

© Kamla-Raj 2014

J Economics, 5(3): 313-324 (2014)

The Impact of Employer-Employee Relationships on Business Growth

Dumisani Xesha, Chux Gervase Iwu, Andre Slabbert and Joyce Nduna

Faculty of Business, Cape Peninsula University of Technology, South Africa

KEYWORDS Business Relationships. Job Satisfaction. Interpersonal Skills. SMME's. Networking. Entrepreneurship. South Africa

ABSTRACT This paper aims to outline the importance of the employer-employee relationship and describes the role this relationship plays towards the growth of a business. The paper also highlights the role job satisfaction plays towards stimulating good relationships between these two parties and provides guidelines to business owners on how the relationship can be managed. A relationship survey was designed for the study. The survey aimed to determine the business owners' opinions about relationships, and whether they believed these play a significant role towards the success of their businesses. The survey further aimed to measure job satisfaction of the employees. In the study, job satisfaction was identified as an accurate indicator of good relationships between employers and employees. The study found that business owners shared a positive notion that relationships play an important role towards their business as these contribute to the growth of their business. The employees indicated high levels of satisfaction with their jobs. The study concludes by outlining the key factors and benefits of managing employer-employee relationships.