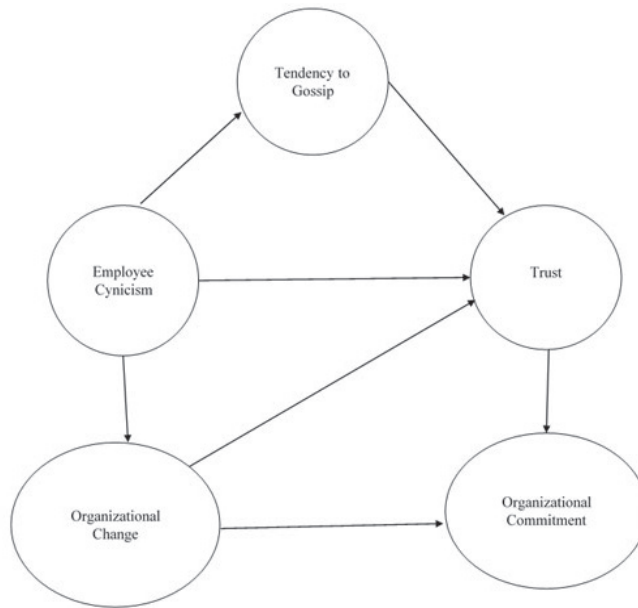
Figure 1: Conceptual Framework

Hypothesis Development

The study has seven direct hypotheses and eight mediating relationships. The following sections contain the literature support for the premises.

Employee Cynicism and Organizational Change

Employees' support is necessary for implementing organizational change in a firm. Only limited studies on change management have examined the association between employee cynicism and organizational change (Archimi, Reynaud, Yasin & Bhatti, 2018). Employees in an organization have a negative attitude (cynicism) towards organizational change if they believe that the proposed changes are detrimental to their interests. Subsequently, they develop a cynical view and do not support the changes in the organization. Grama and Todericiu (2016) argue that when an employee feels that the purpose of the change in an organization is contrary to the stated or implied objectives, they will not support the change and might create hurdles in the change process (Mousa, 2017).

Although the constructs cynicism and intention to resist change are conceptually different, they have some overlapping characteristics. One, both constructs (i.e., cynicism and intention to resist change) have a negative connotation, which arises through a communication process. They both are conflicting attitudes between supervisors and subordinates. Thus, most studies have examined cynicism and resistance to change concurrently (Brown, Kulik, Cregan & Metz, 2017). Employee cynicism is a passive reaction.

If this attitude continues over a while, it leads to an aggressive response, and employees will resist management policies, including change management (Durrah, Chaudhary & Gharib, 2019).

H1: Employee cynicism and organizational change are positively associated.

Employee Cynicism and Tendency to Gossip

Many employees in an organization have to deal with ineffective management, have to put long working hours, and face downsizing. Consequently, these factors promote cynicism and the tendency to gossip (Abubakar, Namin, Harazneh, Arasli & Tunç, 2017). Similarly, Shaharruddin, Ahmad, and Musa (2016) argue that employees due to mismanaged change-management process and persistent unpleasant working environment develop a negative and cynic behavior towards the management. Consequently, employees use gossiping to cope with job-related stress (De Clercq, Haq & Azeem, 2019). Such employees do not trust management's policies; therefore, they voice their grievances and also perform poorly at work (Kim, Moon & Shin, 2019).

Shaharruddin, Ahmad, and Musa (2016) suggest that employees, due to high cynicism, are skeptical about the management's policies and strategies. Factors such as layoffs, high salaries of top executives stimulate frustration, which employees express through cynic attitudes, and gossiping (Wu, Kwan, Wu & Ma, 2018). Based on the preceding discussions, we can infer that cynicism is an essential antecedent to gossiping. Employees at work deduct valuable information from gossips, which guides their attitude and behavior. Victims of gossip consider it as a malicious attack; therefore, they retaliate for defending their self-esteem (Carrim, 2019). The Social Cognitive Theory postulates that individuals acquire knowledge by observing others and by listening to what others are saying.

