# Impact of Workplace Conflict Management on Organizational **Performance: A Case of Indian Manufacturing Firm**

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#### **ABSTRACT**

This Motivational research analyzes the impact of workplace conflict on organizational output in Indian industrialized sector participants consisted of 250 employees' selected through the use of a technique which is a stratified random technique. The data was collected from the respondents through a structured questionnaire. The result of the empirical testing showed the positive relationship between management strategies and organizational performance that is (collective bargaining compromise and accommodation) by using Spearman correlation while on the other side non-integrated conflict has an adverse effect on the organizational performance that is (domination avoidance and competition). Moreover, the regression analysis results also indicate the collective bargaining strategy is shown as the most important positive correction correlation with organizational performance. Furthermore, the findings of the study showed different factors for the conflicts in the organization which are dependence on one resource, communication barrier individual differences, cultured differences, status inconsistent certain ambiguities, etc. In the workplace, the most common conflict in the industry at a particular time and place is the union-management conflict. The study concluded that there are certain things in an organization that cannot be eradicated which include conflict in any organization and can affect organizational performance in the workplace.

KEYWORDS: workplace conflict, organizational performance, organization, and conflict management

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# 1. INTRODUCTION

Conflict is an immense issue in any organization, conflict zone unit nursing partners in everyday development in each organization. There is a rising recognition of the implications of strife between associates in nursing organizations. Obisi (1996) [7] guides about suitable situations; peace is one of the main factors for increased productivity, resulting in the creation of edges for each labor and management as well as the overall growth of the nation. This will not be out of place, so it is unavoidable to consider conflict as an ally in nursing and is attractive given the geographical point. Conflict can be seen as a scenario of competition, during which classes of parties are alert to the preeminence of a possible future situation, during which every party needs to gain a grip with the needs of the opposite is incompatible. The struggle to maximize employee benefits may be due to the worker's quest, while the employee representative class is bent on guaranteeing consistently better-living conditions for its members. Conflicts can arise as a result of failure to honor the things of the agreement in the settlement negotiations. Fajana (1995)[4] stresses that if those employee rights and workers pay attention to the right class measure, then there can be conflict. They embrace sports, service positions and the edge among others. Azamosa (2004) [2] found that conflicts comprise a variety of behaviors and approaches, on the one hand, win elections between owners/managers and treat opposite individuals. It is an awesome situation of

conflict over problems with the matter of Enmity Amason, A. C. (1996) [1]. This will arise anger, mistrust or conflict of nature.

The need for efficient conflict management cannot be emphasized to ameliorate the organizations assisting in the struggle Otobo (1987) [9] for the attainment of the objectives of the company and to improve the issues aiding in their struggle. The precise goals like:

- A. Establish the causes of conflicts in associate degree organization.
- B. Evaluate the conflict of employee's output within the organization.
- To research the ways utilized by the organization in resolution of conflict.
- D. To assess the impact of conflict management on achievement of work.

# 2. Literature review The Concept of Conflict

A persistent drawback in organizations is that people and working teams are constrained to restricted wealth, potential, status, etc. as compared to their competition that results in enhancement of cooperative efforts. These contests (bad or good) usually bring conflicts.

As with Kaplan (1992) [5], the conflict is underscored as a disagreement between 2 or several parties, with the UN agency understanding that they need inconsistent views. Mullins (2005) [6], conflict is predicted. Goals arise from inconsistencies and antagonistic behaviors. This can be seen at the individual, cluster or structure level. Clashes exist whenever collaborative degree steps are perceived by one party as preventing or engaging with another party's goals, needs, or actions. As with more than conflict, it is related to negative choices and things that are related to inefficiency, impotence, or side effects. However, in some cases, it will provoke inventive drawbacks conclusions and improve the truth for all parties concerned Schramm-Nielsen (2002) [12]. Since industrial relations inevitably aim for a relationship between different actors within a geographical point, it becomes necessary to look at the effects of conflict and supply Insight may be adequately executed in such a relationship.

# **Sources of Organizational Conflict**

Conflict is perception, thus it begins once one believes that the other can become a hindrance to his efforts. Employers responsible for maximizing benefits. representative class measurement of employees guarantees a consistently better position of living for the conflict of his or her own member than may also arise as a result of failure. Honoring the things of agreement in negotiation. Fajana (1995) [4] emphasizes the rights and employer privileges of employees who once damaged could have caused conflict. These avatars see changes in pay, status of services, etc. Resistance to variation is natural and arises as a result of established habit, with some unknowns, once misconceptions of behavior, modification, and the implication of individual variations in line with customary at expected methods. Unless it is managed well, he said, it can create conflict or perhaps crisis. Organizational conflict for scarce resources Different causes of class measurement competition, standing in harmony, win-lose things, amendments, unclear rules and the need for communication issues among others. Considering the choreographer (1974) [11], some styles of conflict supported the organization's goals and improved performance; these class measures of a useful, constructive diversity of conflict and they benefit the organization.

