

The relationship between perceived corporate reputation and employee's positive word of mouth behavior: The mediation effect of trust to managers

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CHRONICLE

ABSTRACT

Article history:

Received: December 18, 2018
Received in revised format: February 12, 2019
Accepted: February 14, 2019
Available online:
February 14, 2019

Keywords:

*Perceived Corporate Reputation
Positive Word of Mouth
Trust in Manager
Value Congruence*

This study focuses on the relationship between perceived corporate reputation and employee's positive word of mouth intentions with the mediating role of trust in the manager. In addition, the study examines the moderating effect of value congruence between perceived corporate reputation and positive word of mouth behavior. The descriptive approach is applied and to test the research model; a quantitative questionnaire-based survey is used. The survey data are collected from 562 employees across multiple private small and medium-sized enterprises and sectors operating in North Cyprus by using convenience sampling method. In order to test the conceptual framework partial least square (PLS), is used. Some empirical indicators are conducted by using PLS-SEM to examine the reliability and the validity of the study. On analyzing the result, it is observed that the trust in managers partially mediates the relationship between perceived corporate reputation and positive word of mouth behavior. The results proved that perceived positive corporate reputation encourages positive word of mouth intentions. The current study fills the gap by analyzing the combined impact of corporate reputation and trust in a manager from the employees' perspective. The results lead to theoretical and managerial implications related to strategic management.

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1. Introduction

In today's business world, institutions are evaluated not only by visible assets including criteria such as products and prices but more importantly by conceptual and emotional factors that cannot be seen, such as customer and employee satisfaction. The assets that cannot be seen can be critical in the evaluation of the institution even if they are not in the balance sheet. Corporate reputation is an essential phenomenon for enterprises due to reasons such as affecting customer satisfaction, creating customer loyalty and providing discernibility among competitors (Highhouse et al., 2009). This importance has increased with the effect of globalization today. Therefore, businesses attach great importance to corporate reputation-building factors such as discernibility, visibility, fidelity, consistency, and transparency (Fombrun & Van Riel, 1997). Given the broad spectrum of various forms of interaction, companies' control is diminishing, and it is clear that not all interactions are directly affected by the company (Bodderas et al., 2011).

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The existence of new agreements such as the widespread use of the Internet, easy and fast access to information, mergers in the business world, company acquisitions or system creation including outsourcing has led to changes in the traditional communication methods of the past. Therefore, various ways of differentiation began to be searched. The informal word of mouth is now more critical of human resources management, making communication more accessible than ever before, through the connection of employees and candidates across digital media networks. As a result of the accelerated change in the business world and the competitive competition, the separation of an organization from its competitors has become much more difficult than before. The importance of corporate reputation has become an essential asset for businesses today for the success of enterprises or institutions. Having a positive corporate reputation is vital for the business to be long-lasting in any size and size of business (Fombrun & Van Riel, 1997). It is necessary to have a positive corporate reputation in order to achieve the objectives standing out clearly from competitors ensuring profit and sustainability which are the main objectives of the enterprise (Fombrun & Van Riel, 1997). While strong corporate reputation provides a significant competitive advantage, negative corporate reputation can lead to various negative consequences such as low vendor reliability, loss of key customers, rapid decline in shares value, infrequently referred to as a reference, failing against competitors and high employee circulation.

Considering the war of talent, where the competition is intense, organizations try to develop new ways in order to attract and keep qualified employees. The most important social stakeholders that affect the reputation of the organization are employees as employees' remarks or behavior regarding the organization affect other stakeholders, especially customers. Therefore employees' role in reputation management is critical. Employees are influenced by the public perception of their employers. Links to a reputable company increase their self-esteem (Cable & Turban, 2003; Riordan & Shore, 1997). Existing employees are considered to be a valid source of information as they are seen as a knowledgeable and effective reference. Therefore, in the early stages of recruitment, word of mouth communication, which is an external recruitment source, attracts attention in increasing the organizational attractiveness (Collins & Stevens 2002; Zottoli & Wanous, 2000). It should not be ignored that the employee, who is the essential social stakeholder to the reputation of the organization, speaks about the institution outside the institution. This is a significant factor in recommending the institution as the right place to work since organizations cannot control word of mouth communication and this communication has the potential to support positive and on the contrary negative information (Cable & Turban, 2001).

