

Effect of Interpersonal Relation Strategy on Sustainable Performance of Service Firms in Eldoret, Uasin Gishu County, Kenya

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Abstract

the core purpose of this paper was to establish the effect of interpersonal relation strategy on sustainable performance of Service firms in Eldoret, Uasin Gishu County. This research paper aimed at determining the impact of employee trust and interpersonal sensitivity on sustainable performance. The study was guided by the Relational Dialectic Theory. An explanatory research design was employed. Basic random sampling was utilized to choose 486 employees from a target population of 3513 employees in 23 service firms using fluid survey sample size formula. The study used a five points Likert Scale questionnaire to collect data from sampled employees. Reliability of the information gathered was reviewed through the utilization of Cronbach alpha coefficients, Internal and External Validity was measured using face to face and factor analysis respectively. Findings from multiple regression model indicated that employee trust had positive significant effect on sustainable performance ($\beta_1 = 0.286, p < 0.000$) and Employee interpersonal sensitivity had significant positive effect on sustainable performance ($\beta_2 = 0.132, p < 0.000$), The study revelations informed service firms' management on various interpersonal relations dimensions which included interpersonal sensitivity, employee trust and employee perspective taking that increased sustainable performance. Based on the findings of the study, it was concluded that interpersonal relation strategy among employees increased sustainable performance. Therefore, Service firms need to intentionally focus on fostering trust and interpersonal sensitivity between co-workers to enhance sustainable performance.

Keywords: *employee trust, Employee interpersonal sensitivity, sustainable performance, interpersonal relations*

Introduction to the study

Sustainable performance generally connotes an organization's inherent ability to progressively carry on its functions and services, whichever the case, in consonance of its legal objectives while at the same time operating at an optimum decibel and enhancing itself every time (Ismail and Jenatabadi, 2014). According to Hitt *et al.* (2011), impalpable resources are most probably than tactile resources to create a viable performance. This view was also advanced by Tecce (2010) that an organization's paramount sustainable performance relies on its competence to protect and utilize the impalpable capital it generates. Sustainable performance can be regarded as the firm's core as it traverses to its advancement adequately. Positive interpersonal relation strategy at the workplace fosters a selection of advantageous end-results for a person's work productivity and sustainable organizational performance. To improve service firm sustainable performance, interpersonal relation strategy will depend on the ability of the employees to adequately engage with their bosses, juniors and fellow workmates in the bounds of the service company and customers, suppliers and the general masses (Song and Olshfski, 2008). Interpersonal relation strategy, therefore, is a very crucial matter concerning any institution or company. Several service firms experience employee difficulties instead of business difficulties. Employee difficulties are mostly due to faulty cross-personal relation strategy, which inhibits the achievement of sustainable performance. Concerted efforts should, therefore, be exerted to improve the cross-personal relation strategy of the employees at the workplace.

Interpersonal relation strategy at the workplace has a fruitful effect both on the organizational and individual variables. Studies have in the past pointed out to the fact that interpersonal relation strategy at the workplace enhances individual worker feelings such as work gratification, work commitment, engagement and perceived firm support (Morrison, 2009; Zagenczyk *et al.*, 2010). To add to this, a worker's negative work attitudes can be reduced when coworkers take the role of confidants to debate non-pleasant job experiences (Morrison, 2009; Song and Olshfski, 2008). Interpersonal relation strategy gradually develops with good team participation with other members (Stephen, 2010). Interpersonal relation strategy adds to the elaboration of sustainable performance of inter-firm relationships (Phan, 2003) and cross-firm inter-functional working relationships (Walker *et al.*, 2004).

However, not all scholars have identified interpersonal relation strategy as an important factor that could influence prosperity, work fulfillment, performance and profitability (Stoetzer, 2010). According to Sias (2008), interpersonal relation strategy is necessary for existing systems and is the hub of service firms. However, not all interpersonal relation strategy maintains sustainable performance. Wheatley (2001) furthermore recommends that scholars should pay regard for how a job environment sorts out its interpersonal relation methodology its errands, parts and progressive systems, together with, the kind of interpersonal relation technique and extents created to maintain and change them. Nevertheless, negative interpersonal relation strategy might be harmful to the service firm's sustainable performance (Song & Olshfski, 2008). Some of the studies have demonstrated inadequate sustainable performance in service firms as results of high employee turnover, mistrust among employees themselves and management (Aryee, Budhwar, & Chen, 2002).

