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## Social Loafing and Interpersonal Relationship as Correlates of Organizational Effectiveness

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### **Abstract:**

*This study explored social loafing and interpersonal relationship as correlates of organizational effectiveness of selected banks in Anambra State. Participants of the study were 304 bank employees (111 males and 193 females) were selected from the three major cities in the three senatorial zones of Anambra State using multi-stage sampling technique. The participants' ages ranged from 25 to 47 years with an average age of 29.50 years and standard deviation of 1.80. Being a survey study, Social Loafing Tendency Questionnaire (SLTQ), Modified Interpersonal Relationship Scale (MIRS) and Model based Organizational Effectiveness Scale were used as instruments for data collection. The design for the study was correlation design and Pearson Product Moment Coefficient statistics was used test the relationships among variables of the study. Anchored the Social exchange theory, the result revealed that there is a significant and negative relationship between social loafing and organizational effectiveness at  $r = .397^*$ ,  $p < .05$  ( $n = 304$ ) while positive and significant correlation was ascertained between interpersonal relationship and organizational effectiveness at  $r = .204^*$ ,  $p < .05$  ( $n = 304$ ). However, the relationship between social loafing and interpersonal relationship were found to be significant and negative at  $r = -.532^*$ ,  $p < .05$  ( $n = 304$ ). Findings implied that human disposition and interpersonal exchange have organizational outcomes. The study recommends that measures to checkmate loafing tendencies in the organization be instituted while good organizational climate should be created to foster good interpersonal relationships among workers.*

**Keywords:** Social loafing, interpersonal relationship, organizational effectiveness

### **1. Introduction**

Banks' full deregulation and recapitalization in Nigeria in 2005 pragmatically implies that it is no longer business as usual. To survive, banks must maintain a certain level of liquidity and competitiveness in products and services as to remain relevant in the banking industry. A decade after the recapitalization exercise with Nigeria Deposit Insurance Corporation (NDIC) a number of banks have been downgraded, some weaker ones have been forced to merge with strong ones whereas in other instances, some ailing ones have been acquired by other financial institution. As much as this is a concern to stakeholders and the general public especially regarding the safety of their deposits (Ebiaghan & Jeroh, 2020), keeping afloat the industry remains a challenge to bank operators. To survive the odds and to remain profitable in the banking business, bank institutions must maintain a certain degree of organizational effectiveness in all ramifications.

Organizational effectiveness is the measurable aspect of organizational impacts and an index of performance efficacy (Jacobsen et al., 2021). It is the sum total of the utility of inputs and output mechanism of an organization which defines the overall organizational impacts, outlook and capacity especially towards goal attainment (Kareem & Alameer, 2019). Organizational effectiveness is the index of how the use of organizational inputs such as: leadership, employees, capital, land, equipment, knowledge, technology etc. is maximized to product best result as organizational outputs such as: performance, profit, employment, revenue, organizational relevance and organizational continuity (Ali et al., 2021). In this light, a firm could be said to be an effective organization if her management structure to a large extent shows clear division

of labour with varying degree of autonomy and responsibility and each unit working to perform its task to achieved the desired result of the organization and the satisfaction of the people for whom the product and services were designed.

An effective organization is one with a balanced and dynamic workforce (Kareem& Alameer,2019) which employs the right workers, tasks and supervises workers' inputs and provides them with the required resources to actualize the tasks assigned to them (Ali, et al., 2021). As regards the provision and deployment of resources, an effective organization will do her very best to maximize the input-output ratio such that fewer resources are used to actualize greater outputs while utilizing their research and development (R&D) to continuously improve the cost-benefit ratio (Zaim, 2019). In the current century, competitive organizations strive to remain effective by advancing their frontiers in service quality, technological advancement and user-friendly products and services. Hence, organizational effectiveness is much more than employee performance; it is part of organizational life and could flow from the organizational culture and inherent climate of the industry or the larger sector.