Employees who provide work efficiency and represent the organization outside the organization constitute a vital unit of the target audience. Employees' knowledge of the company's products, brands or the organization's main objectives will lead to a more positive perception of customers, and then other social stakeholders, who are faced with each day (Bosch et al., 2005). The idea of implementing the strategy independent of the behavior of employees is no longer sufficient in today's competitive environment. The significance of the corporate reputation and the notion of the employees of the institution as the company messenger of the brand requires the examination of the relationship of both concepts from theory to practice. While the research on corporate reputation has increased in recent years, research has remained relatively limited from the perspective of employees (Fu et al., 2014). As a result of managerial and technical talent shortages, talent attraction and management are very significant in the current highly competitive climate (Frenkel et al., 2013).

This paper addresses how employees' positive word of mouth intentions for their employers is affected by employees' perceptions of their employer's reputation. The current research focused on the mediation effect of trust to managers in the relationship between perceived corporate reputation and employee's positive word of mouth intentions. For this purpose, the level of corporate reputation perceived by the participants and positive word of mouth intentions were examined. Also, the relationship between perceived corporate reputation and word of mouth intentions was tried to be revealed with the impact of trust to managers on this relationship. It is foreseen that the study will make a significant contribution to the literature. When discussing these effects on the word of mouth intentions of employees, this article

prepares a stage for possible incentives for specific actions used to increase the corporate reputation from employees' perspective for future research.

This paper consists of four main parts. In section 2, the theoretical background and hypothesis are reviewed. The second section describes the method used in the research. Moreover, the results of the study and discussions are given in the third and fourth sections.

2. Theretical background and hypothesis development

2.1 Corporate Reputation

Reputation is defined, in dictionaries, as respecting and trustworthiness or the general ideas of people about a person or something, how much a person or something is appreciated and admired based on past behavior or character. Moreover, in the business area, reputation is met by the word "corporate reputation". However, the literature offers a variety of structure definitions on corporate reputation (Barnett et al., 2006; Chun, 2005). Fombrun et al. (2000) define corporate reputation as "a collective assessment of a company's ability to provide valued outcomes to a representative group of stakeholders." The long-term combination of how stakeholders fulfill the responsibilities of the organization, how they meet their expectations, and the overall performance of the organization in adapting to the social-political environment is described as corporate reputation (Anca & Roderick, 2007). Reputation is seen as a short statement of the perceptions held by all critical stakeholders of an organization, and is an outcome of the past actions of a firm and how others perceive the firm (Chun, 2005; Williams et al., 2005). Moreover, the corporate reputation stands out as a concept that develops in the perception of the institution and requires a long process.

Charles J. Fombrun, an expert in reputation management, has developed a comprehensive model of measurement to identify perceptions of social stakeholders. To more accurately measure corporate reputation, the Reputation Institute in Central America has developed Reputation Quotient / RQ, a standardized measurement tool. The widely accepted components of reputation by Fombrun et al. (2000) comprises six dimensions: products and services, emotional appeal vision and leadership, social and environmental responsibility, workplace environment, and financial performance. The first condition to manage the corporate reputation is to know which components of the corporate reputation are made and what components influence the social stakeholders (Fombrun & Shanley, 1990). These components serve to identify what corporate reputation is and what positive or negative is, and who we are satisfied with (Hall, 1993). Employees, customers, public opinion, investors, media, consumer groups such as what they think about the institution. The relationship between corporate reputation and employees is an essential component among the six components mentioned here. Under the name of the working environment, proper management of the institution, good company to work, good employees, perceived qualities directly affect the employees. However, along with these components, other components, indirectly, carry the factors that the employees reflect the outside, other social stakeholders, especially consumers and the public. For example, the service provided by the employees in the component related to the products and services and how it explains the product it sells is persuasive in the perception of other social stakeholders.

2.2. Reputation and Employees' Word of Mouth Intentions

Companies that have lost their reputation lose more than just losing an abstract value. Damaged corporate reputation can be the end of all the reputation components listed above and possibly the end of organizational life (Fombrun, 1996). Reputation takes a long time to improve but can be lost within minutes with a single word so it can easily be said that the reputation can be lost more easily than it was created. The behavior of the firm reveals itself in the behavior of its employees; an idea of internal marketing in the literature. According to this idea, marketing principles can be used to manage the company's human resources (George, 1990). In this study, we focus on the word of mouth