In this context, Flores, Guaderrama, Arroyo, and Gómez (2019) suggest that (i) people pay attention to gossips as it might affect their reputation and credibility (ii) the scandals may contain unfavorable information about individuals, friends, and colleagues. These factors might affect their social interactions. When individuals face gossips, they may feel stressed and might alienate themselves from the organization. Dores Cruz, Beersma, Dijkstra, and Bechtoldt (2019) argue that self-alienation from the organization is an outcome of the cynicism-gossip relationship. Moreover, there is a clear distinction between job-related and non-job related gossips. Non-job related-gossips are personal. Therefore, people do not pay much attention to it. But employees pay more attention to job-related scandals and form their attitude and behavior on such gossips (Liu, Kwan & Zhang, 2018).

H2: Employee cynicism and the tendency to gossip are positively associated.

Employee Cynicism and Trust

Since trust is an essential facet of corporate culture, therefore, managers in many organizations ensure that employees trust them and their policies (Archimi, Reynaud, Yasin & Bhatti, 2018). Kim, Jung, Noh and Kang (2019) have acknowledged that the trust between supervisors-subordinate relationships promotes interpersonal communication, improves attitude towards works, and reduces employee cynicism (Toheed, Turi & Ramay, 2019). Managers in a business entity make several decisions that adversely affect employees' trust. For example, managers in a business setup increase employees' work-load and layoff long term employees. Additionally, they often take the credit of the work accomplished by subordinates and humiliate them publically and also in private (Akar, 2018). All these actions not only stimulates cynicism but also reduces the level of trust.

Bagdasarov, Connelly, and Johnson (2019) argue that many employees are cynical and have no faith in the change management process. Thus, managers need to involve all the stakeholders in the change management process. The benefits of such an approach are that employees will not only support the change process but would not be cynical about it (Kim, Jo & Lee, 2018). There are limited studies on the association between employee cynicism and trust, but those available have concluded that there is a negative association between them (i.e., employee cynicism and faith (Yue, Men & Ferguson, 2019). Cynicism and interpersonal trust are conceptually different. The former (i.e., cynicism) is "an attitude involving negative beliefs and feelings" (Khan, Naseem & Masood, 2016). And the latter, i.e., interpersonal trust is "an attitude or belief involving a positive expectation about a target and willingness to make oneself vulnerable to that target" (Kim, Jo & Lee, 2018)

H3: Employee cynicism is negatively associated with trust.

Organizational Commitment and Organizational Change

Organizational commitment is "employees' identification and involvement in an organization" (Chai, Hwang & Joo, 2017). It also refers to employees' sustainable relationship with an organization. Employees, based on their skills and needs, expect that the working environment of the organization would utilize their capabilities and satisfy their needs (Spanuth & Wald, 2017). When an organization caters to all these aspects, it promotes organizational commitment in employees. Organizational commitment depends on "personal characteristics, structural characteristics, work experience, and role-related features." (Qureshi, Waseem, Qureshi & Afshan, 2018; Blau, 1964). Many studies have acknowledged that committed employees have a higher inclination to accept and cooperate in implementing change in an organization (Spanuth & Wald, 2017; Khan, Sarwar & Khan, 2018). Organizational commitment is the second most crucial antecedent, after union membership to change management. Committed employees have a higher inclination to accept the organizational change if they believe that the proposed changes are beneficial

to the employees (Vagharseyyedin, 2016)

On the contrary, they will resist the changes if they think that the changes are not favorable for employees (Devece, Palacios-Marqués & Alguacil, 2016). Thus, it can be inferred that organizational commitment and organizational change are highly correlated. Generally, committed employees cooperate with the management in the change process. Dedicated employees have the capacity, capability, and self-confidence to give their best in all circumstances; therefore, they are not skeptical about organizational change (Kim, Song & Lee, 2016; Arif, Zahid, Kashif & Sindhu, 2017).

H4: Organizational commitment is positively associated with organizational change.

Trust and Organizational Change
Employees accept and support the change process if they trust the intention of the management (Agote, Aramburu & Lines, 2016). Thus, employees' perception of change is an antecedent to change management. If their impression is positive, they will have a low intention to resist change. Otherwise, they would have a high inclination to resist change (Lee & Song, 2018). Kay and Willman (2018) argue that a negative attitude towards change adversely affects job satisfaction, commitment, and attitude towards the organization (Gigliotti, Vardaman, Marshall & Gonzalez, 2019).

Trust is "the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trust, irrespective of the ability to monitor or control that other party" (Wagstaff, Gilmore & Thelwell, 2016). According to the social exchange theory (Blau, 1964), the trust relationship between employers and employees develops over a while. The social exchange theory postulates that management offers benefits to employees, and they reciprocate through enhanced performance and commitment. Thus, trust is a critical aspect of the manager-subordinate relationship, and it is also an essential precursor in change management (Kay & Willman, 2018).

