

The Impact of Interpersonal Relationship in Enterprise Growth

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Abstract:

Purpose- This research paper examines the relationship between various factors of interpersonal relationship such as compatibility, communication, honesty, forgiveness and calmness with enterprise growth of Kenyan industry. Paper highlights the causal relationship of interpersonal growth and enterprise growth in quantitative procedures. For the purpose study used following designs:

Design/methodology/approach- To achieve the purpose, study uses self made self explanatory questionnaire distributed with probability sampling in both the countries. 139 questionnaires were distributed to the managers of small and large corporations in Kenya, selection criteria of the companies was based on the number of employees employed in companies. To analyze the data study uses SPSS as statistical tool in order to quantitatively explain the hypothesis.

Findings- Regression/Econometric analysis indicates positive impact of factors enterprise growth with relationship of interpersonal relationship. Correlation analysis indicated positively correlated relation of factors with enterprise growth.

Originality/forgiveness - This study offers the first examination of effects enterprise growth of Kenya through interpersonal relationship factors. Data collected for the analysis is total primary and suggested real on ground matters in Kenya.

Key words: Communication, Compatibility, Honesty, Calmness and forgiveness

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I. Introduction

Huiyuan, M. (2004) ascertains that enterprise growth is used to describe a development process of enterprise from small too big and from weak to strong. Any stage of enterprise development is considered as growth. Even when an enterprise opens branches overseas it is development. That being said enterprise growth is the development process that enterprises keeps the tendencies of balancing performance indicators in the right track like output, sales, profits and returns on investments. Mat, A. (2019) Interpersonal relationship skills refer to the ability to build rapport with individuals having similar interests and goals as we do. In a workplace, interpersonal relationship skills allow employees to share a special bond with other employees such that trust and positive feelings for one another are maintained.

Various scholars have shown the contribution of interpersonal relationship in enterprise growth. Most of the theories discussed above shows the contribution of interpersonal relationship in enterprise growth. Penrose, Greiners, Gibrats and others in one way or another have shown some strengths and limitations in growth while Knapps model has shown the contribution of interpersonal relationship in enterprise growth. Glinska, A., Winska, J. (2013) asserts that as per Penrose (1959), Prahalad & Hamel (1990); Peteraf (1993) the success of an organization depends on its resources from the resource based theories. Glinska, A., Winska, J. (2013) ascertains that interpersonal relationship is associated with organizations positive behavior through the Positive Organization Potential (POP) model. Further to that, the in creating positive behavior the organization needs a set of intangible resources related to strategy, structure, human resources management, power, control, innovations, company integration and employee identification, as well as leadership.

This paper provides a theoretical perspective of Knapp's model and on that basis a quantitative analysis of the factors of interpersonal relationship and relationship of the factors with the enterprise growth and effects of those factors in promoting and boosting the enterprise sales and profits. Measurement of enterprise growth in this paper is taken from the sales and profit perspective of the enterprise where as measurement of the interpersonal relationship is associated with the predictor of the study.

Study offers the first hand investigation of the predictors: communication, compatibility, honesty, forgiveness and calmness through T-test statistics and mean deviation of the original factors within themselves and with sales and profits of the Kenyan enterprises. It is believed that individuals spend more than eight hours of their day in working places. It is difficult for an individual not to interact with peers, juniors, superiors and many more. So, interpersonal relationship is needed in creating a health working relationship. Kristeen, C. (2018) ascertains that

interpersonal relationships make up every relationship that fulfills a range of physical and emotional needs for you. Romantic relationship is interpersonal, family, friends also is part of interpersonal relationship. An interpersonal relationship is an association between two or more people that may range from fleeting to enduring.

This association may be based on inference, affection, solidarity, regular interactions, or some other type of social commitment. Interpersonal relationships are formed in the context of social, cultural and other influences. Kenya is one of the best countries for development and judgment of the enterprises as being the poorest and more rapid growth enterprise country it has many off-colors of its corporations. Safaricom, East Africa Breweries Limited (EABL), Equity Bank, Kenya Commercial Bank, Co-operative Bank of Kenya, Kenya Airways Limited, British American Tobacco Kenya, Limited, and Standard Chartered Kenya are selected as population of the study to run the research affairs. All the companies lower, middle and higher management is presented with the questionnaire for their fortified opinions and experience based understanding of interpersonal relationship with enterprise growth.