communication of existing employees, rather than a more general word of mouth communication. Employees tend to report positive information about their company when they suggest their companies by word of mouth communication (Zottoli & Wanous, 2000). Therefore we focus on positive word of mouth behavior. Moreover, the positive word of mouth communication can be seen as a useful recruitment tactic to increase organizational attractiveness in the first stages of recruitment (Fisher-Buttinger & Vallaster, 2008). Within the context of integrated marketing communication, it can be seen that when social stakeholders are examined, it is possible for corporations to create behavioral change in all social stakeholders. Business results such as reputation, brand, and profitability are included in integrated marketing communication. All social stakeholders and employees within social stakeholders are also essential tools of integrated marketing communication (Helm, 2011). An understanding of how employees perceive employers' organizations is an influential factor in the decision of employees to participate in an employer and stay with an employer. Unplanned communication is the form of communication, which is directed by the internal or external stakeholders, which is not planned by the institution or organization, in or out of the organization without the approval and control of the institution. For example, all kinds of internal or external rumors, myths, group of friends, and so on are included in this group. In this point, it is essential to emphasize how communication from word of mouth is vital regarding corporate perception and also corporate reputation (Kitchen & Sever, 2008). Corporate reputation relies on the perceptions of the individuals therefore how employees perceive the reputation of their company affect the other individuals' perception for the company (Helm, 2005, 2007). Being part of a reputable organization encourages human behavior and is likely to increase employee self-esteem (Carmeli & Tishler, 2004). Social identity theory explains that people use their social identity to increase their self-confidence (Maxwell & Knox, 2009). As a result, the company's employees are willing to give something to contribute to the welfare of the organization (Mowday et al., 1979). These theories help to have an idea about how employees refer to word of mouth and understand their effects. On a practical level, an understanding of word of mouth communication can offer essential recommendations on how organizations can effectively influence this important recruitment source. Employees' actions are important in managing the reputation of the company they represent because they communicate with their customers, potential customers, potential applicants, suppliers and competitors (Cravens & Oliver, 2006). So the employees can be responsible for both preventing reputation or loss of reputation. According to Gotsi and Wilson (2001), the behavior of the employee should be consistent with the company's projected image and the company's reputation. An employee has the potential to affect the company's reputation when he/she expresses an opinion on his/her company in a public place. Through word of mouth, these representatives may indirectly affect corporate reputation (Alsop, 2004). As a result of the relationship between corporate reputation and employee's social identity, perceived corporate reputation should affect the positive behaviors of employees.

The first hypothesis of the study therefore suggests:

H₁. Perceived Corporate Reputation has a positive effect on employees' positive word of mouth intentions.

2.3. Trust and positive Word of Mouth

One of the crucial components of corporate reputation is vision and leadership (Fombrun, & Sever, 2000). Because vision and leadership ensure that the organization is perceived as strong, it gives respect and adds value to the organization. Also, the workplace environment, the quality of employees and management, is one of the main factors that increase the confidence of the society towards the organization. Having qualified management and quality employees, making strategic decisions and implementing these decisions in an organization increase the corporate reputation (Goldsmith et al., 2000). It was claimed that leaders played a vital role in determining organizational effectiveness at all levels within the organization (Fombrun & Van Riel, 2004). A fundamental constituent of a leader's capability to be useful

in such environments is the degree to which subordinates and colleagues rely on him/her. Since the satisfied employees represent the company against customers and other stakeholders in every interaction, managers must first create satisfied employees in order to create satisfied customers. Failure to develop this psychological link between members may require the organization to rely on increased costs associated with more detailed and sophisticated control systems. Employees' direct trust in managers and management also provides for the creation and management of Employee Organizational Citizenship Behavior, a fundamental concept for businesses (Mayer & Gavin, 2005). Trust in management is particularly important in influencing employee attitudes (Cascio & Boudreau, 2008). Thus:

H₂: There is a positive and significant relationship between trust to managers and positive word of mouth intentions.

2.4 Reputation and Trust

According to Rousseau et al. (1998), trust is a psychological field about what is accepted from others based on good behavior trust arises when a person is convinced of the reliability and integrity of a trusted person (Morgan & Hunt, 1994). If the reputation is destructed, confidence will also be harmed. Wong et al. (2014) decisively supported that employees' trust in supervisors is an important and positive indicator of the trust of employees in organizations. Thus, knowing the antecedent of trust can help increase trust in organizations. A good reputation reveals positive connotations in the communication of different stakeholders with the institution. The positive environment that is perceived is the result of the satisfaction of all stakeholders, and it affects the satisfaction level of the employees. The increase in the likelihood of keeping the satisfaction of the employees as the business partner of the institution is also among the outputs of the perceived positive reputation. A corporate culture that values and promotes the protection of corporate reputation affects employees' perception of the company's reputation and as a result how they trust their manager and management. Thus:

H₃: There is a positive and significant relationship between perceived corporate reputation and trust to managers.

