






# “The role of individual interpersonal relationships on work performance in the South African retail sector”

AUTHORS	Isaac Idowu Abe Roger B. Mason  <a href="https://orcid.org/0000-0001-7927-1767">https://orcid.org/0000-0001-7927-1767</a>  <a href="https://publons.com/researcher/2752201/roger-b-mason/">https://publons.com/researcher/2752201/roger-b-mason/</a>
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Isaac Idowu Abe (South Africa), Roger B. Mason (South Africa)

## The role of individual interpersonal relationships on work performance in the South African retail sector

### Abstract

Partial or non-recognition of the influence of interpersonal relationships at work could impair the growth, diffusion and success of retail business. For instance, South African retailers have been taking advantage of the retail revolution in Africa to reach the rest of the continent with products and services. Therefore, to examine the interpersonal relationships among supervisors and subordinates in this sector for its contribution to individual and organizational outcomes is important. This paper examines the influence of individual interpersonal relationships on employee performance at work. A mixed method approach was adopted and self-reporting questionnaires were administered to 167 supervisors and 144 subordinate workers of four retail companies that participated in the study. The survey instrument contained both closed-ended and open-ended questions to enable a concurrent collection of data. The quantitative data were analyzed using IBM SPSS version 22, while qualitative data were analyzed using content analysis. It was found that the relationship between interpersonal relationships and employee performance for the supervisors was weak, while a less significant relationship was observed among the variables for the subordinate workers. The qualitative analysis offered explanations for the weakness and dissociation among interpersonal relationships and employee performance.

**Keywords:** interpersonal relationships, leader-member exchange, employee performance, retail, supervisor, subordinate, work performance.

**JEL Classification:** J28, M59, J53, L81.

### Introduction

Individuals possessing differing behavioral characteristics interrelate with others at the workplace. Interpersonal relationships at work could be influenced by behavioral characteristics of these individuals. The dissimilar personal behaviors brought into the workplace often manifest through interactive processes at work (Stoetzer, Ahlberg, Zapf, Knorz, and Kulla, 1996). Prior research examined the interpersonal relationships at work from the view point of the justifies employee's condition of living and work environment. Song and Olshfski (2008) suggest that family ties, class, ethnic background, race, gender, age, experience, interests and geographical location influence interactions among individuals at work. Interpersonal relationship has been identified as an important factor in the psychosocial work environment that could affect wellbeing, job satisfaction, performance and productivity (Stoetzer, 2010). This paper seeks to examine the association between employees' interpersonal relationships and their job performance in the South African retail sector.

The retail industry is a significant sector of the South African economy and a major employer. It is the fourth largest contributor to Gross Domestic Product with a contribution of about 15% and employs about 22% of the total active workforce of the country (W&RSETA, 2011). However, the

South African retail outlook is not very encouraging (Bureau for Economic Research, 2013), retail margins are under intense pressure (PriceWaterhouseCoopers, 2012) and international retailers are starting to provide a significant challenge to South African retail businesses (Raman & Fisher, 2010). Thus, the importance of the sector and the difficulties it is facing justify the need for research on any methods the retailers can adopt to improve corporate and sector performance.

In the context of the above, the objective of this paper is formulated based on the assumption that employees' experiences, background, circumstances, education, exposure, social-standing, religion, personality, belief-structure, affection and language could influence human behavior positively or negatively (Billikopf, 2009). This implies that as each individual brings these factors to relationships in the workplace, commonalities could develop among them and positively influence outcomes. On the other hand, these factors could create differences among employees and underlie frustration and demotivation among the individuals at work. Based on these, the general objective of this paper is to determine the association between interpersonal relationships of employees (supervisors and subordinates) and their work performance in the South African retail industry.

### 1. Review of previous literature

Prior research conducted by scholars on the variables pertinent to this paper on the role of individual interpersonal relationships on work performance is presented in this section. This is to provide appropriate investigation, analysis and

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Isaac Idowu Abe, Bsc. Business Admin, MBA, PhD Leadership Graduate School of Business and Leadership, University of KwaZulu-Natal, South Africa.

