

Analysis of the Influence of Kaizen Culture and Psychological Contracts on Employee Performance: A Mediation Study by Innovation Trust

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**Abstract:** This research aims to analyze the influence of Kaizen culture and psychological contracts on employee performance with trust in innovation as a mediating variable in an automotive company in Riau Province. This study uses a quantitative approach. Data was collected through the distribution of questionnaires to all salespersons, totaling 184 respondents. Data processing was carried out using the Smart PLS application to test the relationships between variables in the research model. The results of the analysis indicate that only the psychological contract has a significant positive effect on salesperson performance, while all other proposed hypotheses were rejected. Kaizen culture and the psychological contract do not have a significant effect on innovation trust, Kaizen culture and innovation trust do not have a significant effect on employee performance, and trust in innovation does not significantly mediate the relationship between Kaizen culture and the psychological contract with performance. These findings suggest that there are other factors beyond the research model that may more dominantly influence employee performance in the company. This study contributes to the development of literature related to performance management and encourages further research to explore other factors, both structural and cultural, that can more significantly affect performance in the automotive industry context.

**Keywords:** Kaizen Culture, Psychological Contract, Innovation Trust and Salesperson Performance.

## 1. Introduction

In an increasingly competitive global competition era, the automotive industry is required to continuously improve performance to be able to compete, both in domestic and international markets. Employee performance, as one of the main determinants of productivity and organizational success, is a primary concern in human resource management. In this context, various performance improvement strategies have been implemented, one of which is through the development of a work culture that encourages continuous improvement and increased innovation. One relevant approach is the implementation of a Kaizen culture, which emphasizes small changes that are made consistently and thoroughly by all elements of the organization.

The Kaizen culture originates from Japan and has proven effective in improving efficiency and employee performance in various manufacturing companies, including automotive. Kaizen principles such as teamwork, discipline, openness to change, and active participation of all employees in the improvement process form the foundation for creating a productive work environment that is adaptive to challenges. The consistent implementation of Kaizen culture is expected to foster proactive, innovative, and efficient work behaviors, which will ultimately impact overall performance improvement (Handayani & Sukardi, 2020; Pebrianti et al., 2019; H. R. Permana et al., 2021; Rizqulloh & Putra, 2022).

In addition to work culture, the psychological contract aspect also has an important influence on employee performance. The psychological contract is an individual's perception of the unwritten agreement between themselves and the organization, including expectations regarding support, fairness, job security, and career development opportunities. The psychological contract plays a crucial role in shaping trust. Relational

psychological contracts (long-term, including training, job security, and emotional support) have been shown to enhance work engagement, which in turn encourages innovative behavior (Sulistiawan & Andyani, 2020).

Nevertheless, in a dynamic work environment that demands innovation, trust in innovation becomes an important factor that also determines the success of the organization. Although this aspect has not been extensively researched in the automotive industry specifically, it is recognized in the field of innovation management that trust is a significant driver of innovative behavior and acceptance of change (Auliyah et al., 2025). Trust in innovation reflects the extent to which employees feel safe, supported, and confident that new ideas will be accepted and valued by the organization. Without this trust, innovation efforts that should be a strength of the organization can instead be hampered by fear of failure, criticism, or a lack of managerial support. Therefore, creating a culture of trust in innovation is crucial in bridging the organizational culture and the actual performance of employees.

In the context of the automotive industry, where speed, precision, and efficiency are top priorities, the relationship between Kaizen culture, psychological contracts, and employee performance through trust in innovation becomes an important topic to research. Although the principles of Kaizen and the fulfillment of psychological contracts have been widely implemented, there has not been much research examining how trust in innovation acts as a mediating variable in this relationship. This presents an interesting research gap to explore, especially in Indonesia's automotive industry, which is continually developing but facing challenges in human resource aspects.

This research was conducted at an automotive company in Riau Province with the aim of testing and analyzing the influence of Kaizen culture and psychological contracts on employee performance through trust in innovation. By using a quantitative approach through the distribution of questionnaires and data processing using SmartPLS, this study is expected to provide an empirical description of the relationships between these variables in an objective and measurable way. The use of SmartPLS was chosen for its ability to test structural models with complex latent variables.

The results of this research are expected to contribute theoretically to the development of human resource management science, particularly regarding work culture and organizational psychology. Furthermore, practically, the findings of this research are hoped to provide strategic input for automotive management in designing policies and work programs that support the improvement of employee performance through strengthening Kaizen culture, fulfilling psychological contracts, and creating a work environment that supports innovation.