2.6. Mediating effect of Trust

Positive corporate reputation practices also devote to the spread of trust in organizations. Trust improves the interaction between individuals and organizations and improves cooperation between partners. Confidence in business relations is positively related to various behaviors and outcomes, such as job satisfaction, organizational commitment, organizational citizenship behavior and customer focus (Rani et al., 2018). Therefore the following hypothesis is proposed:

H₄: Trust to managers mediates the relationship between perceived corporate reputation and positive word of mouth intentions of employees.

2.7. Value Congruence as a Moderator

Earlier studies have shown that employees are naturally interested in employers who are consistent with their values and personalities (Judge & Cable, 1996; Schneider, 1987). An environment in which the employee is valued and linked to the organization is critical to support the corporate vision. Those who perceive value congruence are identified themselves with their companies and define themselves in the same context as their organization (Cable & DeRue, 2002; Charbonnier-Voirin, Poujol & Vignolles, 2017). Having a membership sharing the goals and values of the organization can enable individuals to act naturally to benefit the organization (Ouchi, 1980; O'Reilly & Chatman, 1986). Specific to this context, value congruence might positively strengthen the direct effect of perceived corporate reputation on positive word of mouth behavior. Consequently, this study's final hypothesis is:

H₅: Value congruence moderates the relationship between corporate reputation and positive word of mouth behavior of employees.

3. Methodology

3.1. Participants and Procedure

To test our research model, we used a quantitative questionnaire-based survey. The survey data were collected from employees across multiple private companies and sectors operating in North Cyprus through a self-administered questionnaire. The method convenience sampling was used for the reasons of convenience and accessibility of the participants. A total of 750 participants were approached to participate in this study, and 562 usable responses were received (75 percent). (See Table 1 for an examination of sample properties). Initial analyzes including the review of normality and other tests related to multivariate analysis preconditions were conducted, and the data were found to be suitable for this purpose (Hair et al., 2006).

Table 1

Information on the study sample

Variables	Answer categories and percentages
Gender	Female (49.3%); male (50.7%)
Age	18 to 21 years (4.4 %); 22 to 37 years (47.5%); 38 to 53 years (38.8 %); 54 to 72 years (9.3 %)
Education	High school (16.2 %); associate (11.4 %); undergraduate (59.6 %); master (9.8 %); doctorate (2.8 %)
Employment tenure	Less than 1 year (7.8. %); 1 to 5 years (40.6 %); 6 to 10 years (29.5 %); 11 to 15 years (14.2 %); above 16 years (7.5 %)
Employee number in the company	1 to 5 (5.7 %); 6 to 10 (8.4 %); 11 to 20 (19.6 %); 21 to 50 (24.4. %); 51 to 250 (25.3 %); above 250 (16.4. %)
Industry of the company	Real estate (8.2 %); construction (3.0 %); banking (10.0 %); accounting and finance (4.8 %); insurance (2.3 %); tourism and hospitality (14.1 %); transportation (2.1 %);telecommunication (5.2 %); logistic (1.6 %); education (6.0 %); food and beverages (3.2 %); wholesale and retail trade (18.7 %); health (2.8 %); computer hardware and software (2.1 %); production (2.3 %); automotive (2.8 %); other ^a (10.1 %)

^a The category “other” contained public companies and others.

3.2. Measurement Scales

In this study, the perceived corporate reputation of companies was accepted as a second order multidimensional structure integrated with cognitive dimensions and defined as a variable with formative indicators (Bollen & Lennox, 1991). The conceptualization of a formative structure means understanding the structure as the sum of all indicators whereas causality in reflective structures is from the construct to measures which express the effects of a latent variable (Diamantopoulos et al., 2008). Therefore, the observed variables used to measure the perceived corporate reputation represent the reasons why a company has a certain reputation (Helm, 2005). We took all the scales used in the study from previous research and tested all scales in advance. Table 2 shows a complete list of all items. In order to measure the five dimensions of the corporate reputation the 20 items scale of Fombrun et al. (2000) were used. The remaining structures were conceptualized as reflective measures. We adopted the seven-item scale for trust from Robinson (1996), we measured positive word of mouth behavior with six items according to Goyette et al. (2010), and finally, for measuring value congruence, we used the three-item scale from Judge and Cable (1996).