However, this issue is not being treated as important in third world countries like Kenya as it is in the western countries (Bond *et al.*, 2004). Numerous associations in the service industry confront challenges in holding employees' henceforth confront troubles in accomplishing sustainable performance since they can't recognize the elements that add to both representative fulfillment and faithfulness, for example, interpersonal relation technique (Abdullah *et al.*, 2009). In Kenya, the service firms industry has been thought of as a potential prospect in the growth of the country's economy. As it is, the growth is limited by the optimum turnover rates of workers. In addition, workers turnover continues to accelerate in the service firms despite changes in management, for example in 2010 there was 10% employee turnover which increased to 20% in 2011 (Service firms annual report, 2015), hence the need for the study. Nonetheless, analysts have given careful consideration to the interpersonal relation methodology that employees require to improve their juniors' pledge to the hierarchical sustainable performance, (Bambacas & Patrickson, 2008; Morrison, 2009; Song & Olshfski, 2008). In addition, African researchers have for long ignored the concept of interpersonal relation strategy and how it links with sustainable performance (Abdullah *et al.*, 2009). Every one of these issues prompt basic inquiries regarding the achievement and advantages of interpersonal relation system in associations sustainable performance. The centerpiece of these issues concentrates the study's point on regardless of whether the interpersonal relation methodology utilized advantages sustainable performance of service firms in Eldoret. thus, the study hypothesized that;

H_{o1} Employee trust has no relevant impact on sustainable performance.

H_{o2} Employee Interpersonal sensitivity has no relevant impact on sustainable performance.

Theoretical Framework

Presented in the mid-1990s, Relational Dialectic Theory (RDT) is an interpersonal correspondence hypothesis that clarifies to a limited extent the persuasions (or pressures) that exist in relationships (Wood, 1997). Leslie Baxter and Barbara Montgomery (1996), the designers of the hypothesis, clarified that the argumentative perspective shows how the many-sided quality and confusion of social life is a dynamic bunch of logical

inconsistencies, an endless interchange between opposite or restricting inclinations. Preceding the presentation of RDT, numerous researchers proposed that relationships were straight and took after an example of improvement from associate to a perfect end state. Relationships either advanced toward a perfect end or just finished (Gamble and

Relational Dialect Theory (RDT) propelled another method for viewing relationships. Baxter and Montgomery (1996) trusted that relationships weren't straight and were described by the change. Inconsistency, the driver of that change, is the major reality of relational life and is made through discourse (Baxter, 2004; Baxter, 2004), the fundamental thought being that as we relate with others, we make dialogue and along these lines dialectics. The word dialectics has a Greek cause and alludes to the specialty of exchange or level headed discussion (Baxter and Montgomery, 1998). As people make an exchange, they make persuasions that are included four noteworthy components: logical inconsistency, change, praxis and totality (Baxter, 2004).

The RDT is additionally bolstered by the Leader Member Exchange (LMX) hypothesis which contends that leaders create distinctive relationships with their subordinates by means of various trades that can be called high or low quality (Graen and Uhl-Bien, 1995). At the point when the nature of the relationship is high, the trades between the bosses and subordinates have shared commitments and trust in a way that licenses response of association between the director and subordinates (Graen and Uhl-Bien, 1995). By the goodness of arranging the part of subordinates throughout the years, the subordinates participate in basic leadership process that improves their status as in-group individuals (Liden, Erdogan, Wayne and Sparrowe, 2006). This occurs when a subordinate has earned the trust of the administrator to have the capacity to deal with particular undertakings and fill in as partners. The out-going groups incorporate those subordinates that fall inside the trade parameters of member necessities, job portrayals, and contract of work. Such out-going data originates from the boss to subordinate singularly (Wang, Niu, and Luo, 2004). Leaders in LMX trade utilize assets to address the issues of the subordinates, with the desire that the subordinate will react through services. Dienesch and Liden (1986) recorded the variables of monetary forms of trade as an influence, devotion, commitment, and expert regard.