In the banking industry, although there are many banks but, not all of them are effective in the delivery of user-tailor products and services whose impacts bring about satisfaction, changes and efficiency. For example, Akhtar et al. (2018) contended that banks which invest much more in R&D are more likely to be effective than those who don't while dynamic innovation appears to increase banks' overall effectiveness. In Nigeria, like other third world countries banks' services is not fully automated implying that to a reasonable degree one requires the attention of bank personnel; thus, work variables rather than technological is a critical element of banking in the third world countries like Nigeria.

Without a good and effective workforce, actualizing organizational effectiveness will be a mirage (Kareem,2019). This is because employees are central to actualizing all organizational tasks; and how these tasks are performed and the impacts they have in actualizing organizational goals is what defines organizational effectiveness. Hence, how employees are involved in the work is a critical component of task performance and goal attainment (Chu& Jung, 2020).

In the light of the above, employees may be committed, engaged or they may be social loafers at work; which is a new age organizational vice with anticlimax tendencies. The later (social loafing) have characteristically defined the attitude of employees in modern day organizations especially among commercial banks.

Social loafing in management context is an employee's casual attitude towards work or fellow workers especially when working as a team (Awee et al., 2020). Social loafing is a work attitude that causes employees to be less active and involved in the tasks assigned to them and thus limits the employees' performance potential of both in quantity and in the quality of tasks performed. Social loafing ideally results in shortfalls of performance targets (Khan et al., 2020).

On the side of the organization, poor management of the workforce could result in social loafing such that the organization systematically creates a climate that encourages employees' social loafing (Varshney, 2019). Such climates may have unbalanced distribution of organizational tasks, poor accountability or poor devolution of powers and responsibility. Thus, organizational structure can be contributory to employees' social loafing behaviour and it can equally extend its influence on interpersonal relationship which is another determinant factor of organizational effectiveness.

Interpersonal relationship underpins the ethical bond and connection between organizational members working together in the same organization (Mitra& Chatterjee, 2019). This strong connectivity and belongingness enable the employees to function at their optimal level by increasing the spirit of solidarity and team work in order to actualize the aims and objectives of their organization. Interpersonal relationships are bridges in the workplace as no individual is an island in the organization, employees interact with one another in the course of their duties, they also share their other life experiences, frustrations, goals and plans with one another in the course of their work. The extent to which this interaction and sharing is healthy to a large extent determines organizational, employee and job outcomes (Velmurugan, 2016). Member interaction in the course performing organizational tasks is part and parcel of organizational process and is embedded in all organizational processes, each having consequences outcomes. For instance, uncivil interaction among members of the organization may jeopardize team spirit and team work.

Considering that organizational members are coming from diverse background each with his or her idiosyncrasies, interpersonal relationship in the workplace is the earliest means of getting along with strangers in the organization. It is also a way of forming formidable partnership with organizational members. When interpersonal relationship is strong among workers, the workforce is bond together with energized motivation to actualize organization goals (Velmurugan, 2016). For this reason, interpersonal relationship is an index of organization performance and effectiveness since organization whose workforce is loosely bond may not likely benefit from the prospects of team works and utilizing collective efforts which may likely be donated by bonded and connected workers in the workplace.

Critically, the benefits of good interpersonal relationship in the workplace are; they enable workers refresh themselves while at work by having people with whom to share their thoughts and laughter with through health intercommunication which fosters interpersonal relationships. Interpersonal relationship also encourages cross fertilization of ideas (Obakpolo, 2015) such that members contribute according to their own beliefs and background which strengthens the quality of contribution to organizational processes. It further strengthens the competitive spirit among employees and directly and indirectly motivates employees. Working together with colleagues with whom one shares bond and interactions can also help workers to meet up with choking organizational deadlines by requesting the assistance of members with whom one has a good rapport (Chu, 2017). These circumstances in which the benefits of interpersonal relationship are highlighted ideally make it a possible positive correlate of organizational effectiveness whereas, social loafing going by its resource depreciation tendencies many be seen as a possible negative correlate of organizational effectiveness among bank employees.