3.3 Common method variance (CMV)

A single-factor variance score was taken to address the CMV problems by using Harman’s single factor test which suggests that the findings of this study were not affected by CMV (Table 3). The result of this test discloses that there are no common factors in the factor structure, whereas the first factor explains less than 30 percent of the variance (Podsakoff et al., 2003).

Table 3
Total Variance Explained^a

Number of factors extracted	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
33	8.715	26.408	26.408	8.086	24.504	24.504

^aThe full table can be supplemented upon on request

Table 4
Information on the measurement model

Item no.	Constructs and indicators	Weights	t-value	Loadings	α	CR	AVE
REP	Perceived corporate reputation (five-point scale ranging from 1= "strongly disagree" to 5= "strongly agree")						
REPEA1	I have a good feeling about my company	0.042	2.74				
REPEA2	I admire and respect my company	0.309	3.49				
REPEA3	I trust my company	0.692	3.60				
REPPS1	My company stands behind its products and services	0.383	4.95				
REPPS2	My company develops innovative products and services	0.114	1.83				
REPPS3	My company offers high quality products and services	0.484	7.47				
REPPS4	My company offers products and services that are good value for money	0.074	3.90				
REPVL1	There is an excellent leadership in my company	0.465	8.30				
REPVL2	My company has a clear vision for its future	0.166	3.66				
REPVL3	My company recognizes and takes advantage of market opportunities	0.443	5.81				
REPWE1	My company is well managed	0.471	7.28				
REPWE2	My company is a good company to work for	0.588	7.03				
REPWE3	My company has good employees	0.040	1.45				
REPSE1	My company supports good causes.	0.210	4.36				
REPSE2	My company is an environmentally responsible company.	0.465	5.19				
REPSE3	My company maintains a high standard in the way it treats people.	0.442	3.66				
REPPF1	My company has a strong record of profitability	0.241	4.23				
REPPF2	My company looks like a low-risk involvement.	-0.12	2.66				
REPPF3	My company tends to outperform its competitors	0.467	4.70				
REPPF4	My company looks like a company with strong prospects for future growth	0.479	7.12				
PWOM	Positive word of mouth behavior (five-point scale ranging from 1= "strongly disagree" to 5= "strongly agree")				0.939	0.938	0.718
PWOM1	I recommend this company		44.83	0.918			
PWOM2	I speak of this company's good sides		53.38	0.839			
PWOM3	I am proud to say to others that I am this company's employee		48.44	0.883			
PWOM4	I mostly say positive things to others about this company		62.09	0.810			
PWOM5	I have spoken favorably of this company to others		51.28	0.751			
PWOM6	I strongly recommend people buy products or services from my company		41.00	0.874			
TRUST	Trust in Manager (five-point scale ranging from 1="strongly disagree" to 5= "strongly agree")				0.943	0.944	0.706
TL1	I believe my manager has high integrity.		28.04	0.806			
TL2	I can expect my manager to treat me in a consistent and predictable fashion.		36.61	0.860			
TL3	My manager is not always honest and truthful.		42.63	0.908			
TL4	In general, I believe my manager's motives and intentions are good.		20.03	0.736			
TL5	I do not think my manager treats me fairly.		20.98	0.761			
TL6	My manager is open and up front with me.		40.36	0.874			
TL7	I am not sure I fully trust my manager.		40.18	0.920			
VALUE	Value Congruence (five point scale ranging from 1="strongly disagree" to 5= "strongly agree")				0.970	0.970	0.914
VC1	The things that I value in life are very similar to the things that my organization value		127.53	0.935			
VC2	My personal values match my organization's values and culture		120.11	0.969			
VC3	My organization's values and culture provide a good fit with the things that I value in life.		118.29	0.964			

Perceived corporate reputation was conceptualized as a formative construct and therefore not subjected to discriminant validity analysis

4. Empirical results

4.1 Validity test

Smart PLS was found appropriate for conducting the study as it is better equipped to handle formative constructs (Chin, 1998). As a variance-based SEM, PLS is the preferred method if the hypothesis model includes at least one or more composites (Henseler et al., 2016). To examine the reliability and validity of this study, a series of the validity and the reliability tests were performed using PLS-SEM. All the factor loadings were higher than 0.7, the values of composite reliability and Cronbach's α were higher than 0.9. Also, the values of the average variance extracted (AVE) were higher than 0.7, which guarantees the convergent validity of the reflective model (Bagozzi & Yi, 1988). This suggests that this study holds acceptable reliability and validity showing sufficient discriminatory validity (Fornell & Larcker, 1981). As it causes estimation difficulties, multicollinearity is an unwanted attribute in formative constructs (Diamantopoulos & Winklhofer, 2001). For this reason, the significance and loadings of indicators were tested by t-value. The values of factor loadings, t-value, composite reliability, Cronbach's α and average variance extracted are shown in Table 2.