Empirical review

Employee Trust

Employee Trust is characterized as a reflection on one's conviction that others are tried and true, steadfast, and dependable and that one's conduct indicates trust in others, (Wei, 2003). Researchers bring up that trust is fundamental for sustainable performance (Ferres, Connell, and Travaglione 2004; Laschinger, Finegan, and Shamian 2001). Accordingly, trust assumes a basic part of building up the interpersonal relation procedure for sustainable performance in any service firm. In any case, the idea of trust has not picked up an agreement among researchers and scholars. In such a manner, Carnevale and Wechsler (1992) noticed that trust is slippery and hard to fathom. Various scholars have characterized trust in an assortment of ways. Among others, Mayer, Davis, and Schoorman (1995) characterize trust as the readiness of a gathering to be defenseless against the activities of another gathering in view of the desire that the other will play out a specific activity essential to the trustor, regardless of the capacity to screen or control that other gathering.

The past examinations of trust have fixated for the most part on interpersonal trust and organizational trust, accepting that interpersonal trust will increment organizational performance (Nyhan 2000; Carnevale & Wechsler 1992). Albeit a few researchers have communicated an enthusiasm for dichotomization of organizational and interpersonal trust (Williams 2005; Serva, Fuller, and Mayer 2005). There has been a minimal efficient study of a multidimensional perspective of worker trust in relation to sustainable performance. This study accepts that employees can differentially confide in their chief, colleagues, top administration, clients, and association to address the issue of sustainable performance. The way that one trusts his chief does

not really imply that he confides in his organization. All things considered, each trust measurement is autonomous from the others.

The majority of the work on trust in particular targets has concentrated on trust in an immediate pioneer, for example, boss, director, or work-bench pioneer (Aryee et al., 2002; Tan & Tan, 2000). Scholars have discovered trust in various referent composes to be identified with various arrangements of precursors and performance. For instance, Tan and Tan (2000) investigated director and organization as trust referents and found that the previous is influenced by the apparent capacity, kindheartedness, and respectability of the chief and prompts performance with manager and creative conduct, while the last is influenced by procedural and distributive equity and results in higher organizational sustainable performance and lower turnover aims.

Specialists considered the impact of a representative's trust in top supervisor on the worker's job performance. They found that the thoughts of reasonableness and human-situated reflected from a service firm strategies and directions all have an imperative effect upon an employees' job fulfillment and sustainable organizational performance, Davis et al., (2000), Morgan and Zeffane (2003), and Connell et al., (2003). In a service firm, the best administrator is in charge of system plan and foundation of organizational establishments. Regardless of whether these choices are reasonable and human-situated turns into an imperative piece of information for employees to assess the best supervisor. Specialists have seen that when employees have trust in the best director, their organizational duty and organizational performance likewise enhance, which thusly makes employees work harder and invest additional time and vitality in their jobs. Administrators regularly have a visit and direct contact with helpful staff in their day by day work.

Administrators' activities and practices, which are basic in deciding the care staff mentalities, give the establishment to trust. Supervisory help is a solid marker of the quality performance amongst employees and directors (Stinglhamber and Vandenberghe, 2003). At the point when administrators express worry for their employees' prosperity, assist them with profession advancement, and esteem their work, they flag to their care staff that they are keen on sustainable performance. The relationship between sustainable performance and trust is very much recorded in observational investigations. On a general level, representative trust straightforwardly influences sustainable performance (Ferres, Connell, and Travaglione 2004). Besides, it additionally predicts an assortment of sustainable performance related factors, including employees' interpersonal affectability, a goal to turnover, and complex information partaking in an organization (Chowdhury 2005; Kickul, Gundry, and Posig 2005).