## 2. Literature Review

### Job Performance

The term performance comes from the words Job Performance or Actual Performance (work achievement or the actual achievements made by an individual). Employee performance plays an important role in determining the company's performance. Human resources are a crucial source of growth for organizations. It is important to make the best use of human resources, aligning the knowledge, skills, and abilities of employees with the roles within the organization. The intellectual capital of employees can enhance organizational performance, making people the most important resource that enables organizations to improve financial outcomes and profits more significantly (Indrayani et al., 2024).

According to (Sedarmayanti, 2017), performance is an output produced by a company. Performance is a result processed by a specific job function or activities of a certain job over a certain period, which displays the quality and quantity of the work. Employee performance is an important aspect in a company that can be influenced by many factors. The concept of performance will describe how individuals or groups draw conclusions to achieve goals. Performance is a concept demonstrated by the organization's outstanding employees when carrying out their tasks (Momoh et al., 2024).

### Kaizen Culture

Kaizen is a Japanese word for improvement, carrying connotations in the industry of all activities that are not bound and partially contracted taking place in the Japanese workplace to improve operations and the environment

(Brunet & New, 2003). Kaizen (Continuous Improvement) or ongoing improvement is a change activity that is carried out continuously to enhance what has been achieved towards a better direction (Rizqulloh & Putra, 2022). Cane (1996) stating that all Kaizen organizations operate under the understanding that every individual within the organization has a key role to play. Everyone in the company has a full picture of what their company's goals are. The Kaizen culture, which emphasizes continuous improvement and the participation of all employees, will foster an environment where improvement ideas, no matter how small, are considered important and supported. This creates a sense of trust that innovation is valued and welcomed by the organization. Kaizen emphasizes discipline, empowerment, communication, and cooperation, which are essential components that strengthen the innovative capabilities of the organization and build trust to continue innovating (Yasman & Limgiani, 2024).

**Hypothesis 1:** Kaizen culture influences innovation trust.

Research related to kaizen culture conducted by several researchers, including (I. Permana & Rachmawati, 2022), (Rizqulloh & Putra, 2022) and (Saputra et al., 2022), shows results where kaizen culture has a significant impact on performance. Meanwhile, research by (Pebrianti et al., 2019) dan (H. R. Permana et al., 2021) indicates that kaizen culture has a significantly positive effect on performance. Currently, there have been no studies showing that kaizen culture does not have an impact or has a negative influence on performance.

**Hypothesis 2:** Kaizen culture affects the performance of salespeople.

### Psychological Contract

According to (Hansen et al., 2013), the Psychological Contract is an individual-level cognitive structure that reflects how people think about their exchange relationships. More specifically, the psychological contract is an individual's belief system regarding the obligations that exist between them and their exchange partner.

The concept of the psychological contract is the individual's trust in mutual obligations with the company. This trust expresses an understanding of the promises made and offers considerations for binding changes between employees and the company to establish an obligation. Broadly speaking, companies should understand what employees want and need in determining behaviors and responses in the workplace, and vice versa. Employees are likely to have both implicit and explicit expectations about what they will receive from the company. This hope can serve as the basis for a psychological contract that involves mutual obligations between employees and the company (Adiawaty, 2017). It is important to remember that one of the reasons someone becomes an employee in an organization is to meet economic needs (Haryanti et al., 2024). This will be a crucial consideration when fulfilling the psychological contract between the employee and the organization.

In the context of supplier-distributor business relationships in the automotive industry, (Kingshott, 2006) revealed that psychological contracts enhance the level of trust and commitment between the parties involved. When implicit expectations are mutually fulfilled, trust grows and facilitates innovation in partnership practices (Yu et al., 2024). (Sulistiawan & Andyani, 2020) reported that psychological contracts both relational and transactional, specifically relational encourage innovative behavior and the intention to share knowledge through increased work engagement. This indicates that fulfilling implied rights and expectations can enhance trust in innovation within organizations. Other research found a direct positive correlation between the fulfillment of psychological contracts and employees' innovative behavior. The stronger the contract perceived by employees, the greater their trust and motivation to express and realize new ideas (Li et al., 2021; Peng & Li, 2021).

**Hypothesis 3:** Psychological contracts influence trust in innovation.

When salespeople feel that the organization meets their unwritten expectations—such as support or fair rewards—they tend to show strong loyalty and are motivated to achieve higher sales targets. This fulfillment fosters internal trust that strengthens work performance. Salespeople who have a high emotional bond with the organization are more likely to fulfill the psychological contract, which will subsequently enhance their sales performance.