4.2. Hypothesis testing

The current study has tested that perceived corporate reputation has a significant positive relationship with employee' positive word of mouth behavior ($\beta=0.771$, $p<0.001$). The effect of trust on positive word of mouth behavior ($\beta=0.119$, $p<0.005$), and perceived corporate reputation on trust ($\beta=0.705$, $p<0.001$) are also positive. Thus, H_1 , H_2 , H_3 are supported (Table 4).

Table 4

Path analysis

Hypothesis	Path	Standardized coefficient
1	PCR → PWOM	.771**
2	Trust → PWOM	.119*
3	PCR → Trust	.705**

** $p<0.001$; * $p<0.05$ (two-tailed).

PCR = perceived corporate reputation; PWOM= positive word of mouth

4.2.1. Mediation Effect

The values obtained through the path analysis for the analysis of the mediation effect indicate that there was a partial mediation (Fig. 1) of trust to manager between perceived corporate reputation and positive word of mouth behavior, the significance value obtained between perceived corporate reputation and positive word of mouth behavior on introducing the mediator is ($\beta=0.115$ $t=4.553$). This indicates that trust to manager partially mediates the relationship between corporate reputation and positive word of mouth behavior thereby H_4 is partially accepted (Baron & Kenny 1986). This means that when a company is perceived as respectable for its employees, it positively influences the outrageous behavior of employees even if the manager is not trusted. Therefore, based on path analysis trust in the manager explains the relationship between partially perceived corporate reputation and positive word behavior.

4.2.2. Estimation of Moderation Effect

In the PLS path models, the product indicator approach and the two-step approach have been used to model the intermediate effects when using the interaction term as an additional latent variable in the PLS path model. The product of exogenous and moderator variable is included in this additional latent variable (Henseler & Fassott, 2010). Since the indicators of a composite do not consider the same underlying factor, the product indicator approach has been only limited to reflective factors (Henseler et al., 2016) Accordingly, if both the independent and the moderator variables have only one indicator, the product indicator approach is the same as the 2nd stage of the two-step approach (Fassott et al., 2016).

Consequently, in our study, the independent and the moderator variable were both built as single-indicator variables and as a result, although the moderator path H₅ is statistically significant ($\beta=-0.139$, $t=3.145$), the effect is negative. Therefore the positive effect of value congruence as a moderation variable between perceived corporate reputation and positive word of mouth intention cannot be justified, proposing the rejection of H₅.