Roger B. Mason, Ph.D., MBL, BA, Wholesale & Retail Leadership Chair, Cape Peninsula University of Technology, South Africa.

explanations of the variables in order to build a theoretical foundation for this paper. Brok, Tartwijk & Wubbels (2010) showed that there was no connection between Student-Teacher interpersonal relationships and the outcome of students with different ethnic backgrounds. Konishi, Hymel Zumbo & Li (2010) were of the view that academic performance of students was not connected to student bullying. Van De Voorde, Paauwe, & Veldhoven (2012) recorded that employee wellbeing and human resource organizational performance are negatively associated. Schmidt, Moideenkutty & Al Basaidi (2013) concluded in their study that there was a negative relationship between supervisor and subordinate relationships and their organizational citizenship behavior. The variables of this study are considered as follows:

**1.1. Interpersonal relationships.** According to Wheatley (2001, in Sias, 2008) relationships are necessary for existing systems and are the hub of organizations. It is through relationships that organizations maintain stability (Katz & Kahn, 1978). Wheatley (2001) further suggests that 'scholars should give attention to how a workplace organizes its relationships; not just its tasks, roles and hierarchies, but also, the form of relationships and capacities built to maintain and transform them'. Workplace relationships comprise those interpersonal relationships in which individuals are involved in the course of performing their jobs. Such relationships include supervisor-subordinate relationships, peer-worker relationships, workplace friendships, romantic relationships and customer relationships (Sias, 2008). However, this paper focuses on the supervisor-subordinate relationships in the South African retail sector, to ascertain whether interpersonal relationships positively or negatively influence individual employee performance at work.

Deutsch (2011) proposed a bidirectional assumption to the meaning of interpersonal relationships, namely; psychological orientation and interdependence. Psychological orientation is the consistent complicated, motivational and moral backgrounds involved in any situation that serves to guide an individual's behavior and responses in that situation. A further assumption was that individuals differ in their ability and readiness to engage with different orientations, and that their engagements might affect their results (outcomes). Deutsch (2011) described interdependence as the perception of the strength of a relationship; for example, whether a relationship is cold, distant, shallow or superficial, just like the relationship in casual friendship. The roles of the player and the probability of the timing of the relationship determine the strength of the relationship (Wish, Deutsch & Kaplan, 1976; Triandis, 1972; Marwell & Hage, 1970).

The new interpretations of an interpersonal relationship consider psychological interdependence as follows: First, cooperation-competition, which was explained by Kelly and Thibaut (1978) as positive-negative interpersonal disposition, love-hate, evaluative, friendly-hostile. Second, power in a distribution "equal versus unequal". Triandis (1972) called it super-ordination-subordination; Kelly (1979) described it as dominance-submission. Third, task oriented versus social emotional, this measures the level of intimacy. Social emotional relationships are more informal than task oriented relationships. Fourth, formal and informal, this is measured by the intensity of the activities in the relationship. Employer-employee, manager-supervisor, mentor-protégé are examples of formal relationships. Professor-student relationship can be both formal & informal.

The dimensions of relationship are important to this paper because they will provide the study with a background about the characteristics of relationships between the supervisors and the subordinates in the South African retail industry. The characteristic of a relationship is the same thing as the strength of interpersonal relationship described by Deutsch (2011). These dimensions are the basis of categorization in this paper between supervisor and subordinate relationships.

**1.2. Leader-member exchange.** LMX theory contends that leaders develop different relationships with their subordinates via different exchanges that can be called high or low quality (Graen & Uhl-Bien, 1995). When the quality of relationship is high, the exchanges between the supervisors and subordinates have mutual obligations and trust in a way that permits reciprocation of interaction between the supervisor and subordinates (Graen & Uhl-Bien, 1995). By virtue of negotiating the role of subordinates over the years, the subordinates engage in decision making process that enhance their status as "in-group" members (Liden, Erdogan, Wayne & Sparrowe, 2006). This happens when a subordinate has earned the trust of the supervisor to be able to handle specific tasks, and serve as assistants. The out-going groups include those subordinates that fall within the exchange parameters of role requirements, job descriptions and contract of employment. Such out-going information stems from the supervisor to subordinate unilaterally (Wang, Niu, & Luo, 2004).