II. Literature Review

Workplace interpersonal relationship is the social association, connection or affiliation between two or more people in an organization. Developing interpersonal relationship is a serious business that yields dividends to those committed to it. Maxwell (2004) observed that a thing brings two persons together to make them remain in the context of relationship. Such things may be common interest like desire, aspiration or a goal. More so, workplace interpersonal relationship is the type of relationship that exists between employee to employee, superior to subordinates, employed and employee in any organization. This kind of relationship can be formal or informal. However, relationship is born, fed, nurtured and it grows. It is born at the level of acquaintance relationship; it is fed at associate relationship and is nurtured at friendship. It is very important to emphasize that relationship is the ladder to your gain or pain and therefore, it must be consciously handled. It does not come by chance, but it is a social work to be done because interpersonal relationship is a social link between two or more people.

Workplace interpersonal relationship is a very important issue that influences the level of employee productivity in any organization. Members or employees should effectively interact with their superiors, subordinates, and co-workers within the organizations. How they relate with the customers, suppliers and general public outside the operational base of the organization determines their level of viability and productivity. Previous studies on interpersonal relationship revealed that the enterprise is the operation of employee behavior based. The greater the density of relationships within the organization, the greater is the impact on organizational efficiency and productivity. (Lee and Dawes 2005). The importance of workplace interpersonal relationship in influencing organizational productivity in Nigerian organizations especially deposits money banks cannot be over-emphasized. Research has demonstrated that friendships at work can improve individual employee attitudes to work, job commitment and ultimately impact on the level of productivity. When employees positively interrelate in an organization, it fosters love and team work, increases level of cooperation, employee morale and motivation, job satisfaction and engagement and overall level of productivity. Remarkably, there are divergent opinions and conceptualizations as to what constitute the dimensions of workplace interpersonal relationship. The role of individual interpersonal relationships on work performance in the South African retail sector adopted the following as dimensions of interpersonal relationships: communication, equal treatment of employee, team work, training and employee respect for one another. In addition James and Nickson (2013) conducted a study on influence of employee relations on organizational performance of private universities in Kenya and used the following as dimensions or factors influencing interpersonal relationship: climate of openness, team building efforts and the initiation of social activities among employees. More so, Ulrich (2010) in his study on interpersonal relationships at work, organization, working and health in Sweden public health organizations used social support, organizational justice and relational justice as dimensions of interpersonal relationships.

Organizational Productivity is a measure of the efficiency of a person, machine, factory, system in converting inputs into useful outputs. Productive workplaces are built on team work and shared vision. Workplace productivity is essential to employees, employers, organization and the Nigerian economy. The more the economy grows, the more unemployment will decrease, raising the standard of living for everyone. Therefore, workplace productivity is pivotal for economic growth. Being productive is fundamental to business success as well as personal satisfaction. Organizational productivity is the amount of goods and services that a worker produces in a given amount of time. Workforce or organizational productivity is a measure for an organization or company, a process, an industry or a country (Goodman, 2003). Furthermore, an enterprise consists of technology and people organized to accomplish some purpose. The success of an enterprise such as the banking industry can be accessed on the basis of its output and/or the processes and inputs that produce the output. Productivity in general terms, is the ratio of the output of the enterprise to the inputs. Researchers have obtained measures of individual performance to include speed, accuracy, and time needed to learn, and have used these to estimate individual productivity at the workplace. The implicit or explicit assumption underlying these efforts has been that increased individual productivity will increase organizational productivity. (Locke and Latham 2005) However, at its most basic, productivity is the

amount of forgiveness produced by the amount of cost (or times) required doing so. And while this equation seems simple enough on the surface, the strategies for optimizing it have evolved dramatically over the last two decades.