A supervisor who has earned respect and confidence of employees and is also involved in a change process will receive all the support from the employees (Cui & Jiao, 2019). The relationship between trust and change is not linear, but it is bi-directional. Trust is a precursor to change, and the organizational-change is beneficial to employees, which in turn further enhances the level of trust between the management and employees (Wagstaff, Gilmore & Thelwell, 2016).

H5: Trust is positively associated with organizational change.

The Tendency to Gossip and Trust

Employees speak positively about the management if they feel that management policies are fair and transparent. On the contrary, if they have a negative perception about the administration, they not only distrust the management but start gossiping (Haux, Engelmann, Herrmann & Tomasello, 2017). Employees, while interacting, add their own bias in it, which negatively affects the corporate environment and culture (Fonseca & Peters, 2018). Employees also add their biased perception in gossips when they do not have access to all the information about policy decisions. Ellwardt (2019) and Tapsell (2017) suggest that in many organizations, decision making and policies are communicated from top to bottom. Employees in lower positions acquire information via gossips channels, which often are far from reality. Thus, they not only further contribute to the gossips channel, which adversely affects employees' morale and trust (Pravichai & Ariyabuddhiphongs, 2018; Fernandes, Kapoor & Karandikar, 2017).

Tapsell (2017) argues that during the change management process, most employees are not fully aware of management decisions. Therefore, based on gossips, they try to assess the salient features of the change management policies. Also, employees use gossip channels to infer whether the management is reliable, cooperative, and trustworthy. Thus, employees' trust in management significantly depends on workplace gossips. Wu, Balliet, and Van-Lange (2016) suggest that firms must involve employees in the decision-making process for reducing gossips and enhancing employees' trust in management policies. Liu, Xu, Zhang, Shankaran, Luo, Zheng, and Zhang (2018) indicate that the management often avoids unethical practices and portrays itself as honest and trustworthy, which increases employees' confidence and trust in the administration.

H6: Tendency to gossip is negatively associated with trust.

Trust and Organizational Commitment

Trust is essential for the effective functioning of a firm and organizational performance (Jiang, Gollan & Brooks, 2017). Berkovich (2018) stresses that trust stimulates positive employees' attitude and cooperation in an organization. Organizational trust depends on the positive emotional exchange between employees and employers (Iqbal & Ahmad, 2016). Thus, firms must develop an environment of trust to enhance employees' commitment level (Berkovich, 2018). Adil, Owais & Qamar (2018) suggest that employees with a high level of trust have higher ethical values and commitment levels towards their jobs. Thus, the study indicates that the management should create an environment of trust for developing a positive attitude towards work. Subsequently, this will promote motivation and commitment to the organization. Safari, Asadi, Khalijian, and Joursara (2018) suggest that trust supports emotional dedication and employee engagement. Riani, Suyono, &

Setiawan (2019) and Babaoglan (2016) indicate that the social interaction process between employees and employers generates an environment of trust, which is significantly linked with employee commitment.

H7: Trust is positively associated with organizational commitment.

Mediating Relationships

Although the constructs of employee cynicism and intention to resist change are conceptually different, they have some overlapping characteristics. One, both constructs (i.e., employee cynicism and intention to resist, have negative connotations, which arises through the communication process. They are both conflicting attitudes between supervisors and subordinates (Archimi, Reynaud, Yasin & Bhatti, 2018). Thus, most studies have examined employee cynicism and resistance to change concurrently (Grama & Todericiu, 2016). Cynicism is a passive reaction. It is an opinion. However, if this attitude continues over a while, it leads to aggressive and expressive responses as well as a tendency to resist management policies, including change management (Brown, Kulik, Cregan & Metz, 2017).

Many past studies have concluded that organizational commitment and organizational change are positively linked. For example, Spanuth & Wald (2017) found a strong correlation between various facets of job satisfaction, job commitment, and organizational change. Devece, Palacios-Marqués, and Alguacil (2016) acknowledge that employees' continuance commitment is negatively associated with the cognitive attitude towards change. And affective commitment mediates satisfaction factors (i.e., pay, supervision, and security) and behavioral attitude towards change. Similarly, Kim, Song, and Lee (2016) suggest that the cognitive attitude towards change increased with pay, whereas affective attitude towards change increases with promotion opportunities.