**Hypothesis 4:** The psychological contract affects the performance of salespeople.

### Innovation Trust

Innovation trust, also known as self-confidence in being innovative, is a development of self-trust. Innovative trust can be interpreted as the increased bond of trust among coworkers through sharing various ideas and feedback to be accepted and adopted by one another (Budiadnyana, 2024). Whereas (Tierney & Farmer, 2002) defining innovative self-confidence means believing that an individual has the ability to produce creative results. Innovative self-confidence can enhance creativity as it generates internal supporting power that strengthens individuals to keep going in the face of challenges related to creativity.

The ability to innovate has become crucial in today's fast-paced and competitive business world for listed companies to outperform their competitors and maintain a competitive edge (Muzviyo & Qutieshat, 2024). When employees feel that the innovation environment is supported and psychologically safe, they are more likely to engage in innovative behaviors such as sharing ideas, taking creative risks, and collaborating, which ultimately drives overall work performance improvement. This is reinforced by structural and social theories that state that trust opens up opportunities for employees to participate in organizational innovation (Hughes et al., 2018).

**Hypothesis 5:** Innovation trust affects the performance of salespeople.

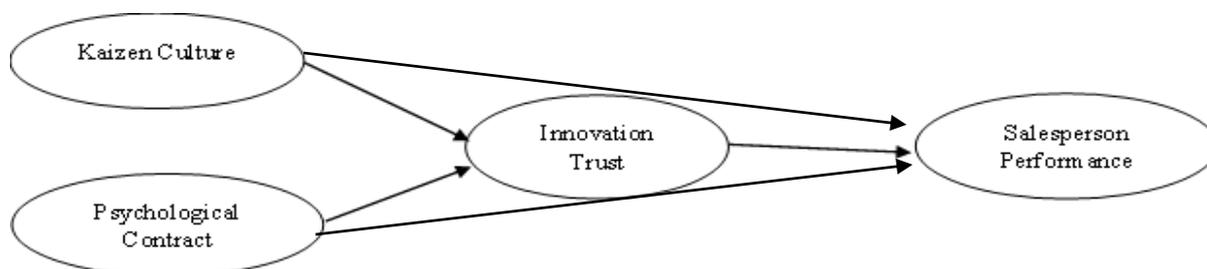
### Innovation Trust as a Mediator

In the context of modern organizations, a Kaizen culture that emphasizes continuous improvement through the active participation of all employees not only strengthens process efficiency but also fosters an environment that supports the emergence of trust in innovation. When organizations consistently encourage the implementation of new ideas, salespeople feel safer to experiment and propose creative sales strategies because they know the organization values innovative approaches as part of the daily work culture. Additionally, when the psychological contract between salespeople and the organization is fulfilled with documented support, fairness, and a sense of being valued, a strong emotional atmosphere is formed. This condition fosters the belief that innovation will not result in penalties, but rather will be appreciated. Thus, fulfilling the psychological contract also enhances the trust in innovation held by salespeople, making them more open to new ideas in sales (Ishigame, 2020).

Thus, trust in innovation serves as a bridge or, in statistical terms, a mediating variable that translates the influence of Kaizen culture and psychological contracts into improved sales performance. In summary, trust in innovation can be likened to a psychological mechanism that enables salespeople to optimally leverage Kaizen culture and organizational support, directly impacting their performance in facing challenges and opportunities in the field.

**Hypothesis 6:** Kaizen culture influences salesperson performance through innovation trust.

**Hypothesis 7:** Psychological contracts influence salesperson performance through innovation trust.



**Figure 1. Research Model**

### 3. Research Method

#### Research Location

This research was conducted at one of the largest automotive companies in Riau Province.

### Population and Sample

The population in this study is all salespeople. The determination of samples in this study uses a saturated sampling technique, which means using all salespeople at the automotive company in Riau, totaling 184 salespeople.

### Operational Variables of the Research

In this study, four variables were used, the first being the independent variable, or the variable that influences other variables, namely kaizen culture and psychological contract. There is also a dependent variable which is the variable influenced by other variables, namely sales performance. Additionally, there is a mediating variable that mediates between the independent variable and the dependent variable, namely innovation trust.

### Research Instrument

To measure the values of the variables studied, a research instrument is used. The research instrument employed aims to yield accurate quantitative data. In this study, the instrument used by the researcher is a questionnaire. In each statement listed in the questionnaire, the researcher provides a measurement scale. The measurement scale for the variables used by the researcher is the Likert scale. The Likert scale distinguishes certain categories with a specific distance, and the distance between categories is the same. The Likert scale does not have a true zero value.