III. Theoretical Framework

Anil, N., Joseph, T., William.(2008) in their repository work ascertain that the Penrose Theory was named after Edith Penrose in 1959 where by in her book the theory of growth of the firm ascertains that firms growth depends on its resources. According to Penrose Resources include the physical things a firm buys, leases or produces for its own use and the people hired on terms that make them effectively part of the firm. Services on the other hand are the contribution these resources can make to the pro-ductive operations of the firm (1959: 67).It is a resource based theory in the sense that managerial resources are primarily drivers of growth. Relevance of this theory to the research is that the theory shows that for enterprises to grow they need managerial resources .Penrose ascertained that growth of the firm does not only depend on the profits, diversification, mergers and acquisition but also on the managerial resources of the firm which also links with the relationship the managers has with subordinates.

Dodge, H.R., Fullerton, S., and Robbins, J.E. (1994) ascertains that the Greiner's Growth Model was developed by Larry E.Greiner in 1972 where by the model describes phases that organizations go through as they grow. All kinds of organizations from banks, retailers, wholesalers, manufacturers, construction companies to professional service firms experience these. Each growth phase is made up of a period of relatively stable growth, followed by a "crisis" when major organizational change is needed if the company is to carry on growing. Relevance of this theory this research is that the theory shows the stages which enterprises pass through in the course of growth and the crisis they encounter and solutions to be assumed to remain in business. Since enterprises pass through various stages of their life cycle managers also need to change interpersonal relationship skills also needs to change as the enterprises grows.

Onyimadu,C. (2015) conceptualizes economic growth theory in view of Neoclassical Growth Models (NGM) and Endogenous Growth Models (EGM) .NGM focuses primarily on growth of productive inputs (savings and capital accumulation) in determining economic growth.EGM builds upon postulates of NGM and focuses on innovations as on how innovation and technology leads to economic growth in the long run.

Relevance of the theory is that for enterprise to keep on growing they should invest more in the innovation and technology since those are the factors which will make an organization grow in the long run. If the organization wants short run growth can invest in a number of economic policies which will all fail at the end.

Coad, A. (2007) asserts that the law was propounded by Robert Gibrat in 1931 it is also known as the law of proportionate effect. Gibrats law ascertains that growth rate of firms /enterprises are more or less independent from the firms size. Mercedes, T.A (2007) ascertains that Gibrats law or law of proportionate effect is an alternative theory to classical economic theory which postulates that there is no relationship between the firms/enterprise size and its growth. Further analysis, ascertains that Gibrats (1931), Kalecki (1945) are part of stochastic models which follows lognormal distribution of the firm while Champernowne (1937) is also a stochastic model but which follows pareto distribution. Relevance of the theory to this research is that the theory ascertains that enterprise growth rate does not depend on the size of the enterprises. New enterprises grow in new business environment where as old business grow fast in old economic business environment

Conceptual Framework

Study conceptualizes theoretical basis of compatibility, communication, honesty, calmness and forgiveness to understand the relationship of interpersonal relations of employees and managers of corporation to measure the enterprise growth of Kenyan industry. Study offers the impacts of positive and negative relationship of the predictors in measuring the productivity and sales growth of the corporation as the construct of the enterprise growth. Knapp's model was used a lens to understand the paradigm theorem and output of positive relationship through statistical treatment. Miles, M.B., Huberman, A.M. (1994) and Robson (2011) asserted that conceptual framework of the study is the system of concepts, assumptions, beliefs and theories that support and inform researchers work. Miles, M.B., Huberman, A.M. (1994) defined a conceptual framework as a visual or written product that either explains graphically or in narrative form the main things to be studied. The key factors, concepts or variables and presumed relationship among them. Expounding more on the definition above the researcher will articulate what she understands by saying the impact of interpersonal relationship in enterprise growth.