Leaders in LMX exchange use resources to meet the needs of the subordinates, with the expectation that the subordinate will respond through services. Dienesch and Liden (1986) listed the factors of currencies of exchange as affect, loyalty, contribution and professional respect.

**1.3. Employee basic work performance.** The individual is perceived by the cognitive energy that is allocated to various work and non-work areas according to the identities that define individuals and their roles (Ashforth, Harrison & Corley, 2008). Job involvement affects organizational features, supervisory behaviors, and individual differences (Brown & Leigh, 1996) which can forecast job performance. This is so because employees who identify strongly with their jobs have their thoughts and attention on work and interpret situations as opportunities to perform their work role activities (Hillman, Nicholson & Shropshire, 2008).

Research has demonstrated that managers who are leaders or supervisors can affect an employee's job motivation and job performance (Gerstner and Day, 1997). The assumption of LMX is that supervisors use a different approach with each of their subordinates. Employees' tasks vary in nature with their jobs, industries and organizations. Tsui, Pearce, Porter and Tripoli (1997) developed items that were generic, not peculiar to one specific job. Quantity, quality, and efficiency of employees were among the items developed to measure basic task performance. The relationships between supervisors and subordinates are influenced across different cultures by the following factors: respect, trust and obligation (Graen and Uhl-Bien, 1995).

## 2. Research design and method

The study adopted a non-experimental research design. The design was implemented by an observational approach using explanatory design, because of the need to collect data (Edmonds & Kennedy, 2012) from employees of retail companies by the use of multiple variables to be able to validate the direction of the influence between variables (Walker & Greene, 2009).

*The Employee Basic Task Performance Scale (EBTPS)*, adopted in this study, was developed by Tsui, Pearce, Porter and Tripoli (1997) to measure quantity, quality and efficiency. The response scale was a 4 point Likert scale. Other items were adopted from Greenhaus, Parasuraman and Wormley (1990). The items measure employee total ability, judgment, job knowledge, accuracy and creativity. *Leader-Member Exchange Scale (LMX)*, was designed to demonstrate the role of supervisors in employees' attitudes and performance. If the exchange relationships between supervisors and subordinates are high, it involves mutual influence and respect. If the exchange relationships are low in quality, it involves contract exchanges and one-way downward effects.

Four open-ended questions were used to collect the non-numerical data simultaneously with the quantitative data collection. The reason for the open-ended questions was to establish the view of participants on the connection between individual interpersonal relationships and their basic work performance. The open-ended questions were analyzed by the use of content analysis as a way of validating the recommendations of the research. Four hundred potential respondents were surveyed. The study observed the principles of convenience sampling, based on four retailers who agreed to participate in the study. Questionnaires were distributed to the potential respondents in their workplaces, and then either completed with them, or left with them for completion and later collection. 310 useable questionnaires were collected (163 supervisors and 147 subordinates) giving a 77.5 % response rate.

## 3. Analysis and results

The collected data were analyzed by the use of SPSS version 22 using descriptive and inferential statistics. The statistical reliability (Cronbach Alpha) of the instruments was: EBTPS was .76 for 11 items and LMX was .825 for 7 items, which according to Andrew, Pedersen and McEvoy (2011, p. 202) is considered reliable. Bivariate analysis was used to analyze the questions and objective of the study.