### Data Analysis Techniques

This research utilizes two types of analyses, namely descriptive analysis and verificative analysis. Descriptive analysis is used to understand how each variable in the study is depicted, while verificative analysis is used for hypothesis testing regarding the influence of variables using statistical tests.

### Path Analysis with PLS

In SEM PLS there are two research models, namely the measurement model also known as the outer model, and the structural model also referred to as the inner model. The Types of Measurement Model Fit (The measurement model can be tested by looking at Convergent Validity, Discriminant Validity, and Composite Reliability), while the Structural Model Fit (The structural model can be tested by looking at VIF values, R-Square, Q-Square, F-Square, and path coefficients).

## 4. Results And Discussion

### Analysis of Respondent Responses

The variables in this study consist of two independent variables, namely kaizen culture (X1) and psychological contract (X2), 1 mediating variable which is innovation trust (M), and 1 dependent variable which is innovative work behavior (Y).

**Table 1 Respondent Responses**

No	Variable	Mean	Description
1	Kaizen Culture	4,51	very agree
2	Psychological Contract	4,46	very agree
3	Innovation Trust	4,46	very agree
4	Salesperson Performance	4,32	very agree

Source: Processed Data SEM-PLS 4.0, 2025.

Based on the response table of the respondents, the average obtained from the questionnaire answers has a relatively high value, which includes the category of strongly agree. The strongly agree category on the kaizen culture variable can be interpreted that salespeople still strongly agree that the kaizen work culture is still applied

in the company. The strongly agree category on the psychological contract can be interpreted that salespeople agree that the psychological contract between employees and the company needs to be fulfilled. The strongly agree category on the innovation trust variable can be interpreted that salespeople still strongly agree that there is mutual trust in providing ideas or new innovations. The strongly agree category on the sales performance variable can be interpreted as the agreement of salespeople that performance is the spearhead of the company.

**Preliminary Test**

**Validity Test**

Based on the validity data, it shows that the loading factor value for each indicator of each latent variable has a value greater than that of other latent variables. For example, the comparison of the loading factor value in kaizen culture is 0.976, which is greater than the loading factor values of other latent variables, namely psychological contract (0.969), innovation trust (0.957), and sales performance (0.948). These results indicate that all latent variables have good validity and values > 0.30, so it can be concluded that the validity test has been met and can be stated as valid.

**Reliability Test**

Based on reliability data, it is known that the composite reliability value is > 0.70 which means it meets the reliability assumption. It can be explained that innovation trust (M) is reliable because the composite reliability value is 0.957 > 0.70. Kaizen culture (X1) is reliable because the composite reliability value is 0.953 > 0.70. Psychological contract (X2) is reliable because the composite reliability value is 0.969 > 0.70. Sales performance (Y) is reliable because the composite reliability value is 0.948 > 0.70.

**Model Test**

**Outer Model Test**

Based on the presented data, it is known that each indicator of the research variables has an outer loading value > 0.6. An outer loading value between 0.5 – 0.6 is already considered sufficient to meet the requirements for convergent validity (Ghozali, 2021). Data processing shows that the indicators for the variable of kaizen culture, psychological contracts, innovation trust, and salesperson performance all have outer loading values above 0.5, so all indicators are declared suitable or valid to be used in research and can be used for further analysis.

**Inner Model Test**

**R-square (R<sup>2</sup>) Test**

The following is the result of the R-square test on innovation trust and salesperson performance.

**Table 2 Result of the R-square test**

	R-square	R-square adjusted
Innovation Trust	<b>0,021</b>	<b>0,011</b>
Salesperson Performance	<b>0,766</b>	<b>0,762</b>

Source: Processed Data SEM-PLS 4.0, 2025.

Based on the table, it can be noted that the adjusted R-Square value for the innovation trust variable (M) is 0.011. This means that the percentage of the influence of innovation trust in mediating kaizen culture and psychological contracts on sales performance is 1,1%, while 98,9% is influenced by other factors not included in this model. Furthermore, the adjusted R-Square value for the sales performance variable (Y) is 0,762, which means that the percentage of the influence of kaizen culture and psychological contracts on sales performance mediated by innovation trust is 76,2%, while the remaining 23,8% is caused by other factors not included in this model.

f-square Test

The following is the result of the f-square test on innovation trust and salesperson performance.