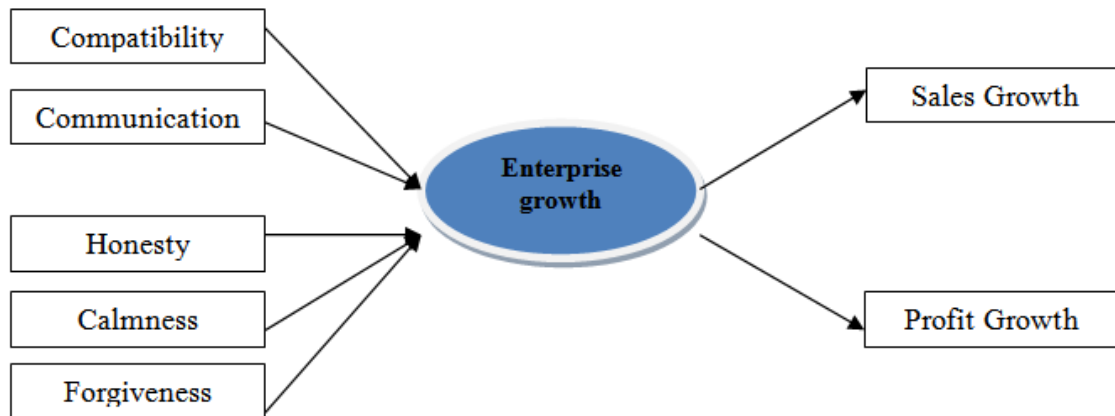


Figure 1 Conceptual Framework based on Knapp's Model

Hypotheses:

On the basis of conceptual framework and related theories of interpersonal relationship and enterprise growth, study designed following null hypotheses:

- H₀1: There is no significant relationship between compatibility and Sales growth of the enterprises?
- H₀2: There is no significant relationship between communication and Productivity growth of the enterprises?
- H₀3: There is no significant relationship between honesty and Sales growth of the enterprises?
- H₀4: There is no significant relationship between calmness and Productivity growth of the enterprises?
- H₀5: There is no significant relationship between forgiveness and Sales growth of the enterprises?

Research Methodology:

Study uses quantitative design, survey based, through self made 5 likert scale questionnaire to investigate the affects of interpersonal relationship (Independent variable) on the enterprise growth (dependent variable). For the purpose of the survey, 8 famous corporations from manufacturing and other sector of Republic of Kenya were selected, based on running and operational capital. Paper and pen pencil procedure was adopted to conduct survey from participants (low level managers, middle level managers, and High level managers) of the study. Study followed ethical consideration of inform consent and secrecy of participants to ensure unbiased primary data collection.

S/No.	Categories	Numbers	Percentage
1	LLM	10	7.19%
2	MLM	30	21.58%
3	HLM	89	64.08%
Total		139	100%

Source: Survey Data @ 2019 Labor Zone, Republic of Kenya
Table 1 Composition of Sample

Slovin's formula was applied to sample the participant size from the population (known) size, producing 139 sampled participant of the study (see table 2). Participants were randomly selected once the sample size was established from manufacturing corporations of Republic of Kenya. Participants were briefed about the study objectives and given orientation regarding questionnaire. 5 likert scale questionnaire from strongly disagree to strongly agree (from 5 to 1) were presented to participants.

S/No.	Scale	Categories
1	1 to 1.49	Strongly Disagree
2	1.50 to 2.49	Disagree
3	2.50 to 3.49	Neutral
4	3.50 to 4.49	Agree
5	4.49 to 5.0	Strongly Agree

Table 2 Impact Ratings of questionnaire

RELIABILITY ANALYSIS:

Before collecting complete data from (139) participants', reliability test was conducted to authenticate the questionnaire. 20 recipients were selected from the sample and distributed the questionnaire for initial test, "Cronbach's Alpha" forgiveness for all 5 categories of the questionnaire surpassed .70 or 70% required percentage. Table 4 exhibits the forgiveness s of Cronbach's Alpha for Compatibility, Communication, Honesty, Calmness and forgiveness which implies that categorically all the forgiveness s of reliability test surpassed required results, hence questionnaire proved reliable for further process.