Worker trust is decidedly identified with sustainable performance. An essential preface of social trade hypothesis is that one's desire for unspecified commitments in light of trust is framed for the other, guaranteeing that signals of altruism are responded at a future time (Blau, 1964). Besides, trust in pioneers has been distinguished as a critical component in administration viability (Bass, 1990). In their meta-investigation Dirks and Ferrin (2002) uncovered that trust in pioneers is identified with an assortment of imperative sustainable performance results, for example, high interpersonal relation system, high fulfillment with pioneers, and low worker turnover. An ongoing commitment in the back writing by Goergen et al., (2012) centers around the ramifications of intra-firm trusts for firm sustainable performance and reports experimental confirmation of a constructive interpersonal relation system.

Trust is a key part of interpersonal relation system, and administration's way to deal with the issue of trust is of scholastic and useful hugeness. A quickly developing assortment of writing perceives that trust speaks to a critical variable that impacts sustainable performance (Prusak and Cohen, 2001). A considerable measure of research writing centers around methods for creating and improving trust among employees (Gambetta, 1988; Gould-Williams, 2003; McKnight et al., 1998), recommending that service firms see trust as an attractive characteristic. For instance, Konovsky and Pugh (1994) have demonstrated that trust in administrators is

decidedly connected with organizational performance conduct in a social trade process. In a comparative vein, Aryee and his associates found that trust in the service firm is identified with work demeanors and job fulfillment (Aryee et al., 2002).

Employee Interpersonal Sensitivity

This refers to attitudes and behavior which show consideration, warmth, and caring of organizational members. It is an active attempt to be aware of and responsive to the needs of others and sustainable performance of the organization. Interpersonal sensitivity (IS) is a complex field of research because of the contextual nature of the associated variables and their relationships including but not limited to job design, motivation, and high performance work (Boxall & Mackay, 2009). Previous research has examined interpersonal sensitivity in terms of initiating, maintaining and enhancing interpersonal relation strategy geared towards sustainable performance (Mosadeghard, 2008). Research shows that positive interpersonal sensitivity improves sustainable performance (Phan, 2003).

Interpersonal sensibility or interpersonal exactness is the capacity to survey another's state and performance qualities effectively (Schmid Mast, Murphy, and Hall, 2006). Corridor, Andrzejewski, and Yopchick (2009) recognized attentional precision, which is focusing on the performance of accomplice's prompts which infers recollecting others' verbal, nonverbal, and appearance signs and inferential exactness, which is the right understanding of apparent performance signals. This refinement relates to identification and usage in the sensible precision model of identity depicted by (Funder, 1995).

Research on inferential precision has demonstrated that individuals can effectively derive other individuals' performance feelings (Ickes, 2003; Matsumoto et al., 2000), intentions, and contemplations (Ickes, 2003); others' identity qualities (Murphy, Hall, and Colvin, 2003); and the sort of interpersonal relation methodology in which at least two people are associated with firm efficiency (Schmid Mast and Hall, 2004). Interpersonal affectability is likewise identified with social aptitudes of profitability. A socially talented individual has the verbal and nonverbal social capability, which is comprehended as interpersonal and enthusiastic expressivity, affectability, and performance control (Riggio, Tucker, and Coffaro, 1989). The significance of treating beneficiaries of pessimistic results with interpersonal affectability is also resounded in late work on sympathy in sustainable organizational performance (Dutton, Frost, Worline, and Jacoba, 2002; Luthans, 2002).

Interpersonal Sensibility (IS) is an expansive build that can incorporate both seeing others precisely and taking part in interpersonally fitting conduct (Bernieri 2001). The present meta-examination concerns the observation side of this definition. It is hard to envision social existence without ability in handling organizational efficiency objectives. Over the span of multi day, a man sees incalculable insights about others' discourse, facial and substantial developments, vocal tone, physiognomy, and dress, in addition to other things, and after that draws endless surmisings in light of this data, despite the fact that such data is frequently short lived and deficient connect to performance. Therapists have since quite a while ago trusted that interpersonal affectability among employees matters in everyday life through enhanced sustainable performance, and it remains an opportune theme of study (Hall et al., 2005; Nowicki and Pickett et al., 2004).