Khan et al. (2020) studies the impact of transformational leadership on work performance, burnout and social loafing as a mediation model. The purpose of the study evaluated the effect of transformational leadership on employees'

work outcomes which include their work performances and working burnout, and their working behavior such as social loafing at workplace. The effect of intrinsic motivation as a mediator between transformational leadership and other stated variables. Participants of the study were 308 employees working in the telecommunication sector. The authors surveyed the participants with the aid of questionnaires. Data obtained from the participants were tested using Model 4 of Process Hayes. Direct and mediating effects among transformational leadership and employees' work outcomes and working behavior (social loafing) were tested. The finding of the study is indicative that the effect of transformational leadership on work performance was significant ( $\beta = 0.13, t = 3.07, p < 0.01$ ). Also, transformational leadership correlated intrinsic motivation significantly and positively at  $\beta = 0.31, t = 5.20, p < 0.01$ . Equally, the findings showed that intrinsic motivation positively and significantly correlated work performance ( $\beta = 0.19, t = 4.79, p < 0.01$ ). However, indirect and insignificant relationship was recorded between transformational leadership and burnout and social loafing.

Furthermore, Ugbede and Nelsen (2020) explored interpersonal relationship and human resources management in public organization as a study of Securities and Exchange Commission of Nigeria. Being a human resource management study, the emphasis is greatly placed on the pattern of role relationship to the neglect of the interpersonal relationship among workgroups by managers. Scholars are also guilty of this as they tend to devote greatly their literary work on other workgroup relationship contexts. The study is a cross-sectional survey research that is aimed at determining the extent to which interpersonal relationship affected the role relationships within workgroups in public organizations and how it can be managed toward Human Resource Management. The study utilized a structured questionnaire to obtain primary data and was analyzed using simple percentage statistical method as presented. Hypothesis was formulated and tested, using the Chi-Square Method and conclusions reached based on the findings of the study; that workgroups with good interpersonal relationship perform better as a team in public organizations in Nigeria.

Hernandez-Pozas (2020) explored the relationship meaningfulness and social loafing in Mexican workers in an attempt to establish the relationship between social loafing and interpersonal relationship among workers. The study focused on the relationship between meaningfulness (RM) and revisiting the impact of expectation on co-workers (ECW) and task meaningfulness (TM) on social loafing. In method, the study used 697 questionnaires reporting results on descriptive statistics, correlations and the analysis of variance (ANOVA). Results indicated that ECW, RM and SL are negatively related and there is no significant relationship between TM and SL for the Mexican sample. This paper links three relevant fields: SL, work meaningfulness (WM) and Latin American management and expands workplace theories of effort by adding RM and demonstrating this negatively relates to SL. Also, by showing RM may be more relevant than TM on reducing SL in Mexican workers. This paper assists in the control for conditions that can cause SL and helps to devise interventions that motivate Mexican workers.

### 1.1. Research Question

Based on the foregoing, certain fundamental questions shall be pertinent to guide the study:

- Will social loafing correlate with organizational effectiveness of commercial banks in Anambra State?
- Will interpersonal relationship correlate with organizational effectiveness of commercial banks in Anambra State?

### 1.2. Purpose of the Study

The main purpose of this study is to explore social loafing and interpersonal relationship as correlated of organizational effectiveness of commercial banks in Anambra State. Specifically, the objectives of the study are to ascertain whether:

- Social loafing will correlate organizational effectiveness of commercial banks in Anambra State.
- Interpersonal relationship will correlate organizational effectiveness of commercial banks in Anambra State.

### 1.3. Hypotheses

The following hypotheses have been formulated to guide the study:

- Social loafing will significantly correlate organizational effectiveness of banks in Anambra State
- Interpersonal relationship will significantly correlate organizational effectiveness of banks in Anambra State.