S/No.	Variables	No.	Cronbach's Alpha	%
1	Compatibility	20	.843	84.3%
2	Communication	20	.789	78.9%
3	Honesty	20	.913	91.3%
4	Calmness	20	.904	90.4%
5	Forgiveness	20	.872	87.2%
6	Overall	20	.901	90.1%

Table 3 Reliability Analysis Test

Hypotheses Testing

Null hypotheses were testes for *t*-forgiveness s and *p*-forgiveness s, in order to nullify the null hypotheses and accept study hypotheses. Independent sample test (2 tailed) applied for rejection of null hypotheses exhibited in table 5. Further Kurtosis test was applied for more confirmation of nullifying the null hypotheses in the study. Table 2 exhibits *t*-values and *p*-values of independent sample 2 tailed tests, $t_{Compatibility} = 3.4081$, $t_{Communication} = 2.39$, $t_{Honesty} = 2.67$, $t_{Calmness} = 1.99$ and $t_{forgiveness} = 2.34$, all the values are greater than *t*-table values for degree of freedom @ 138. Values exhibited in table 3 imply that all null hypotheses of the study are rejected and study hypotheses are accepted. *P*-values exhibited in table 3 are less than .50 which implies model is significant different and fit for prediction.

S/No.	Factors	numbers	t-test statistic	P Values	t-table Values
1	Compatibility	6	3.4081	.012	> T table value
2	Communication	7	2.3932	.000	> T table value
3	Honesty	7	2.6723	.013	> T table value
4	Calmness	5	1.9987	.023	> T table value
5	Forgiveness	6	2.3456	.000	> T table value

Table 4 Hypotheses Testing (Independent Sample Test)

Results of the independent sample test (2 tailed) establishes argument that model is fit and null hypotheses of the study are rejected, qualitative expression for this narration is that predictors of interpersonal relationship affect the enterprise growth (Sales growth and productivity growth) in manufacturing industry of Republic of Kenya though impact level of some of the characteristics are high and some are low. Further table 5 exhibits the Kurtosis test forgiveness s for hypotheses testing to ensure the results of *t*-value statistics and *p*-value statistics.

S/No.	Factors	Z Values	Error	Z Values /Error	Kurtosis Range
1	Compatibility	2.567	.387	6.6330	Greater than +1.96
2	Communication	1.897	.387	4.9018	Greater than +1.96
3	Honesty	12.786	.387	33.038	Greater than +1.96
1	Calmness	2.431	.387	6.2816	Greater than +1.96
2	Forgiveness	6.781	.387	17.521	Greater than +1.96

Table 5 Kurtosis (Normality Test) for Hypotheses Testing

Table 6 exhibits forgiveness s of skewness-Kurtosis, all forgiveness s are greater than +1.96 as exhibited in table, which implies that data is normally distributed and null hypotheses are reject. Skewness is 0 for data normalization.

Descriptive Statistics

Interpretation of mean ratings of the summary from the participant of the study (Low level Managers, Middle Level Manager and High Level Managers) is covered in descriptive statistics section of the paper. Study used 5 likert scale ratings to record the ratings of the participant, sharing experienced based knowledge. Employees and workforce of the corporations are human assets that contribute heavily in the manufacturing and all other sectors of the industry. Interpersonal relationship in team member, subordinates and key personals are of immense important. Study conceptualized effects of the classes of the employees on the enterprise growth is of key importance especially predictors such as communication, compatibility, honesty, calmness and forgiveness are the factors that impact directly to sales growth and productivity growth.

Factors	Executives		Directors		Managers	
	Mean	Classification	Mean	Classification	Mean	Classification
Compatibility	3.9	A	3.2	A	3.1	A
Communication	4.4	S.A	4.1	S.A	3.7	A
Honesty	4.2	S.A	3.9	A	3.2	A
Calmness	3.3	A	3.5	A	4.3	S.A
Forgiveness	4.1	S.A	3.6	A	3.5	A

Table 6 comparison of mean ratings and classification

Table 6 exhibits forgiveness of mean ratings of Low level Managers, Middle Level Manager and High Level Managers (Participants) on Compatibility, Communication, Honesty, Calmness and forgiveness as predictors of the interpersonal relationship and impacts of these 5 predictors on enterprise of manufacturing and no manufacturing industry of Republic of Kenya. Values of table 6 imply that all the participants are either agreed or strongly agreed with the statements of the questionnaire. Low level Managers, Middle Level Manager and High Level Managers are key post holder in any corporation for understanding the paradigm phenomenon of interpersonal relationship and enterprise growth. Qualitatively it is expressed as in manufacturing and non manufacturing industry of Republic of Kenya that IR is the managing work team responsibilities of the team leaders that are solely responsible of managing and leading teams on field and off field for better compatibility and communication.