There is a positive correlation amongst IS and sustainable performance, this could imply that higher rank causes increments in IS on the grounds that the job gives important chances to expertise building. Surely the interpersonal relation methodology looked at work by directors are probably going to be more intricate and weighty than those looked by, say, clerks or truck drivers. In everyday life, numerous individual qualities, properties, and encounters could add to organizational improvement. While talking about identity corresponds of IS, specialists have regularly held the implicit suspicion that is the result of having certain identity attributes of profitability. (Byron 2007)

Meta-examination on employees' IS in relation to sustainable performance found that higher IS was related with altogether less unbending nature/obstinacy, more inward locus of control, more constructive alteration, higher passionate sympathy, higher scores on sizes of social insight, more prominent interpersonal trust, and higher self-checking including its three segment elements of extraversion, acting, and other-directedness (Davis and Kraus' 2011). So also, an expansion in interpersonal affectability may influence a man's autonomy and self-assurance in sustainable performance. People are separated into two classifications in light of freedom and self-assurance in their relationships. These classifications are self-governing and sociotropic (Murphy, Hall, and Colvin, 2003). Sociotropic people feel worried over worries of being rejected or surrendered, and they need performance aptitudes. Self-ruling people are self-assured and have solid performance self-administration aptitudes. A pertinent study did not discover any correlation between interpersonal affectability and self-governance, while it confirmed that interpersonal affectability expanded in coordinate extent with sociotropy (Hall and Bernieri 2001).

Nonetheless, there is a scarcity of scholarly work connecting this to sustainable performance. Past research has discovered connections between interpersonal relation system and interpersonal affectability. (Phan, et al., 2005) yet a profitable and apparently essential relationship between interpersonal affectability and sustainable performance has not been inspected. For the most part, interpersonal relation technique and sustainable performance are thought to be a profitable segment of the human capital stock (Wright et al., 2001).

Literature Gap

Review of the literature considered how interpersonal relation strategy could be linked to increased sustainable performance. There was a lack of research in relation to these interfacing topics, and past connections seemed, by all accounts, to be fluffy and equivocal. For example, the writing was quiet on the connection between worker trust, employee perspective taking, and employee interpersonal sensitivity on sustainable performance. There was limited empirical evidence about the employee perspective taking, or otherwise of these approaches.

Material and method

Explanatory research design guided the study to find the effect of employee trust, employee perspective taking and employee interpersonal sensitivity on sustainable performance from a population of 3513 employees of 23 Service firms in Eldoret, Uasin Gishu County, Kenya (County ministry of trade database, 2017). Fluid Survey (2015) was used to calculate a sample size of 389 employees; However, after the pilot test, to find the final adjusted sample size, allowing non-response rate of 20%, the adjusted sample size was $389/(1-0.20) = 389/0.80 = 486$. The researcher used the closed-ended questionnaire as the instrument for data collection in the study.

Measurements of Variables

Employee sensitivity and employee perspective taking were an 11 items questionnaire developed by Spector (1988) which was slightly enhanced to suit the research. The scale ranged from 1 (strongly disagree) to 5 (strongly agree). Employee Trust was measured using a seven-item questionnaire as developed by Gabbaro and Athos (1976) which was slightly enhanced to suit the research. The sustainable performance scale developed by Meyer and Allen (1991) was slightly modified to suit the study and was used to measure sustainable performance. It had 5 items scored on a five point Likert-type scale.

In the wake of directing a pilot test utilizing 10 respondents from 3 service firms which were excluded in the last review of the study, the cronbach alpha test demonstrated qualities are going from as low as 0.705 to as high as 0.911. These discoveries were in accordance with the benchmark proposed by Hair et al., (2010) who

respected a coefficient of 0.60 to have a normal unwavering quality while a coefficient of 0.70 or more showed that the instrument had a high dependability standard.