The question in the questionnaire is as follows: E5, *regardless of your formal authority at work, what are the chances that you (the supervisor) will stand up for your subordinates at your expense*. This question highlights the stages of influence between the leader and member relationships at work. Kelman (2006) added three perspectives to the already existing stages of relationships. The perspectives are compliance, identification and internalization. Stage one is when the leader's influence on subordinates is according to the process of compliance. The relationship between supervisors and subordinates are based on contractual transactions. The relationships are driven by the goal to attain rewards i.e. recognition and praise, or punishments and poor performance appraisals. The power (authority) source of the leader is based on the ability to withhold resources. Stage two is acquaintance, where the influence between supervisor and subordinate moves towards identification. Both personalities are developing and describing the role required in their relationships. Power (authority) source is based on mutual liking and the desire to enhance relationship quality. Stage three is where the influence is by the process of internalization. Both supervisor and subordinates have developed value and belief systems. Power (authority) source is based on mutual trust (Kelman, 2006).

Table 1. Willingness of supervisors to stand up for subordinates: supervisor's response

		Frequency	Percent	Valid percent	Cumulative percent
Valid	None	8	4.9	4.9	4.9
	Small	20	12.3	12.3	17.3
	Moderate	54	33.1	33.3	50.6
	High	50	30.7	30.9	81.5
	Very high	30	18.4	18.5	100.0
	Total	162	99.4	100.0	
Missing	System	1	.6		
Total		163	100.0		

The results presented in Table 1 indicate that 4.9% of the supervisors are not willing to stand up for the subordinates. 12.9% of the supervisors agreed that they will stand up for them to a small extent. 33.1% indicated that they will moderately stand for the subordinates. 30.7% of the supervisors agreed that they will highly stand for the subordinates. 18.7% of them are in support of highly standing up for the subordinates. The percentage (82.2%) of those supervisors willing to demonstrate the presence of moderate to very high interpersonal relationship by

standing up for subordinates is more than those not willing (none and small) to stand up for subordinates (17.8%). Such an overwhelming support for subordinates is as a result of mutual trust that has developed between supervisors and subordinates over time. The willingness of the supervisor to stake his authority for the subordinate is also evidence that trust was important in their relationship.

The result of the overall objective of the study was categorized for supervisor and subordinate workers as shown in Table 2.

Table 2. Correlation matrix for supervisors' and subordinates' interpersonal relationships and employee performance

Respondent type	Variable	Mean	Standard deviation	Correlation	
				<i>r</i>	<i>p</i>
Subordinates	Total interpersonal relationships	25.68	10.55	-.031	0.00
	Total employee performance	33.40	5.91		
Supervisors	Total interpersonal relationships	25.59	4.89	.122	0.00
	Total employee performance	33.57	4.89		

Significant at 0.05 (2 tailed).

The correlation coefficient of the subordinate employees was  $r = -.031$  ( $p < 0.05$ ) among 144 workers. The relationship was in the negative direction and no significant association between interpersonal relationship and employee performance for the subordinate employees was found in the construct.

The correlation coefficient for supervisors was  $r = .122$  ( $p < 0.05$ ) for employee performance among 163 supervisors. It indicates the presence of a small relationship in a positive direction but is not statistically significant. Treiman (2009) was of the view that when there is a weak relationship between two variables, there might be a causal connection between the variables. Applying this indicates that there is likely to be a missing variable that might cause a connection if added to the correlation above.

#### 4. Discussion of findings

The correlation coefficient of subordinates' interpersonal relationship of  $-.031$ , implies that when interpersonal relationship is low employee performance is high. According to Triandis (1972) this type of correlation is referred to as "Dissociation". In

the dimensions of relationships, dissociation is a sign that the level of interaction with the subordinate's cadre is not close (Berscheid & Reis, 1998; Deutsch, 2011). The construct above reflects that there is no relationship between interpersonal relationships and employee performance among subordinate employees in the South African retail sector.