## 2. Method

### 2.1. Participants

Participants of the study comprised 304 bank employees selected from the three major cities in the three senatorial zones of Anambra State which comprise: Onitsha, Nnewi and Awka. The participants were 111 males and 193 females whose ages ranged from 25 to 47 years with an average age of 29.50 years and standard deviation of 1.80.

### 2.2. Instruments

The study made use of three research instruments for data collection. These are: Social Loafing Tendency Questionnaire (SLTQ) by Ying et al., (2014), the Modified Interpersonal Relationship Scale (MIRS) by Darrow et al. (2014) and Model based Organizational Effectiveness Scale by Nwanzu and Uhiara (2018).

### 2.3. Social Loafing Tendency Questionnaire (SLTQ)

Social loafing tendency questionnaire (SLTQ) is 7-item self-reported scale to measure employee's casual attitude towards work or work attitude which causes employees to be passive and not involved in their job tasks as measured by social loafing questionnaire. The scale was developed by Ying, Li, Jiang, Peng and Lin (2014). Participants respond to each item on a scale ranging from 1 (strongly disagree) to 5 (strongly agree). The original norm score for the participants is ( $M = 15.38$ ,  $SD = 3.59$ ). The scale has two factors (subscales) cognitive tendency and behavioral tendency. The SLTQ demonstrated acceptable internal consistency, with Cronbach's ranging from .58 (behavioral tendency) to .74 (cognitive tendency), with the total for the behavioral tendency subscale ( $\alpha$ ) score being .69. Although the Cronbach's showed a lower consistency, it may be adequate for a scale with fewer than 10 items (Buss & Perry, 1992). In addition, perceived social loafing questionnaire (PSLQ) scores from which it was adapted showed a significant positive correlation between total SLTQ scores ( $r = .40$ ,  $p < .01$ ) and behavioral tendency scores ( $r = .48$ ,  $p < .01$ ). Although no significant correlation was found between cognitive tendency scores and PSLQ scores ( $p > .05$ ). For this study the researcher carried out a pilot test which revealed  $\alpha = .68$  confirming the validity of the instrument.

### 2.4. Modified Interpersonal Relationship Scale (MIRS)

Modified interpersonal relationship scale (MIRS) is an 8-item self-reported scale developed by Darrow et al. (2014) to measure belongingness or ethical bond between organizational members working together in the same organization which fosters solidarity and team spirit as measured by modified interpersonal relationship scale – short form. Participants respond to each item on a scale ranging from 1 (strongly disagree) to 5 (strongly agree). Thus, the short form version of MIRS demonstrated acceptable internal consistency, with Cronbach's ranging from .45 to .63 which was reported by the original authors (Buss & Perry, 1992). Pilot test analysis by the current researcher revealed the internal consistency of the scale at  $\alpha = .71$ .

### 2.5. Model-based Organizational Effectiveness Scale

Model-based organizational effectiveness scale is a 40-item self-reported scale developed by Nwanzu and Uhiara (2018) which measures organizational effectiveness as the sum total of the utility of inputs and output mechanism of an organization which define organizational the overall organizational impacts on their environment. Participants respond to each item on a scale ranging from 1 (strongly disagree) to 5 (strongly agree). Tests of psychometric properties (reliability and validity) were conducted on the 40 items. Test - retest reliability coefficient of the entire scale was .73. For the subscales, the obtained reliability coefficients were: goal attainment model, .66; system resources model. 45; internal processes model .58 and stakeholder model, .64. Cronbach's Alpha of .96 was observed.

### 2.6. Procedure

The main study began with re-establishing and enhancing the validity/reliability of instruments used in the study to ensure that they measure consistently what they ought to measure. The researcher used at least 50 participants from some selected banks in Anambra State in the pilot study to ascertain the concurrent validity of the instruments as well as their reliability/suitability in the proposed study. Bank employees from Ekwuluobia, Anambra State were used because the main study made use of bank employees from Onitsha, Nnewi and Awka. During the survey, 339 questionnaires were distributed, 317 (93.5%) were returned whereas the researcher obtained 304 (95.9%) valid questionnaire which were correctly filled.