Table 1: Reliability Values for the Research

Reliability Aspects	Cronbach's Alpha
Sustainable performance	0.821
Employee trust	0.911
Employee interpersonal sensitivity	0.705

Data Analysis and model specification

Descriptive statistics like mean, frequencies and rates were utilized. While inferential insights examination such as Pearson correlation and multiple regression were utilized to decide the impact of interpersonal relation system on sustainable performance and to test the study theory. The regression equation is a function of variables x and β

$$y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \varepsilon$$

Where,

y = sustainable performance

α = constant.

$\beta_1 \dots \beta_3$ = the slope which represents the degree in which sustainable performance changes as the independent variable changes by one unit variable.

x_1 = Trust

x_2 = Interpersonal Sensitivity

Findings

The researcher distributed 486 questionnaires to the respondents. 430 questionnaires out of the 486 were returned, which gave a response rate of approximately 88.5%. 49.3% of the respondents were male whereas 50.7% were female. The age of the respondents showed that those aged below 30 years account for over 85.1% of the employees of service firms 10.9% (47) had attained high school level of education, 82.1% (353) of the employees were diploma holders which formed the majority of the employees, and 1.6% (7) had a bachelor's degree while 5.3% (23) had doctorate degrees. 0.5% (2) had either worked for 5 to 10 years, 96% (413) of the employees had worked in the service firm for 11 to 15 years, 3.3% (14) for 16 to 20 years and 0.2% (1) above 20 years

Firm Characteristics

In terms of the age of the firm, 12.2% (52) of the respondents said their firm had been operational for 1 to 10 years, 49.6% (213) of them said their firm had been in operation for 11 to 20 years, 33.9% (146) said for 21 to 30 years and 4.3% (18) indicated over 30 years. Furthermore, 47.8% (206) of the respondents stated that their firm had 1 to 20 employees, 29.6% (127) said their firm had between 21 and 40 employees, 13.9% (60) stated that their firm had 41 to 60 employees and 8.7% (37) indicated that their firm had between 61 and 80 employees as shown in Table 1.

Table 2: Firm Characteristics

Firm Characteristics		Frequency	Percent
Age of the (number of years)	1-10	52	12.2
	11-20	213	49.6
	21-30	146	33.9
	above 30	18	4.3
	Total	430	100
Number of employees	1-20	206	47.8
	21-40	127	29.6
	41-60	60	13.9
	61-80	37	8.7
	Total	430	100

Source: Researcher (2017)

Descriptive And Correlation Statistics

These are brief illustrative coefficients that abridge a given informational index, which could be either a portrayal of the whole populace or an example of it. Clear insights are separated into measures of focal propensity and measures of fluctuation or spread. The overall mean for employee trust was 3.512, SD = 0.790 that indicated overall agreement with the statements. This implied that there was trust among employees. The study findings were also supported by Colquitt, Scott, & LePine (2007) that trust was a critical component of effective working relationships. It had also been revealed that trust in the workplace was seen as an attempt to offload work on the employees by management hence leading to improved performance among the employees as shown in Table 3.

The overall mean response for interpersonal sensitivity was 3.547 (SD = 1.009) that showed overall agreement with the statements concerning interpersonal sensitivity and showed that majority of the employees in the service firms showed interpersonal sensitivity especially in relation to the colleagues they worked with. The study findings also showed that there was successful interaction between the employees as a result of an intuitive understanding of the feelings and mood of others. Results were shown in Table 3.

The overall response was 3.736 (SD = 0.658) that indicated a high level of sustainable performance among the majority of the service firms. Roberts (2003). Compelling performance administration frameworks were among the instruments for estimating and enhancing profitability. Sustainable Performance change involved awesome worry in various service firms private or public. Discoveries appear in Table 4.10.