The result above supports the LMX theory that was developed on the premise that leadership is rooted in the transaction between leaders (supervisors) and followers (subordinates). The attention of this study is about how supervisors and subordinates collectively engage to generate a quality of relationship at work that permits them to effectively produce superior work performance (Graen & Uhl-Bien, 1995). The LMX theory gives privileges to the leaders (supervisor) as the driver of the relationship building process (Uhl-Bien, Graen & Scandura, 2000). From the leadership position expressed above, though the subordinates and supervisors co-create relationships together, recognition is given to the supervisor rather than to subordinates in building relationships (Uhl-Bien, Riggio, Lowe & Carsten, 2014).

The correlation coefficient of the supervisor interpersonal relationships on employee performance was  $r = .122$ , ( $p > 0.05$ ). This relationship is weak. When associations are weak the implication for leadership is that there is a low quality of exchange. This may be characterized by low levels of trust, support and self-disclosure, less open communication and more direct supervision (Graen and Uhl-Bien, 1995). Low quality supervisor relationships emphasize power distance through monitoring performance, threatening acts and conflict (Fairhurst & Chandler, 1989). Low quality of LMX is noted by the patterns of communication. The patterns may be by co-ordination or participation. Coordination is where supervisors and subordinates interact mutually and not in one direction. Participation is when the supervisor invites equipped employees to take part in decision making (Yrle, Hartman, and Galle, 2002). Employees report low LMX relationships when they perceived that supervisors used position-centered communication. This is characterized by authority and direct supervision (Fix & Sias, 2006). All these are strong indications that the relational quality of employees in the South African retail sector is low.

To complement the quantitative data findings of a low quality relationship as shown above, the respondents' qualitative remarks on interpersonal relationships and employee performance were analyzed. Approximately 45% of the respondents were of the view that interpersonal communication between the supervisors and subordinates is of primary importance. Assessment of interpersonal relationships through the patterns of communication between supervisor and subordinates, by examining the high quality relationships and low quality relationships was the focus of relationship scholars until the mutual concept emerged. The mutual concept is where leaders develop different types of relationships with their subordinates in order to affect performance on both sides (Sias, 2013). The constitution of the LMX relationship is based on the concept of leaders and members together producing leadership and their unique relationship through communication. Carsten and Uhl-Bien (2012) refer to this concept as co-creating relationships. Human resource policies on people development should therefore be developed to train supervisors and subordinates in mutual communication for effective relationships at work.

The qualitative remarks from respondents focused on the need to improve interpersonal communication among employees to improve employee interpersonal relationships. This strategy is in line with interpersonal relationship scholars' views discussed below.

For supervisors and subordinates to use communication to create high quality relationships, they have to engage in communication patterns like problem solving, insider talk, value convergence (Fairhurst & Chandler, 1989). In order to create low quality relationships, they would have to engage in communication patterns like monitoring, competitive conflicts, performance acts, and face threatening (Sias, 2008). Moreover, coordination and participation are communication patterns that have been shown to be positively related to LMX quality (Yrle, Hartman & Galle, 2002).

The objective of this paper was based on the Leader-Member Exchange theory modified by Graen and Uhl-Bien (1995). The theory draws on the social exchange theory which acknowledges specific progression in interactions between leader (supervisor) and member (subordinate). The stages in the relationships are as follows:

*Stage one* = Stranger stage, where the LMX relationship is branded by prescribed transactions, through the supervisor's job specifications, with the subordinates, and the subordinates' responses to job requirements and demands. Progress leads to the next stage.

*Stage two* = Acquaintance stage, which refers to supervisor and subordinates sharing information and resources individually and professionally. Development of trust and respect leads relationships to the next stage.

*Stage three* = Mature partnership, which demands behavior and emotional connections between the supervisor and the subordinates. The relationship is characterized by loyalty, support, mutual obligation and respect. The three stages are equal to low, moderate and high levels of LMX quality (Sin, 2006; Graen, & Uhl-Bien, 1995).