Despite being distinct, many researchers have examined both trust and cynicism concurrently in their studies (Kim, Jung, Noh & Kang, 2019). On the other hand, Toheed, Turi, and Ramay (2019) suggest that cynicism and trust are distinct because of their "affective and cognitive elements." Similarly, Bagdasarov, Connelly, and Johnson (2019) argue that "individuals can trust only when they are vulnerable to another party; they can be cynical without being vulnerable." Thus, it is inferred that a highly cynical person is more susceptible to unfavorable interpretations and mistrust (Kim, Jo & Lee, 2018). Trust and cynicism are also bi-directionally related. For example, an employee who does not trust his/her manager might interpret the manager in a biased manner, which again will reinforce his/her cynicism (Yue, Men & Ferguson, 2019).

Many past studies have acknowledged that trust and organizational commitment are positively linked (Berkovich, 2018). That is, a high level of trust would stimulate a high level of engagement (Adil, Owais & Qamar, 2018). Similarly, Safari, Asadi, Khalijian and Joursara (2018) stress that the trust–commitment model also postulates that employees trust in management is a significant predictor of organizational commitment. On the contrary, Riani, Suyono, and Setiawan (2019) suggest that the trust relationship between employees and management is an indicator of how much confidence employees have in management policies, which subsequently affects employee commitment.

Babaoglan (2016) argues that employees' trust in supervisors and openness to change are positively related. The factors that contribute to employees' behavior are personal and social interaction. Similarly, Jiang, Gollan & Brooks (2017) have acknowledged that the psychological bonding between supervisors and employees is critical for smooth operation and change management. If employees have a weak psychological bonding with their supervisors, they will not be cooperative in the change process. A trustworthy leader is more efficient than others, especially in uncertain and ambiguous situations. Change management also generates ambiguity and uncertainty in employees. Therefore, Riani, Suyono & Setiawan (2019) argue that trustworthy leaders in the change management process will be more effective.

Employees who do not trust the management are reluctant to give positive feedback and are keen to contribute to gossip channels. Negative news received from the top further enhances employees' tendency towards gossiping (Fonseca & Peters, 2018; Dores et al., 2019). Babaoglan (2016) suggests that employees in an organization counsel each other for improving corporate culture. Employees expect a benevolent attitude from the management and believe it is a part of the psychological contract between employees and the organization. When firms violate this psychological contract, employees' trust in management decreases significantly (Riani, Suyono & Setiawan, 2019). The above theoretical discussion leads to the following hypotheses:

H8: Organizational change mediates employee cynicism and organizational commitment.

H9: Trust mediates employee cynicism and organizational commitment.

H10: Trust mediates organizational change and organizational commitment.

H11: Trust mediates the tendency to gossip and organizational commitment.

H12: Organizational change mediates employees cynicism and trust.

H13: Tendency to gossip mediates employee cynicism and trust.

Multi-Mediating Relationships

In the above section, the theoretical support for hypothesis 13 (i.e., the tendency to gossip mediates employee cynicism and trust) and hypothesis 11 (i.e., trust mediates tendency to gossip and organizational commitment) is provided. Therefore, the following multi-mediating hypothesis has been formulated:

H14: The tendency to gossip and trust have a multi-mediating effect on employee cynicism and organizational commitment

Similarly, the study has provided the theoretical support for Hypotheses 12 (i.e., Organizational change mediates employees cynicism and trust), and Hypothesis 10 (i.e., trust mediates organizational change and organizational commitment. Therefore, the following multi-mediating hypothesis has been formulated:

H15: Organizational change and trust have a multi –mediating effect on employee cynicism and organizational commitment.

Methodology

Population and Sample

The study has focused on SMEs operating in New York. The sample size was 390, which the author calculated at a 95% confidence level and a 5% margin of error. The author personally visited the selected SMEs and, after taking permission from the management, distributed the questionnaire to the employees, which was collected after a week. Since the sample frame for the research population was not available, therefore I have used a non-probability sampling technique.

Scales and Measures

The study has used a self-administered questionnaire for collecting the data. The respondents gave their opinions on five-point Likert Scale questions where five represents highly agree while one represents highly disagree. The organizational commitment scale has 18 items that were adapted from Meyer et al., (1993). The trust scale has six items adapted from Yamagishi & Yamagishi (1994). The tendency to gossip scale has 20 items adapted from Nevo, Nevo, Zehavi, and Milton (1993). Organizational change scale has 26 items adapted from Armenakis, Bernerth, Pitts and Walker, (2007). The cynicism scale has 19 items adapted from Dean Jr, Brandes, and Dharwadkar (1998). The constructs and items used in the questionnaire is attached as Annexure 1.