Employee trust had a positive and significant relationship with sustainable performance, $\rho=0.708$ at 1% level of significance, meaning there was a probability of 0.708 that sustainable performance would increase with an increase in employee trust. Furthermore, the findings showed that employee interpersonal sensitivity had a positive and significant relationship with sustainable performance, $\rho=0.670$ at 1% level of significance and indicated that there was a probability of 0.670 chance that sustainable performance would increase with an increase in the level of employee interpersonal sensitivity. Moreover firm size ($r=0.136$, $p<0.05$) firm age ($r=0.277$, $p<0.05$) had a positive relationship with sustainable performance. To deduce further from the correlation results none of the variables had high interrelationship of over 0.80. Thus, multicollinearity was not a major concern as shown in table3.

Table 3; Descriptive And Correlation Statistics

	Mean	Std. Deviation	SP	ET	IS	FS	FA
Sustainable performance(SP)	3.736	0.658	1				
Employee trust(ET)	3.512	0.79	0.708**	1			
Interpersonal sensitivity(IS)	3.547	1.009	0.670**	0.741**	1		
Firm Size(FS)	26	13.441	0.136*	0.283*	0.273	1	
Firm Age(FA)	12	7.015	0.277*	-.113*	0.077	-0.082	1

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Hypothesis testing

On controlling firm size and firm age the results of the model summary of multiple regression showed that all the three predictors: employee trust, employee interpersonal sensitivity explained 63.7% variation of sustainable performance, this showed that using the three tested variables sustainable performance could only be predicted by 63.7 % (R squared =0.637, adj. R-squared = 0.635). Durbin Watson test indicated that there was no autocorrelation (serial correlation) since it fell between the recommended rule of thumb of 1 to 2. This is shown in Table 4. Study findings indicated that variation was significant as evidence of F ratio of 149.624 with p-value $0.000 < 0.05$. Thus, the model was fit to predict sustainable performance using employee trust, employee interpersonal sensitivity and employee perspective taking. This meant that the model was significant in explaining sustainable performance as shown in table 4.

Hypothesis one which stated that employee trust had no significant effect on sustainable performance was rejected at 5% level of significance ($\beta_1 = 0.286$, p-value =0.000). Thus, employee trust had a significant and positive effect on sustainable performance. Hence an increase in employee trust would lead to an increase in sustainable performance. The relationship between sustainable performance and trust was well documented in empirical studies. The findings coincided with studies by Gabris *et al.*, (2010) and Serva *et al.*, (2005) that trust was essential for the performance of firms which resulted in trusting enhancing employee performance, group based performance, human resource management, viable critical thinking, organizational profitability, and organizational responsibility. The findings also concur with previous studies of trust and firm performance. Most of the studies (Williams 2001; Nyhan 2000) discovered that a positive and important impact of employee trust on firm sustainable performance. Similarly, also Serva, Fuller, and Mayer (2005) argue that employee trust is has a direct connection to sustainable performance that often acts as a precursor to risk-taking behavior.

Results where the estimated coefficient for employee interpersonal sensitivity was $\beta_2 = 0.132$, p-value =0.005 at 5% level of significance. Therefore, employee interpersonal sensitivity had a significant positive effect on firm sustainable performance. Previous research had examined interpersonal sensitivity in terms of initiating, maintaining and enhancing relationships (Mosadeghard, 2008). Research showed that positive interpersonal sensitivity improved sustainable performance (Phan, 2003). The findings were also supported by other studies such as Yopchick (2009), Hall & Bernieri, (2001) and Schmid Mast, Murphy, & Hall, 2006) that interpersonal sensitivity improved employees performance, commitment, employee job satisfaction which in turn improved firm performance . Interpersonal sensitivity had also been related to firm sustainability (Hall, Murphy, & Schmid Mast, 2006; Horgan, Schmid Mast, Hall, & Carter, 2004; Schmid Mast & Hall, 2006). Studies on Interpersonal sensitivity had demonstrated that individuals were able to rightly infer other individuals' performance (Ickes, 2003) (Murphy, Hall, & Colvin, 2003); and the type of interpersonal relationship in which two or more persons were involved. The study also agreed with Schmid Mast & Hall, (2004) that Interpersonal sensitivity was also related to social skills, self-esteem which improved employee performance and in overall firm performance. However, the study results also disagreed with Luthans, (2002) who found the employee perspective taking did not possess any important impact on firm performance neither on employee performance.