Table 3 Result of the f-square test

	Innovation Trust	Salesperson Performance
Kaizen Culture	0,011	0,008
Innovation Trust		0,004
Psychological Contract	0,002	0,746

Source: Processed Data SEM-PLS 4.0, 2025.

Based on the table, it is known that the kaizen cultural variable and psychological contract have a weak influence on innovation trust, and that kaizen culture and innovation trust also have a weak influence on sales performance. Meanwhile, the psychological contract has a strong influence on salesperson performance.

Hypothesis Testing

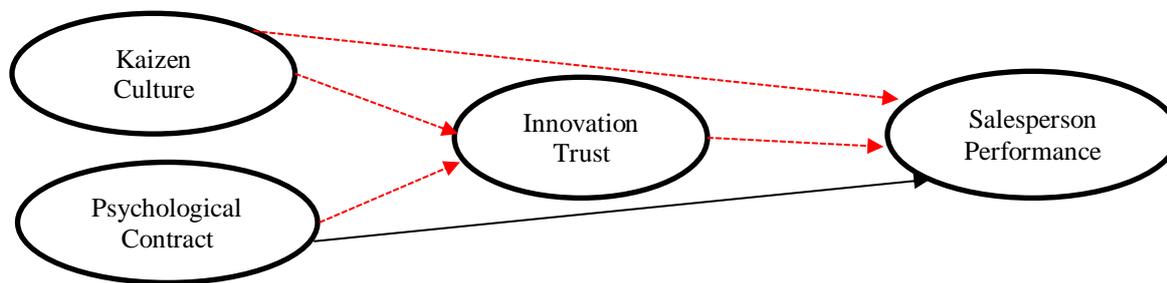
The following are the research test results on the influence of kaizen culture and psychological contracts on salesperson performance through innovation trust.

Table 4 Result of the hypothesis testing

Hypothesis	Path Coefficient	95% Path Coefficient Confidence Interval		f-square / upsilon (v)	p-values	Description
		Lower Limit	Upper Limit			
Kaizen Culture -> Innovation Trust	0,238	-0,420	0,813	0,011	0,450	Not Significantly Influential
Kaizen Culture -> Salesperson Performance	-0,098	-0,266	0,104	0,008	0,296	Not Significantly Influential
Psychological Contract -> Innovation Trust	-0,112	-0,635	0,461	0,002	0,697	Not Significantly Influential
Psychological Contract -> Salesperson Performance	0,958	0,761	1,117	0,746	0,000	Significantly Influential
Innovation Trust -> Sales Person Performance	0,032	-0,049	0,118	0,004	0,453	Not Significantly Influential
Kaizen Culture -> Innovation Trust -> Salesperson Performance	0,008	-0,031	0,044	0,008	0,675	Not Significantly Influential
Psychological Contract -> Innovation Trust ->	-0,004	-0,030	0,029	0,004	0,797	Not Significantly Influential

Salesperson Performance					
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Source: Processed Data SEM-PLS 4.0, 2025.



Description:  
 —————> : Significant  
 - - - - -> : No Significant

Figure 2. PLS Structural

Based on the table and the image above, it is known that the research hypothesis obtained in this study is as follows:

**Hypothesis 1: Kaizen culture (X1) influences innovation trust (M)**

Based on the results of the first hypothesis test (H1) which is rejected, there is no significant effect of kaizen culture on innovation trust with a path coefficient of (0.238) and p-value (0.450 > 0.05), which means this influence is positive. Any changes in kaizen culture will increase innovation trust in a better direction, albeit not significantly. In a 95% confidence interval, the effect of kaizen culture in enhancing innovation trust lies between - 0.420 and 0.813. The existence of kaizen culture in enhancing innovation trust has a low influence at the structural level (f-square = 0.011).

**Hypothesis 2: Kaizen culture (X1) affects the performance of salespeople (Y)**

Based on the results of the second hypothesis test (H2), it is rejected, meaning there is no significant influence of kaizen culture on the performance of salespeople with a path coefficient of (-0.098) and a p-value of (0.296 < 0.05), which means this influence is positive. Any change in person-organization fit will increase the performance of salespeople in a better direction, albeit not significantly. In a 95% confidence interval, the impact of kaizen culture on improving sales performance lies between -0.266 to 0.104. The existence of kaizen culture in enhancing sales performance has a weak influence at the structural level (f-square = 0.008).