Results

Convergent Validity

Table 1 presents the convergent validity statistics including Cronbach alpha, composite reliability, and average variance extracted (AVE).

Table 1: Reliability Statistics

	Cronbach's Alpha	rho_A	Composite Reliability	AVE
Employee Cynicism (EC)	0.701	0.709	0.832	0.624
Organizational Change (OC)	0.863	0.864	0.902	0.649
Organizational Commitment (OCM)	0.884	0.886	0.915	0.683
Tendency to gossip (TTG)	0.843	0.843	0.895	0.681
Trust (T)	0.869	0.881	0.905	0.658

The results show that the lowest Cronbach's alpha value is for employee cynicism (EC= 0.701), and the highest is for organizational Commitment (OCM=0.884). Composite reliability values ranged from 0.832 (for employee cynicism) to 0.915 (for employee commitment). The highest average value extracted (AVE=0.683) is for employee organizational commitment, and the lowest (AVE= 0.624) is for employee cynicism. Thus, it can be inferred that the data fulfills the convergent validity requirements.

Discriminant Validity

Table 2 presents the discriminant validity results for all the constructs.

Table 2 : Discriminant Validity

	EC	OC	OCM	TTG	T.
Employee Cynicism (EC)	0.79				
Organizational Change (OC)	-0.639	0.805			
Organizational Commitment (OCM)	-0.424	0.589	0.827		
Tendency to gossip (TTG)	0.302	-0.299	-0.388	0.825	
Trust (T)	-0.412	0.625	0.735	-0.364	0.811

The results show that the highest value for the square root of the diagonal values is for organizational Commitment (OCM=0.827), and the lowest is for employee cynicism (EC=0.790). All these values are higher than the rest of the Pearson correlation values. Thus, the study concludes that the constructs are unique and distinctive (Fornell & Larcker, 1981).

Confirmatory Factor Analysis

CFA was performed to test whether the present data set fits in the measurement model. The summary of the results are presented in Table 3.

Table 3 : CFA Results

	Employee Cynicism (EC)	Organizational Change	Organizational Commitment (C)	The tendency to gossip (TTG)	Trust (T)
1	0.803				
2	0.793				
3	0.773				
4	0.786				
5	0.765				
6		0.83			
7		0.853			
8		0.783			
9		0.849			
10		0.702			
11			0.796		
12			0.825		
13			0.851		
14			0.828		
15			0.831		
16				0.803	
17				0.852	
18				0.856	
19				0.788	
20				0.856	
21					0.71
22					0.753
23					0.86
24					0.869
25					0.85

The results suggest that the measures of constructs (indicator variables) are consistent with the researcher's understanding of the nature of constructs.

SEM Results

The study presents a summary of the results in Table 4 and the measurement and structural model in Figure 2 and Figure 3, respectively.

Table 4: Statistical Results of Direct Relationships

	Beta	T-Stats	P Values	Results
Emp. Cyn. -> Org. Change (H1)	-0.639	38.548	0.000	Accepted
Emp. Cyn. -> Ten. to Gossip (H2)	0.302	9.089	0.000	Accepted
Emp. Cyn. -> Trust (H3)	0.015	0.44	0.33	Rejected
Org. Change -> Org. Com. (H4)	-0.213	9.417	0.000	Accepted
Org. Change -> Trust (H5)	-0.576	18.609	0.000	Accepted
Ten. to Gossip -> Trust ((H6)	-0.196	7.929	0.000	Accepted
Trust -> Organizational Commitment (H7)	0.602	25.645	0.000	Accepted

The results suggest that all seven direct hypotheses were accepted, except hypothesis 4 (i.e., the association between employee cynicism and trust).

Indirect Relationships

The study has also proposed six single mediating relationships and two mediating relationships. The author has presented a summary of the results in Table 5.