Table 4: Hypothesis Testing(Regression Model Results)

	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
	B	Std. Error	Beta	T	Sig.	Tolerance	VIF
(Constant)	1.286	0.094		13.754	0.000		
Firm size	0.241	0.039	0.289	6.109	0.000	0.201	1.008
Firm age	0.083	0.031	0.127	2.671	0.008	0.129	2.771
Employee trust	0.238	0.039	0.286	6.070	0.000	0.385	2.600
Employee Interpersonal sensitivity	0.086	0.031	0.132	2.801	0.005	0.381	2.622
Model Summary Statistics							
R	0.798a						
R Square	0.637						
Adjusted R Square	0.635						
Std. The error of the Estimate	0.398						
Durbin-Watson	2.027						
F	149.624						
Sig.	0.000						

Dependent Variable: Sustainable performance

Conclusions

The study findings showed that employee trust led to positive patterns of behavior among the employees which had the highest likelihood to lead to great extents of performance. It was also evident that there was trust among the employees since they shared their opinions with their superiors and that they kept close contact with their colleagues. Employees could conceptualize together and reach to better thoughts and interpersonal relation strategies. Interpersonal relation strategies must be talked about on an open stage where each person has the freedom to divulge his/her perspectives. Employees must be assembled for conferences in any event once in seven days to advance open correspondence. Connection all the time was essential for solid interpersonal relation technique.

The study affirmed that interpersonal sensitivity had an important impact on sustainable performance. From the findings of the research, there is more than enough evidence that interpersonal sensitivity enabled employees to be united in pursuing common goals and also helped employees to adapt and look at things from a different perspective.

The implication to Practice and Theory

The core aim of the research was to address the impact of interpersonal relation strategy on sustainable performance of service firms. One major practical contribution was that it would provide much needed empirical data. The activities of managers would allow policymakers, trainers, consultants to come up with initiatives, tools, and actions based on employee trust enabling them to build opinion sharing with their employees.

The study adopted a theoretical framework whereby Relational Dialectic Theory advocated for a new way of viewing relationships. Managers would emphasize the need to create dialogues with their employees as they relate with them in the organization. This interpersonal communication theory would enhance interpersonal relation strategies among the managers and their employees.

Recommendations

Diverse measures of interpersonal relation system were produced and approved in this study. Inside the setting of expanding rivalry in the service firm, directors ought to figure out which measurements of interpersonal relation technique are suitable to their curious target markets with a specific end goal to create the fitting situating procedure. As an imperative focused apparatus in the service firm, there ought to prepare and retraining of workers in the service firm particularly in the territory of value interpersonal relation procedure towards creating and maintaining client dedication and enhanced sustainable performance.

From the study findings, employee trust had a positive effect on sustainable performance. Therefore employees should work at both giving and receiving trust. The management should set consistent expectations for all employees since setting higher expectations for trusted employees would certainly result in poor performance by non-trusted employees. It was basic to have some dependable co-workers at the work environment who not just valued us when we benefited some work yet additionally revealed to us our missteps. A gesture of congratulations goes far in extricating the best out of people. One requires people at the work environment who are more similar to coaches than unimportant associates. This exploration additionally proposed that chiefs' trust in their employees considerably affected molding the organizational framework. In this manner, to enhance sustainable performance, senior directors expected to hold reasonable rationality with respect to the significance of HR to the organization's motivation, and persistently contribute assets to enhance sustainable performance

The study findings affirmed that employee interpersonal sensitivity was positively associated with sustainable performance. Therefore, empathic reactions should be encouraged in the workplace within service firms to avoid disagreements and resolve uneasy situations in the workplace thus leading to solidarity which was essential in pursuing common goals.

From the study, the discoveries were just constrained to interpersonal relation procedure. In this manner, more research ought to be completed to decide different components that influenced sustainable performance. A portion of the components could be those in inclination and compelling management. This would empower the supervisors and concerned people to alleviate impacts of such factors and along these lines improve sustainable performance.

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