**Hypothesis 3: Psychological contracts (X2) influence trust in innovation (M)**

Based on the results of testing the third hypothesis (H3), it was rejected, indicating that there is a significant influence of the psychological contract on innovation trust with a path coefficient of (-0.112) and a p-value (0.697 > 0.05), which is positive. Any change in the psychological contract will indirectly improve innovation trust to a better extent, although not significantly. In a 95% confidence interval, the impact of the psychological contract on enhancing innovation trust is between -0.635 and 0.461. The presence of the psychological contract in increasing innovation trust has a low influence at the structural effect level (f-square = 0.002).

**Hypothesis 4: The psychological contract (X2) affects the performance of salespeople (Y)**

Based on the results of the fourth hypothesis test (H4) which is accepted, there is a significant influence of psychological contract on sales performance with a path coefficient of (0.958) and a p-value of (0.000 < 0.05), which is positive. Any change in the psychological contract will directly enhance sales performance significantly towards a better direction. Within a 95% confidence interval, the influence of the psychological contract in improving sales performance is between 0.761 and 1.117. The presence of person-organization fit in enhancing

sales performance through innovation trust has a low influence at the structural level (f-square = 0.746).

**Hypothesis 5: Innovation trust (M) affects the performance of salespeople(Y)**

Based on the results of the fifth hypothesis test (H5), it was rejected, meaning there is no significant effect of innovation trust on sales performance with a path coefficient of (0.032) and a p-value ( $0.453 < 0.05$ ), which is positive. Any change in innovation trust will indirectly improve sales performance in a non-significant manner. Within a 95% confidence interval, the effect of innovation trust in improving sales performance lies between -0.049 and 0.118. The presence of innovation trust in enhancing sales performance has a low impact at the structural level (f-square = 0.004).

**Hypothesis 6: Kaizen culture (X1) influences salesperson performance (Y) through innovation trust (M)**

Based on the results of the sixth hypothesis testing (H6), it was rejected, meaning there is no significant effect of kaizen culture on sales performance through innovation trust with a path coefficient of (0.008) and a p-value of ( $0.675 < 0.05$ ), which is positive. Any changes in kaizen culture through innovation trust will indirectly enhance sales performance toward a better direction, although not significantly. In a 95% confidence interval, the impact of kaizen culture in improving sales performance through innovation trust lies between -0.031 and 0.004. The presence of kaizen culture in enhancing sales performance through innovation trust has a low influence in the effect size of mediation (upsilon ( $v$ ) = 0.008).

**Hypothesis 7: Psychological contracts (X2) influence salesperson performance (Y) through innovation trust (M)**

Based on the results of testing the seventh hypothesis (H7), it was rejected, indicating that there is no significant effect of psychological contract on sales performance through innovation trust with a path coefficient of (-0.004) and a p-value of ( $0.797 < 0.05$ ), which is positive. Any change in the psychological contract will indirectly improve innovation trust towards a better direction, though not significantly. In a 95% confidence interval, the effect of the psychological contract on enhancing sales performance through innovation trust lies between -0.030 to 0.029. The existence of the psychological contract in improving sales performance through innovation trust has a low effect in the mediation effect size (upsilon ( $v$ ) = 0.004).

Discussion of Research Results

Based on the description of the research that has been conducted, it can be understood that the analysis of the influence of kaizen culture and psychological contracts on sales performance, as well as innovation trust as a mediating variable in automotive companies in Riau. The results of the analysis in this study are as follows:

The influence of kaizen culture on innovation trust

The kaizen culture is one of the work cultures adapted from Japan that emphasizes the concept of sustainability. The results of the testing in this study prove that respondents, predominantly male aged about 31-35 years with more than 5 years of work experience, have a high work culture but it does not significantly influence the enhancement of innovation trust.

The kaizen culture emphasizes small and continuous improvements rather than radical innovations. Meanwhile, the belief in innovation is more closely related to the acceptance of significant changes or untested new ideas. Kaizen is usually more effectively applied to production lines or operational management than to the sales division. This is because salespeople are more focused on achieving targets than on improving internal processes. Additionally, if the company does not actively involve salespeople in the kaizen process or does not communicate the results openly, then trust in the innovative processes that arise from the kaizen culture will not grow. Furthermore, if the organizational culture is generally still conservative or risk-averse, then employees will not feel safe trusting innovation because trust in innovation grows in a culture that supports experimentation and accepts failure.

This research is not in line with the research conducted by (Yasman & Limgiani, 2024) which states that kaizen culture has a significant impact on innovation. Thus, it can be concluded that in this study, kaizen culture has a not so significant relationship with innovation trust.