Regression Analysis

The linear regression was developed to investigate how one or more independent variables influence a dependent variable (Hutchinson, 2011). More specifically, in a linear regression analysis, the result produces one intercept and one slope, based on the mean, which represents the best fit for variable X to predict variable Y. The regression line can be calculated by using the equation (Noon, 2003): This study uses Compatibility, Communication, Honesty, Calmness and Forgiveness, predictors of interpersonal relationship, as independent variable and enterprise growth as the dependent variable.

MODEL	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.999 ^a	.998	.998	.03304

Table 7 Regression Model Summary

Adjusted R square of the model is .998 that means $.998 * 100 = 99.8 \%$. It implies that one unit of change in predictors of Interpersonal Relationship will bring 99 % change in enterprise growth. It also implies that model is highly predictable to dependant variable. Predictor is constant with R-square 99 %. Corporation enterprise growth capacity is effectively and efficiently increases to 99.8 %, affected by Compatibility, Communication, Honesty, Calmness and Forgiveness. Sales growth and Profit growth thus is linear in function with linear effects and enterprise growth is the function of both: Enterprise growth (EG) is a function of interpersonal and non-interpersonal relationship.

$$EG = f(IP + Non IP)$$

MODEL	R Square change	CHANGE STATISTICS			Sig. F Change
		F - Change	Df1	Df2	
1	.998	27779.207	2	137	.000

Data source: survey data dated: July 2020 @ industry of Kenya

Table 8 change statistics of model

Table 8 explains R-Change is the same in change statistics as was in the summary model with $f(2, 137) = 27779.207, p = .000$ model is significant and will bring change for sure as $P < .05$, it can be predict that model is significant and will bring changes in enterprise growth efficiency of corporation for sure with the changes in all the independent variables. It implies that % change in Compatibility, Communication, Honesty, Calmness and Forgiveness will bring % change in enterprise growth efficiency thus affecting sales and productivity performance.

MODEL	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	60.644	2	30.322	27779.207	.012 ^b
	Residual	.106	137	.001		
	Total	60.750	139			

Table 9 Analysis of variance for enterprise growth of Kenyan industry

Table 9 implies the analysis of variance in model. $\sum (Y_1 - Y)^2 = 60.750$ for the mean difference square of predicted forgiveness of D.V and I.V and $f(2, 137) = 27779.207, p = .012$, implies that model 1 of ANOVA is significantly fit to predict forgiveness and explain variation in factors. Qualitative expression for this variance implies that it can be predicted that Compatibility, Communication, Honesty, Calmness and Forgiveness will affect the information driven enterprise growth for the organizations in manufacturing and non manufacturing industry of Republic of Kenya.

MODEL	Unstandardized Coefficient B	Std. Error	Mean Square	F	Sig.
(Constant)	.111	.044		2.536	.013
1 Compatibility	1.362	.006	1.037	233.516	.000
Communication	.403	.010	.172	38.731	.000
Honesty	2.341	.013	.232	56.345	.012
Calmness	1.123	.002	1.234	32.124	.000
Forgiveness	1.999	.234	2.345	1.223	.234

Table 10 Regression analysis

@ $p = .013, .000, .000, .012, .000$ and $.234$ all the forgiveness s are less than $.005$ model is fit and significant to predict the effect of independent variable on dependent variable. With coefficients @ $1.362, .430, 2.341, 1.123$ and 1.999 forgiveness s of Compatibility, Communication, Honesty, Calmness and forgiveness, linear model of regression predicts the degree change in independent variable with coefficients will change the enterprise growth efficiency. Linear model exhibits the forgiveness s that imply research hypotheses are true and predictors of the interpersonal relationship affect the capacity of enterprise growth

$$Ent_Gwt = \alpha + \beta (CM) + \beta (CO) + \beta (HO) + \beta (CA) + \beta (FO) + e$$