This study attempted to apply the LMX theory, by acknowledging the low, moderate and high quality LMX relationships between supervisors and subordinates in the South African retail sector. The result of the quantitative analysis for subordinates for this objective showed that there was no relationship, but the result for the supervisors indicated that the quality of relationship between the supervisors and subordinates was low. The study, through the quantitative analysis, identified the characteristics of the first stage of the LMX theory. The quantitative findings of this study are in line with previous studies conducted on LMX development by Sin (2006), where it was reported that supervisors and subordinates do not see eye to eye. Therefore interpersonal relationships of employees could not correlate with the outcome variable.

Graen and Uhl-Bien (1995) conceptualized that LMX quality should consist of three distinct factors, namely: respect, trust and obligations. The second and third stages of LMX relationship in this paper were assessed through the qualitative analysis, where participants were of the view that for interpersonal relationships between supervisors and subordinates to influence employee performance, there should be information sharing, equal treatment of employees, equal decision making and trust, which reflect the demands of stage two. To meet the behavioral and emotional requirements of interpersonal relationships in stage three, respondents remarked that communication,

listening, respect, training and team work, is needed to facilitate interpersonal relationships and employee performance.

Previous studies done on the reason why the process of development may be impaired, such that most relationships do not reach the maturity stage, indicated causative factors like race, sex, ability & personality (Sias, 2008). There is also the need to consider educational background of employees.

### **Benchmarking of data with previous studies**

The following previous studies in the area of interpersonal relationship and their outcomes support the findings in this study:

Table 3. International studies into interpersonal relationships

Author	Title	Sample	Result
1. Brok, Tartwijk & Wubbels (2010)	The differential effect of the teacher-student interpersonal relationship on student outcomes for students with different ethnic backgrounds	1.119	Influence was negative, different structural paths were important to explain the connection between variables in the different sub groups
2. Konishi, Hymel, Zunbo & Li (2010)	School bullying and student-teacher relationships affect academic performance	27.217	Academic performance was negatively related to school bullying among students in Canada
3. Van Voorde, Paauwe & Veldhoven (2012)	Employee wellbeing and the HRM organizational performance relationship	Not available in the article	Health related wellbeing of employees have a conflicting outcome
4. Schmidt & Moideenkutty (2013)	Expatriate and Omani workplace relationships and individual performance	36 quantitative studies	Negative relationship between subordinates trusting their supervisors and their Organizational Citizenship Behavior (OCB) towards their supervisors (SOCB)

## **5. Contribution to knowledge**

The aim of this paper was to examine the role of interpersonal relationships on employee performance. The study contributed to knowledge by way of deepening the understanding of the concept of interpersonal relationships. The study recognized the relational roles of supervisors and subordinates in co-creating relationships. For over two decades, the leadership literature has emphasized supervisors as the agents that drive the relationship process (Graen and Uhl-Bien, 1995).

Another contribution to knowledge, as observed in this study, was the suggestion of the factors that could influence interpersonal relationships and employee performance. These factors are: communication, training, teamwork, respect, friendly environment, equal treatment of employees, and listening. The assumption of this study was that the addition of any of these factors to interpersonal relationships may positively affect employee performance by changing the present result.

## **6. Suggestions to practitioners**

Based on the data analysis and the results obtained in this study, the following suggestions are put forward for practitioners in the retail industry:

**6.1. Friendly climate.** The organizational climate or workplace environment should be friendly. It is not the organization that will create friendliness in the workplace, but the supervisors. As long as the

supervisor and subordinate work together, there will always be work related tasks that capture the connections built between them (Dulebohn, Bommer, Liden, Brouer & Ferris, 2012). Personal friendships have been advocated between supervisors and subordinates, especially when the subordinates are to perform extra tasks, or the supervisor expects extra role behaviors from their subordinates (Zhang, Li & Harris, 2015). Supervisors should be realistic with subordinates in such case of friendship. Friendship should not influence the administrative decisions of the supervisors (Zhang and Harris, 2015).