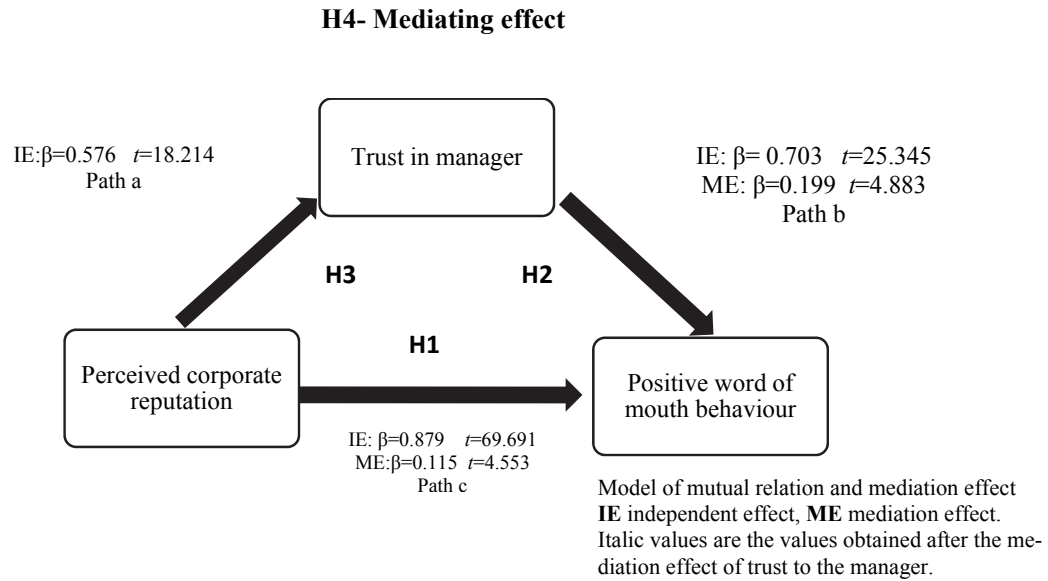


Fig. 1. Estimated PCR-TM-PWOM

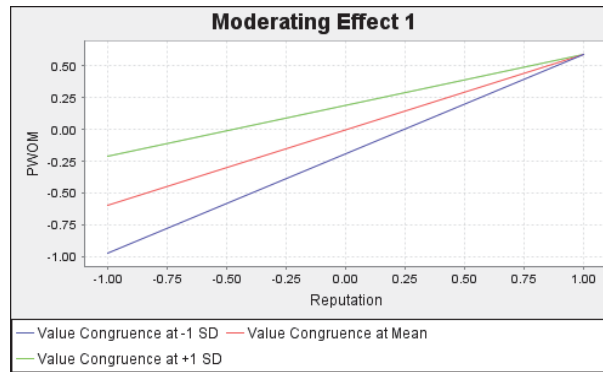


Fig. 2. Simple plot analysis for the moderating effect

5. Discussion

This study has been carried out to expose the effect of perceived corporate reputation on the positive word of mouth behavior with the mediating role of trust in the manager and identified a positive relationship between corporate reputation and positive word of mouth behavior. The mediating role of trust in a manager in the relationship between perceived corporate reputation and positive word of mouth behavior was partially confirmed. Corporate reputation is critical in identifying work-related social identity because employees are associated with their employers' stained or excellent reputation. (Dutton & Dukerich, 1991). The results of the study have confirmed that perceived corporate reputation had a substantial impact on what employees think about workplaces and, as a result, how they communicated with other stakeholders. The value obtained from the path analysis indicates that the company's reputation as perceived by the employees ensured a positive word of mouth communication ($\beta=0.771$, $p<0.001$)

thereby the H₁ hypothesis has been accepted. Secondly, trust in the manager has a significant impact on the intention of the word of mouth behavior ($\beta=0.119$, $p<0.005$) which enables us to accept our hypothesis H₂. Also there is a relationship between corporate reputation and trust in the path from the company reputation and trust to the manager ($\beta=0.705$, $p<0.001$) which is statistically significant. Therefore H₃ is also accepted which hypothesized trust in the manager has a significant impact on the intention of the word of mouth behavior.

Further the results of the current study show the partial mediation of trust in manager between perceived corporate reputation and positive word of mouth behavior. Employees show trust to their managers when they perceive their company as reputable. Employees who trust the manager tend to show positive word of mouth behavior. According to Fombrun and Shanley (1990), a reputable firm transmits many signals to stakeholders. As individuals believe that reputable firms are more honest in their day-to-day operations and that they will take care of their interests on both sides in their decisions, they are more likely to contribute to their credibility (Keh & Xie, 2009). Previous studies have demonstrated the direct impact of value convergence on organizational citizenship behaviors such as speaking well about organization externally (Cable & DeRue, 2002; Kristof-Brown et al., 2005). On the contrary, our results could not explain the effect involved in these processes through moderation of value congruence resulting in rejection of our Hypothesis 4. Considering our sample who are the employees of Northern Cyprus, this result may be meaningful. In a developing country, it cannot be expected to see the same results as in the developed countries (Mendonca, & Kanungo, 1996). Perhaps one of the most important reasons for this is that organizations cannot emphasize their values and employees are not aware of these values. Subsequently, when the company is perceived as reputable, the fit between the values of the person and the values of the organization may be losing importance. Empirical support is given to the relationships between internal reputation and positive word of mouth behavior according to the internal stakeholder perspective in this study. As mentioned earlier, previous studies have examined the premise and the results of corporate reputation, but not enough research has been conducted on the possible impact of corporate reputation on employee behavior (Mishra, 2013). The outcome of this study displays that corporate reputation should be considered as an important factor for creating positive word of mouth behavior. This study stresses the importance of creating a reputation that reflects the values of the organization as well as reliable management and also evaluates whether or not employees' word of mouth communication reflects these efforts. By showing the impact of the perceived corporate reputation on the word-of-mouth behavior of the company, our study also provides empirical verification of the proposal of the employees to be the first ambassador of their companies.