Table 5: Statistical Results of Indirect Relationships

Mediating Effect	Beta	T-Stats	P Values	Results
Emp. Cyn. -> Org. Change -> Org. Com. (H8)	-0.136	8.883	0.000	Accepted
Emp. Cyn. -> Trust -> Org. Com. (H9)	0.009	0.439	0.33	Rejected
Org. Change -> Trust (-> Org. Com.(H10	0.346	16.626	0.000	Accepted
Ten. to Gossip -> Trust -> Org. Com.(H11	-0.118	7.3	0.000	Accepted
Emp. Cyn. -> Org. Change -> Trust (H12)	-0.368	16.229	0.000	Accepted
Emp. Cyn. -> Tend. to Gossip -> Trust (H13)	-0.059	5.636	0.000	Accepted
Multi Mediating Effect				
Emp Cyn. -> Tend. to Gossip -> Trust -> Org. Com.(H14)	-0.036	5.47	0.000	Accepted
Emp. Cyn. -> Org. Change -> Trust -> Org. Com. (H15)	-0.221	14.748	0.000	Accepted

The results support all the single meditating relationships and multi-mediating relationships, except Hypothesis 9, which is the mediating effect of trust on employee cynicism and organizational commitment.
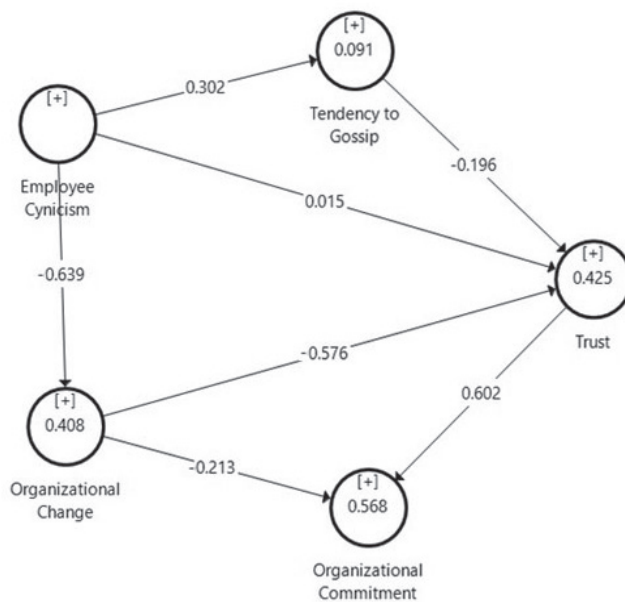
Figure 2: Measurement Model
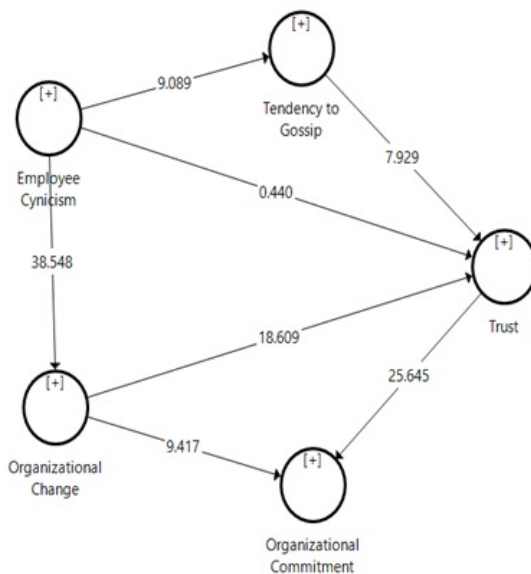
Figure 3: Structural Model

Discussion of Results

The study has discussed the results and their relevance to past studies in the following sections.

The results suggest that employee cynicism in an organization is detrimental to organizational change. Most employees in organizations are skeptical about organizational change due to ambiguity and uncertainty in the change processes. However, when employees and other stakeholders are involved in the change process, they may show support and cooperation (Archimi, Reynaud, Yasin & Bhatti, 2018). Grama & Todericiu (2016) suggests that if the change process is not perceived in favor of employees, then they would be cynical and make all efforts to sabotage it.

The study also found that employee cynicism in SMEs promotes the tendency to gossip. Employees in many business entities feel uncertain in the face of organizational change and are concerned about downsizing and layoffs (Wu, Kwan, Wu & Ma, 2018). Employees are not sure whether the changes will be employee-friendly and how it will affect management attitude. All these factors individually and collectively promote the tendency to gossip (Carrim, 2019).