Enterprise growth function is linear in nature, with a constant change unit of $.111$ in enterprise growth capacity and efficiency. Change can be positive and negative subject to coefficient of Compatibility, Communication, Honesty, Calmness and forgiveness of Interpersonal relationship. Level of transformation of these predictors depends on control implementations of decisions of team leaders and managers responsible for subordinating. Authors established the argument that relationships are behavioral and intuitive. Decisions makers of manufacturing industry are managers trained for proactive cognition. Linear function of enterprise growth model runs with both practical approach and knowledge based managers' interference to establish communication in between employees. Sales growth and productivity growth are subject to the overall performance of the employees in linear function more the established and felt connection of employees more the enterprise grows to the best level

Correlation Analysis

A correlation coefficient is a numerical measure of some type of correlation, meaning a statistical relationship between two variables. The variables may be two columns of a given data set of observations, often called a sample, or two components of a multivariate random variable with a known distribution. Linear function of enterprise growth is directly related to predictors of interpersonal relationship and significantly related to sales and profit growth in manufacturing and services sectors. Better compatible and better communication can run affairs smoothly with more calm and forgiving environment and atmosphere in work teams.

Enterprise growth is positively and directly correlated with interpersonal relationship of the managers, employees and executives as participant of the team formulated to achieve certain goals.

Items	Description	Interpersonal Relationship	Enterprise Growth
Interpersonal Relationship	Correlation Coefficient	1	.986**
	Sig. (2-tailed)		.000
	N	139	100
Enterprise Growth	Correlation Coefficient	.986**	1
	Sig. (2-tailed)	.000	
	N	139	100

Table 11 Pearson Correlation of Enterprise growth and Interpersonal Relationship

Table 11 exhibits the Pearson correlation between interpersonal relationship and enterprise growth, both the variables are positively correlated with each other at 0.986 with $N = 139$. Table 11 implies that there is a positive correlation with strong bonding. Positive usage and change in enterprise growth will increase performance of individual and organization efficiently for the manufacturing industry that will ultimately increase enterprise growth

IV. Summary of findings:

All the null hypotheses are rejected and study hypotheses are accepted as exhibited in table 3 and table 4. T-forgiveness scores of Compatibility, Communication, Honesty, Calmness and forgiveness are greater than t-table values. There is a significant relationship between Compatibility, Communication, Honesty, Calmness and forgiveness and enterprise growth of corporation. Skewness and Kurtosis exhibited in table 4 implies that data is normally distributed and rejection of null hypotheses is justified. Descriptive statistics of the study exhibited in table 5 implies that summary of mean ratings of predictors of the interpersonal relationship influence enterprise growth of manufacturing and non manufacturing industry of Republic of Kenya. Regression analysis and change statistic exhibit that model is fit for prediction and significantly different with *p*-values less .50. Function of enterprise growth is linear, effects of interpersonal relationship on enterprise growth is linear with constant. Regression tables exhibit the values of data set from enterprise growth and interpersonal relationship implies ratings of data set are close to strongly agree to the hypotheses of the study. Study also gives the correlation of enterprise growth and interpersonal relationship of manufacturing industry.

V. Conclusion:

Study concludes that econometric model of the study is linear and has provided the purposeful insights on interpersonal relationship. Team work and team leadership are vital for interpersonal relationships. Compatibility, communication, honesty, calmness and forgiveness are linear in function and possess impacts on sales growth and productivity growth thus ultimately on enterprise growth in manufacturing and non manufacturing industry of the Kenya. Study provided the quantitative analysis of the ratings of lower, middle and high management of the enterprises selected for the investigation, provided linear equation as follows:

$$Ent_Gwt = \alpha + \beta (CM) + \beta (CO) + \beta (HO) + \beta (CA) + \beta (FO) + e$$

$$Ent_Gwt = 0.111 + 1.362 (CM) + .430 (CO) + 2.342(HO) + 1.123 (CA) + 1.999 (FO) + .07$$

Having positive correlation and tight bond, predictors of interpersonal relationship has brought up the effective and efficient econometric model for the investigation that leads to the normally distributed data and cognitive practical approach. Managers play important role in team integration and interactive relationship of the employees.

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