### 2.7. Design and Statistic

The study adopted a correlation design bearing in mind that the study is seeking for relationship among the variables. Being a correlation study, Pearson Product Moment Correlation Coefficient statistical tool was adopted as a statistical tool to test the hypotheses.

Variables	N	M	1	2	3	
1. Social loafing	304	19.5	1.00			
2. Interpersonal relationship	304	31.3	-.532*	1.00		
3. Organizational effectiveness	304	158.2	-.397*	.204*	1.00	

Table 1

\*Correlation Is Significant at  $P < 0.05$ ; N = Sample Population, M = Mean Score

## 3. Result

Result reveal that there is a significant and negative relationship between social loafing and organizational effectiveness at  $r = .397^*$ ,  $p < .05$  ( $n = 304$ ). This means that social loafing influenced organizational effectiveness negatively implying that the presence of social loafing influence poor or unhealthy organizational effectiveness among bank employees. However, positive and significant correlation was ascertained between interpersonal relationship and organizational effectiveness at  $r = .204^*$ ,  $p < .05$  ( $n = 304$ ). This finding implies that the presence of interpersonal relationships among bank employee influence healthy organizational effectiveness. Furthermore, the relationship between social loafing and interpersonal relationship was found to be significant and negative at  $r = -.532^*$ ,  $p < .05$  ( $n = 304$ ). This implies that social loafing influences negative or unhealthy interpersonal relationships among the bank employees.

This finding is supported by the findings of Khan et al (2020) which ascertained that there is relationship among transformational leadership, work performance, burnout and social loafing. This can be understood based on the fact that work performance is part and parcel of organizational effectiveness as good work performance is indicative of greater organizational effectiveness. Thus, the finding extends the list of factors which influence organizational effectiveness to social loafing and by so doing emphasizes the importance of employee antecedents to productivity and overall organizational wellbeing such as effectiveness.

The second hypothesis which sought the correlation between interpersonal relationship and organizational effectiveness was also confirmed. Findings showed that positive and significant correlation is indicative that interpersonal relationship influenced organizational effectiveness in such a way that the presence of interpersonal relationship is associated with greater organizational effectiveness among bank employees. The finding has both empirical and theoretical support in literature. Bae et al. (2019) in their study of moral sensitivity of nurses in the workplace found significant and positive association among emotional intelligence, job engagement and interpersonal relationship. Their findings indicated that interpersonal relationship of nurses influenced their job engagement and vice versa. This finding supports in part and whole, the relationship between interpersonal relationship and organizational effectiveness because job engagement as used in Bae et al (2019) model is an indicative factor of organizational effectiveness and as such is likened to the current study as a behavioral constant on the workplace.

The findings from the study imply that employees' lifestyles and dispositions to other employees is related to organizational effectiveness and should therefore be of significant interest to organizational managers and relevant stakeholders. On the general, the findings imply that it is not providing organizational production needs that is the only important aspects of organizational effectiveness, it is important also to ensure that workforce which will implement those inputs are not barred by their interaction or dispositional outcomes from the members of the organization or the organizational climate. Thus, there is theoretical link between what employees do with their socialization in the workplace and how the organization fares in real setting. This link implies that organizational climate and personal disposition of employees are important in understanding the relationship among social loafing, interpersonal relationships and organizational effectiveness.

In conclusion, it was recommended that organizations should aim to promote healthy interpersonal relationship among workers as to create bridges for proper fertilization of ideas and collaboration of workers especially while working in a team or group. This dimension will boost workforce and increase greater effectiveness. Furthermore, efforts should be made towards measuring and evaluating each employee's contribution to the organization such that employees' performance while working alone and while working in a group, unit, team or department can be ascertained and quantified.

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