The results support the premise that employee cynicism and trust are negatively associated. Many employees in an organization are skeptical and have a cynical belief about organizational change. Therefore, they lack faith in the upcoming changes (Archimi, Reynaud, Yasin & Bhatti, 2018). Past studies on the association between employee cynicism and trust are limited. However, a few studies have acknowledged that employee cynicism reduces trust towards the management (Kim, Jung, Noh & Kang, 2019). The relationship of trust between employees and organization develops over time. Thus, employees believe that they will have to make efforts again to build a sustainable, trustworthy relationship with the management.

The results also support the negative association between organizational commitment and organizational change. Organizational change is a critical predictor of organizational commitment. Committed employees have a higher inclination to accept organizational change if they believe that the proposed changes are beneficial for employees (Spanuth & Wald, 2017). If employees understand that the proposed changes may be helpful for them, they will not only support it but will also enhance their attitude towards work (Qureshi, Waseem, Qureshi & Afshan, 2018). Many studies, including Devece, Palacios-Marqués, and Alguacil (2016) and Kim, Song, and Lee (2016), have concluded that highly committed workers have confidence in their skills to deal with the challenges of change management. Therefore, their motivation level, attitude towards work, and job commitment do not get

affected due to changes in an organization. Contrarily, employees with low responsibility do not support the change management process, and thus their motivation and satisfaction level decreases (Arif, Zahid, Kashif & Sindhu, 2017; Ames et. al., 2006).

The results also indicate that organizational change and trust are inversely associated. Employees' confidence and trust in management is a precursor to organizational change. The relationship between employees and management based on trust motivates the former to believe that the administration will not implement any policy that might hurt their interests. On the contrary, if the relationship between employees and organization is weak, organizational change may further diminish employees' trust (Lee & Song, 2018).

The results suggest that the tendency to gossip and trust are inversely associated. Employees' perception of management policies is critical for the tendency to gossip as well as trust. Employees believe in fair and transparent procedures is a precursor to gossips and trust (Haux, Engelmann, Herrmann & Tomasello, 2017; Tapsell, 2017).

The study found that employees' tendency to gossips and trust is negatively associated. High employee confidence and trust reduce the tendency to gossip. Consequently, employees focus on their job and organizational performance. Managers, on the other hand, should develop policies and procedures that are transparent and favorable to employees. Additionally, the management, while implementing policies and procedures should ensure that they do not show a biased attitude towards employees (Fernandes, Kapoor & Karandikar, 2017). Many employees that gossip does not trust the management and do not have access to the policies and procedures. Thus, firms should not only put all policies and procedures on their webpage but should also distribute them among employees (Tapsell, 2017).

The results also indicate that trust is a significant predictor of organizational commitment. Like trust, organizational commitment has several emotional facets, including going the extra mile, pro-active participation, and feelings of pride and loyalty in the organization (Berkovich, 2018; Babaoglan, 2016). Most researchers believe that trust stimulates normative and continuance commitment. But Berkovich (2018) has documented that trust has a significant association with normative commitment, while insignificant effect with continuance commitment.

Conclusion

Organizational change is necessary for the survival and sustainable growth of SMEs and other business entities. Because of its significance, the study has extended the Theory of Social Exchange and has developed a new model. The developed model has seven direct

relationships, six mediating relationships, and two multi-mediating relationships. The results suggest that employee cynicism has a negative association with organizational change, the tendency to gossip, and trust. The organizational change also has a negative association with organizational commitment and trust. Moreover, the tendency to gossip and trust have a negative association with organizational commitment. The results also support five single mediating relationships and two multi-mediating relationships. Based on the results, the study has concluded that the element of trust between employees and management is the most critical for SMEs' performance. If employees have confidence in management policies and procedures, they will not only support change management processes but will have a high commitment level towards their jobs. An environment that promotes trust within a business entity may not have any issues related to cynicism, the tendency to gossip, and the intention to resist change. Thus, managers of SMEs should promote trust-building relationships with employees.

Limitations and Future Research

The study focused on SMEs operating in New York. Future studies can extend the proposed model to other cities and other sectors of the country. Employees' attitudes towards variables used in the study (i.e., employee cynicism, organizational change, the tendency to gossip, trust, and organizational commitment) may vary by demographic factors including (i.e., age, gender, ethnicity and years of experience) which the study did not cover. Other researchers may incorporate these aspects into their studies. While the study has used trust, cynicism, and organization change, the tendency to gossip, trust, and organizational commitment as mediators, future research may incorporate other variables such as motivation and organizational performance for investigating mediating relationships.