5.1. Managerial implications

Employee word of mouth communication is especially crucial in today's business environment because it is challenging to find employees with high potential and at the same time loyal to their companies (Berthon et al., 2005; Collins & Stevens, 2002). Therefore, companies with a favorable corporate reputation are in an excellent position to compete (Baddaras, 2011). The current study has several managerial implications and contributes to the existing body of knowledge in many ways. From a management perspective, the study delivers some crucial insights. First, it stimulates and strengthens our understanding of the impact of corporate reputation on the positive word of mouth intentions of employees. Managers need to be cautious of the critical role of corporate reputation for employees' positive word of mouth behavior. If companies with a negative reputation want their existing employees to speak positively about their company, they should first focus on improving their reputation. Managers must be attentive that management strategies can be collapsed if employees do not trust management (Harris & de Chernatony, 2001). Institutions will also need to understand specific employers, whether they have confidence or insecurity, and whether advocates are advocating on behalf of the organization for positive or negative. Managers should raise the bar for creating a good corporate reputation and an ethical working environment while facing a general public reservation in the current economic environment and the

corporate world. This kind of environment would help in cultivating employee trust, creating a supportive atmosphere, and engaging in trust-forming practices. Managers should recognize and reward the extra role behavior of employees who influence the view of the other members in their social network, and they should find incentives for employees to perform these roles.

A corporate culture that makes reputation a corporate priority should be built and senior management should continuously reinforce the process of actively managing corporate reputation. Management's control-related activities play an essential role in encouraging employees to participate in the reputation development process. Efforts to convey corporate reputation positively should not be directed only to external stakeholders, but also to employees (Cravens & Oliver, 2006). Intangible resources are more critical than traditional physical and financial assets to ensure sustainable competition, so the results of this study add practical information to managers to consolidate the positive behavior of employees and increase the competitiveness of their companies. The findings of this study show that managers should not ignore the importance of reputation perceived by employees. Companies should not only increase and maintain their reputation but also continuously communicate with employees about reputation studies. Strong reputation not only helps companies to gain social awareness but also contributes to emotional interaction with employees. Companies should work actively not only to increase overall corporate credibility but also to transmit and show reputation signals to empower employees with their employers. Having a good reputation helps not only attract qualified applicants but also keep existing employees (Svendsen, 1998).

6. Conclusion

Along with the rapid change in the business world, it was underlined that the employees and their working relatives were the most critical social stakeholders of the institution (Rynes, & Cable, 2003). The position of employees among the stakeholders and institutions that affect the corporate reputation and affected by corporate reputation began to be more prominent in time. We have been frequently witnessed in the literature as the envoy of the institution, the employee's commitment to the institution, the employee's pride of his/her institution, and the satisfaction of the employee with customer satisfaction and the reputation started to be mentioned. Interpersonal interactions transport the functional and emotional value of a brand. At this point, it cannot be denied that internal and external rumors are significant for the management of corporate reputation. Employees of all levels, especially managers of institutions, should play an active role in the management of rumors. This can only be achieved through the routine and constant communication system. When this situation is not done, the crisis will be a difficult problem to be solved regarding corporate reputation, and it will be difficult for the future of communication activities which are maintained regularly with internal and external stakeholders. The reputation of an institution is a mirror of what is going on inside that institution. If employees identify themselves with their institutions, they work better. If they have the opportunity, they act as an ambassador to the outside world. Therefore, it is vital to get the support of employees and to maintain a strong reputation. The recommendation of the institution as the right place to work will cause the employees to work happily in that institution and attract potential employees to the institution.

7. Study limitations and future research opportunities

Although this study extends the available knowledge and contributes to the existing research, there are some limitations and future opportunities for research. The first limitation of the study is that the data are collected only once. Only a longitudinal survey can verify the causality between variables. This study may involve a single method bias (Shadish, 2002) because a single self-report questionnaire provided answers to dependent and independent variables. Data collection was operated in North Cyprus, so the results may not be generalized to other companies outside North Cyprus. The results of our model have provided some support to the relationships between an employee's perception of a company's reputation, a positive word of mouth behavior and trust in the leader; however, all employees do not expect the same

advantages and qualifications from their companies and managers. Future research may determine whether culture, personality types, seniority, qualifications, and generations can be taken as moderators between the relationship of corporate reputation and positive word of mouth behavior. Future research may also involve other mediators such as organizational commitment; including other outcome variables in addition to employee behavioral intentions such as negative word of mouth and electronic word of mouth. As a result, this research has given initial empirical approval to the role of corporate reputation in the word of mouth process and at the same time, prepares the field for a more empirical study to better comprehend the effect of corporate reputation.

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