**6.2. Trust.** Building trust between the employees is a management responsibility. Trust in Leader-Member Exchange is a sign that the relationship quality is high and mature (Graen & Scandura, 1987). Relationship formation, maintenance and transformation is factored through trust (Uhl-Bien & Maslyn, 2003). Trust is used to measure the value, timing and interests in relationships between supervisor and subordinate (Liden et al., 1997). Building employee trust in order to build relationships between supervisors and subordinates is the responsibility of management. Trust is identified as the consequence of personal knowledge of an employee's past behavior. Trust develops progressively over time, depending on the individual's cognitive assessment of the other person's behavior. Interestingly, high levels of trust have been observed among virtual teams (Robert, Dennis & Hung, 2009).

**6.3. GTVs and swift trust.** This study recommends the use of global virtual teams (GTV) and swift trust to solve the problems of culture and communication in the South African retail sector both nationally and internationally. Global virtual teams are self-managing persons that come from different social systems created to adapt to the need of the global market place. They operate across the boundaries of different countries, communicating through modern electronic devices (Crisp & Jarvenpaa, 2013).

Swift trust is a peculiar form of trust that happens in temporary, transient and fleeting temporary organization structures (Jarvenpaa, Knoll & Leidner, 1998). Swift trust is a cognitive process that is based on the belief of the other person's capability, dependability and reliability. Swift trust promotes normative actions that exist through interactions of groups over a period of time. It removes the abuses of group norms and presumptions about competent behavior (Meyerson, Weick & Kramer, 1996). In virtual environments normative actions have been proven to be reliable because social influence emerges that complies with behaviors that are associated with effective actions (Ehrhart & Naumann, 2004). Therefore, this study recommends that the management of retail companies should use normative actions to create GTVs across Sub-Saharan Africa, so as to solve unforeseen interpersonal relationship problems that are rooted in the culture and communication of employees.

**6.4. Work environment.** We suggest the adoption of one of the respondent's suggestions for improving the work environment. The suggestion involves improving the psychosocial working condition of both supervisors and subordinates, whereby the job demand, job control and job support needs to be balanced to avoid employee strain and illnesses (Kristnesen, Bjorner, Christensen & Borg, 2004). The demand, control and support model predicted psychological strain and illness for individuals faced with high job demands and little control or no support for balancing the demands (Theorell, Karasek & Eneroth, 1990).

Given the likelihood that supervisors and subordinates in the South African retail sector, who have high job demand, low control and no support, may be prone to psychological stress and illness, this study confirms the organizational factors that affect interpersonal relationships, as mentioned in the literature.

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## 7. Recommendations for future research

This study was limited to a cross sectional technique for data collection. Therefore, future research could adopt a longitudinal approach to investigate causal associations between individual interpersonal relationships and work performance. Furthermore, such research could adopt perspectives other than the cognitive approach adopted in this study.

In order to give more detailed explanations of the association between interpersonal relationship and work performance, future research could also:

- ♦ Study mediating variables that may affect employee interpersonal relationships.
- ♦ Analyze the effects of interpersonal relationships between other hierarchical levels, e.g. C-suite managers and middle managers, or managers and supervisors.
- ♦ Since this study treated respondents as generationally similar, it might be worthwhile to study if Generation X (born 1965-77 and cynical, individualistic) and Generation Y employees (born 1978-94 and urban focused, idealistic and career changers) (Montana & Petit, 2008) differ in terms of their individual interpersonal relationships and work performance. This could be important, as these two generations comprise the bulk of employees in the retail industry (21 to 50 years of age).

## Conclusion

The objective of this paper was to determine the influence between individual interpersonal relationships and work performance. This objective was fully tested and met. The value of the results has been demonstrated through the recommendations offered by the researchers. Statistically, this study identified that interpersonal relationship is negatively associated with employee performance for subordinate employees, and weakly associated for supervisors in the South African retail sector. Explanations of the implications of the negative associations as obtained in this study have been offered to management. However, both the supervisors and the subordinate employees are of the view that if communication (listening), training, team work, respect, trust, information sharing, fair treatment of employees, and adequate understanding of tasks are enhanced by the management of the retail organizations, then the quality of relationship will be high, such that it will positively influence employee performance.



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