The influence of kaizen culture on the salesperson performance

The kaizen culture is one of the work cultures adapted from Japan that emphasizes the concept of sustainability. The results of the testing in this study prove that respondents, predominantly male aged about 31-35 years with more than 5 years of work experience, have a high work culture but it does not significantly influence the enhancement of salesperson performance.

Sales jobs tend to be dynamic, target-based, relational, and external, such as dealing with customers, negotiation, and achieving sales, so the principles of kaizen are not necessarily relevant or immediately applicable to improve their performance. In many organizations, kaizen is not always implemented as a living culture, but rather as an administrative formality activity, for example through filling out PDCA forms, work evaluation reports, or improvement programs that do not have a direct impact. On the other hand, salespeople tend to focus on concrete outputs and rewards earned from their performance, such as bonuses, commissions, or recognition from superiors.

This research is not in line with the research conducted by several researchers including (I. Permana, 2022), (Rizqulloh & Putra, 2022) and (Saputra et al., 2022); shows results where the kaizen culture has a significant impact on performance and research by (Pebrianti et al., 2019) and (H. R. Permana et al., 2021); It shows that the kaizen culture has a significant positive effect on performance. This indicates that the higher the kaizen culture, the better the performance of the salespeople will be. However, in this study, it can be concluded that the kaizen culture has a less significant relationship with the performance of the salespeople.

The influence of psychological contracts on innovation trust

Kontrak psikologis memiliki peranan penting dalam meningkatkan kepercayaan karyawan kepada perusahaan yang nantinya akan berpengaruh pada kinerja. Hasil pengujian dalam penelitian ini membuktikan bahwa responden yang didominasi oleh laki-laki berusia sekitar 31-35 tahun dengan masa kerja >5 tahun yang banyak berada pada job level sebagai mitra memiliki kontrak psikologis yang cukup kuat namun tidak terlalu berpengaruh terhadap kepercayaan inovasi.

In theory, the psychological contract reflects the mutual expectations between employees and the organization, such as a sense of security, support, and fairness. However, trust in innovation is more related to the belief that the organization truly supports new ideas and creative risks. If salespeople do not see any guarantees or concrete support for innovation, even if other psychological expectations are met, they will not develop trust in innovation. A longitudinal study shows that violations of the psychological contract weaken affective commitment and decrease innovative behavior. Organizational commitment acts as a mediator between contract violations and decreased innovation (Ng et al., 2010). This indicates that without a strong sense of commitment, the psychological contract does not have a positive impact on trust in innovation.

This research is not in line with (Yu et al., 2024) which states that the fulfillment of the psychological contract positively influences employee innovative behavior. Therefore, it can be concluded in this study that the psychological contract has a less significant relationship to innovation trust.

The influence of psychological contracts on the salesperson performance

Psychological contracts play an important role in enhancing employee trust in the company, which will eventually impact performance. The test results in this study prove that respondents, predominantly male aged around 31-35 years with more than 5 years of work experience, who are mainly in job levels as partners, have a fairly strong psychological contract with the company, thus influencing the performance of sales representatives.

The fulfillment of psychological contracts in the role of salespeople enhances work effectiveness, personal initiative, as well as readiness to face work pressure and changing targets. This aligns with the dynamics of sales

jobs that often require resilience, high commitment, and flexibility, which can only be manifested when the psychological relationship with the company is healthy and mutually supportive. Salespeople who feel that their working relationship is fair and built on trust will demonstrate greater motivation to achieve targets, improve customer service, and show loyalty to the company.

This research is in line with the study conducted by (Sofyanty & Setiawan, 2020) and (Yonatan & Djastuti, 2018) which states that the psychological contract influences performance. This indicates that the stronger the psychological contract, the better the salespeople's performance will be. Therefore, it can be concluded that the psychological contract has a significant relationship with the performance of salespeople.

### The influence of innovation trust on salesperson performance

Belief in innovation is the confidence in producing or appreciating an innovative idea to improve work results, both individually and collectively. The results of the testing in this study prove that respondents, predominantly male aged around 31-35 years with more than 5 years of work experience, have a fairly high level of trust in innovation but it has less influence on improving work outcomes when completing tasks.

An innovation or idea that is appreciated by colleagues or by the organization can enhance an individual's confidence in presenting their latest innovations and the courage to take risks in solving a problem. With the presence of trust, innovation can minimize the occurrence of dysfunctional conflicts related to work within the company. Thus, the company will have a work environment filled with employees who have many solutions and are brave enough to take action to solve problems.

This research is not in line with the research conducted by (Afsar et al., 2015) which states that innovation trust has a significant effect on performance. Therefore, it can be concluded that innovation trust has a less meaningful relationship with sales performance.