Constructs and Items in the Questionnaire

Organizational Commitment

I would be very happy to spend the rest of my career in this organization.

I feel as if this organization's problems are my own.

I do not feel like 'part of my family' at this organization.

I do not feel 'emotionally attached' to this organization.

This organization has a great deal of personal meaning for me.

I do not feel a strong sense of belonging to this organization.

It would be very hard for me to leave my job at this organization right now, even if I wanted to.

Too much of my life would be disrupted if I leave my organization.

Right now, staying with my job at this organization is a matter of necessity as much as desire.

I believe I have too few options to consider leaving this organization.

Negative consequences of leaving this organization would be the scarcity of available alternatives elsewhere.

I continue to work for this organization is that leaving would require considerable personal sacrifice.

I do not feel any obligation to remain with my organization.

Even if it were to my advantage, I do not feel it would be right to leave.

I would feel guilty if I left this organization now.

This organization deserves my loyalty.

I would not leave my organization right now because of my sense of obligation to it.

I owe a great deal to this organization.

Trust Scale

Most people are basically honest.

Most people are trustworthy.

Most people are basically good and kind.

I am trustworthy.

Most people will respond in kind when they trust ed by others

Tendency to Gossip

I read gossip columns in newspapers.

I like talking to friends about other people's clothes.

I tend to talk with my friends about relationships between men and women.

I prefer listening to conversations about other people rather than taking part in them.

I tend to gossip with a good friend about people who have left the country.

I like talking to friends about other people's grades and intellectual achievements.

I think that I can contribute interesting information to almost any conversation about people.

I tend to talk to friends about the problems some of our friends have at work.

I like analyzing with a friend the compatibility of various couples.

I like talking with a friend about the personal appearance of other people.

I tend to talk with friends about the educational level of people we know in important positions

I enjoy analyzing with my friends the motives and reasons for other people's behavior

I like talking with a friend about the salaries of our mutual friends.

When I come back from a party or some other event, I tend to talk about my impressions of the personal appearance of the others who were there.

I tend to talk to friends about the success of certain people in their jobs.

Usually I feel I know what is going on, who is going out with whom,

I tend to talk with friends about the love affairs of people we know.

I like reading biographies of famous people.

I like to tell friends interesting details.

I tend to gossip.

Organizational Change

This change will benefit me.

Most of my respected peers embrace the proposed Organizational Change.

I believe the proposed Organizational Change (OC) will have a favorable effect on our operations.

I can implement the change that is initiated.

We need to change the way we do some things in this organization.

With this change in my job, I will experience more self-fulfillment.

The top leaders in this organization are "walking the talk."

The change in our operations will improve the performance of our organization.

I can implement this change in my job.

We need to improve the way we operate in this organization.

I will earn higher pay from my job after this change.

The top leaders support this change.

The change that we are implementing is correct for our situation.

I am capable of successfully performing my job duties with the proposed Organizational Change.

We need to improve our effectiveness by changing our operations.

The change in my job assignments will increase my feelings of accomplishment.

The majority of my respected peers are dedicated to making this change work.

When I think about this change, I realize it is appropriate for our organization.

I believe we can successfully implement this change.

A change is needed to improve our operations.

My fringe benefits will remain the same after this change.

My immediate manager is in favor of this change.

This organizational change will prove to be best for our situation.

We have the capability to implement this change successfully.

We need to improve our performance by implementing an Organizational Change

My immediate manager encourages me to support the change

Cynicism Scale

I believe that my company says one thing and does another.

When I think about my company, I feel a sense of anxiety.

My company expects one thing of its employees, but rewards another.

When I think about my company, I experience aggravation.

We look at each other in a meaningful way with my colleagues when my institution and its employees are mentioned.

When I think about my company, I experience tension.

When I think about my company, I get angry.

I criticize the practices and policies of my company to people outside the hospital

In my company, I see very little resemblance between the events that are going to be done and the events which are done.

My company's policies, goals, and practices seem to have little in common.

I talk with others about how work is being carried out in the company.

If an application was said to be done in my company, I'd be more skeptical of whether it would happen or not.

I feel happy about being a member of this company.

I feel happy to be an unforgettable part of this company.

I am proud of the company's achievements.

This company offers something useful to the community.

I am proud of the work he has done for this company.

I am proud of my contribution to the success of this company.

I feel proud when I tell others about my company

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