### The influence of kaizen culture on sales performance through innovative trust

The kaizen work culture does not significantly enhance the confidence in the ideas or innovations within the individual to be realized, thus having no substantial impact on the performance of the salesperson. The results of the tests in this study prove that respondents, predominantly male aged around 31-35 years with over 5 years of work experience, who are largely at the job level as partners, have a relatively high level of kaizen culture with the company but have less influence on the performance of the salesperson as mediated by innovation trust.

Conceptually, this failure can be explained by the misalignment of the application of kaizen culture in the sales context. Kaizen culture focuses on continuous improvement, team engagement, and process efficiency, which are more suited to production and operational processes rather than the dynamic individual roles of sales personnel. In practice, salespeople work more independently, are target-based, and are highly tied to quantitative achievements, so kaizen values such as team discussions and micro-improvements may not directly foster trust in innovation in the sales field.

Moreover, the belief in innovation within salespeople can be more greatly influenced by external factors such as management support, resources, training, and a culture of experimentation than by the values of kaizen itself. Without real support from the organization for new initiatives or creative ideas, a kaizen culture that emphasizes incremental improvement may not be sufficient to shape the perception of trust in innovation.

Previous research in line with this, for example by (Tang, 2017), states that a culture of continuous improvement does not always have a direct impact on increasing innovation trust in non-productive work units such as sales or marketing teams. On the contrary, research by (Sanders & Shipton, 2012) found that innovation trust is more strongly influenced by work autonomy and innovation training than by organizational culture alone.

### The influence of psychological contracts on salesperson performance through trust in innovation.

Fulfilled psychological contracts within organizations can enhance sales performance. The results of this study indicate that respondents, predominantly male aged around 31-35 years with more than 5 years of work experience, many of whom are in partner job levels, have psychological contracts fulfilled by the company, which has less impact on sales performance as mediated by innovation trust.

Mediation by innovation trust between psychological contracts and sales performance fails due to the lack of significant relationships established at both mediation stages. Other psychological factors such as engagement or social support may be more relevant as mediators in the context of innovation rather than trust alone. In the very pragmatic and target-driven realm of sales, innovation initiatives might not perceive direct benefits from psychological contracts unless there are mechanisms that truly connect emotional commitment with actual sales results.

This research is in line with the study conducted by (Niesen et al., 2017) and (Yu et al., 2024) finding that the fulfillment of psychological contracts encourages innovative behavior, but is mediated by work engagement and moderated by social support, not by innovation trust. It can be concluded that psychological contracts mediated by innovation trust have a less significant relationship with sales performance.

## 5. Closing

This study aims to analyze the influence of Kaizen culture and psychological contracts on sales performance through the mediation of innovation trust, with the study objects being automotive companies in Riau. Based on the data processing results using SmartPLS, it was found that: Kaizen culture does not have a significant impact on innovation trust or sales performance. This indicates that the practices of continuous improvement adopted by organizations do not always translate into belief in innovation or performance enhancement, especially in non-productive work units such as sales teams. Psychological contracts do not influence innovation trust but have a significant impact on sales performance. This suggests that employee perceptions of informal work promises or expectations have a direct impact on performance but are not sufficient to build trust in organizational innovation. The belief in innovation does not have a significant effect on the performance of salespeople, and does not successfully serve as a mediator between Kaizen culture or psychological contracts and performance. This indicates that in the context of sales, belief in innovation has not yet become a key determinant of work performance.

Based on the research, there are several limitations of the study including the lack of prior research as a reference, limited sample size, constraints in data collection, as well as limitations of time and resources available for more in-depth analysis.

Based on these findings, the following recommendations can be made: For Automotive Company Management: The focus on improving sales performance should not only rely on innovation or Kaizen culture but also on other factors such as financial incentives, negotiation skills training, and fulfillment of concrete work expectations. The Kaizen culture needs to be tailored and communicated in a more applicable way to the sales team to align with their targets and work needs. For the HR Team and HR Decision Makers: Building and maintaining psychological contracts remains important, as it directly impacts performance. However, organizations need to develop additional strategies to build trust in change and innovation, such as work autonomy, innovation training, and involvement in the innovative process. For Future Research: It is recommended to explore other mediating variables such as employee engagement, work motivation, or job satisfaction, and to test the model in various work units, such as the operational or production division, which may be closer to the implementation of the Kaizen culture. A qualitative or mixed-method approach is needed to delve deeper into employees' perceptions of innovation and organizational culture.

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