Positive consequences of conflict class measurement: higher concepts are created, individuals were forced to look for a brand new approval, long-standing problems were restricted and individuals' tension aroused interest and creative thinking, which gave them the chance to test their competency.

Negative consequences of conflict include: Some individuals felt defeated, distance between individuals increase an aura of belief & mistrust, individuals and departments needed what the company needed, only their own thin interests, persistence- There was a need for active or passive evolving, some of which required individuals to be released as a result of unrest.

# **Strategies for Conflict Management**

An optimistic approach to organizational conflict is that it is completely crucial. Consequently, conflict to ideas must be clearly motivated and each of them must be motivated by the backbone of excitement and conflict. Although it is read that

there is no control, management conflict is inevitable in organizations. The organization's external environments typically amend methods that require altering priorities and allocation of resources between inside subunits, and encourage shifts within the patterns of power and control between them.

# **Controlling the Context**:

To minimize conflict arising from structural style and layout methods, management must devise sound procedural methods for conflict and channel conflict. Facilitates the avoidance of deadlock by eliminating conflict problems, so that one side is in a position to lose the competition in order for one side not to give up in a dispute.

#### **Controlling the link Directly:**

In adopting this strategy, management hopes to differentiate the attitudes of cluster members or people towards each other. Management interferes with the dispute by physically isolating the respective entity over the need for direct interaction among the units or in-person or properly intensive interaction.

# **Altering the Individual Involved:**

As a result of sterilization, personal disposition is much more difficult than the sterilization of their position within the organization, so it may be possible to swap people hand in hand. Develop a specific set of goals: In any social structure an abundance of conflict arises as a result of subsystems having completely different goals. Regarding operations with alternative sub-systems for common goals and objectives.

### **Conflict Resolution in India**

This study has to focus on. This can be outlined by the tools, methods, art, or handling of the conflict. The simplest thanks to the forest dweller crisis once union leader PHCN manages to manage the conflict. Alternative methods of conflict resolution are mentioned below.

Joint Counseling: This breakdown can be a strong tool for conflict. Joint consultation can be outlined as a gathering between employees and their employers, where relationships are seen, not as a negotiating force, however, contributing to the subject in terms of their value and talent for. Therefore, the discussion is in favor of mutual interest. Topics like welfare, canteen, security, productivity are mentioned. It is possible that the joint benefit is derived from a meeting that prepares a joint consultation to discuss issues in business.

### **Mediation:**

It is a comprehensive method of resolution of conflict in which the third party assists the disputing parties through constructive discussion and negotiation of their problems in order to reach a conjoint acceptable decision. Mediator is an impartial third party for the settlement of dispute in a workplace.

# **Collective Bargaining:**

It is a process of negotiation between working people through their unions. They negotiate contracts with their employers to manage their working salaries, conditions, benefits, and other aspects of workers compensation and rights.

A process of dispute resolution where a peacemaker is appointed for ending an argument or a disagreement between the employee and employer in the organization. In this there is a compromise together in a attempt to avoid taking a case to trial.

#### **Arbitration:**

It is a way to resolve disputes outside the courts. The dispute will be decided by the arbitral tribunal which will be awarded as "arbitration award" which is legally binding on both sides and enforceable in the courts.

# **Employees Performance in Organization**

Certain practices by human resource management for enhancing employees performance in organization is to look after the past performance and allocate the rewards that can be in monetary or non-monetary terms. These practices are done to improve the employee performance and manage the efficiency of work .These things increase the interest of the employee while work to perform Robbins (1978) [10] well in an organization.

Performance may be a reward. There square measure several tiny initiatives everyday that facilitate to enhance workers' performance. it's crucial that the organization selects the foremost helpful live of performance for the organization as an entire and for the people inside it.

Kaplan Associate in Nursingd Norton (1992) [5] argue convincingly that the combination of measures that an organisation ought to use to assess its employees performance ought to be primarily based around four completely different perspectives:

- **Money Measures:** money measure basically based on sales profit, income and maximum generated for market share.
- Client Measures: Client measures include delivery time quality, and product things, service quality.
- Internal Business Measures: These include Cycle time. productivity worker skills. turnover.
- Innovation and Learning Perspective: the terms innovation come through research inside the organization and product come out through good quality that is good for firm. In the same way learning perspective increase the firm profit and reduce management the conflict with company.

# 3. Research methodology

In this study with the help of  $T_{test}$  or  $T_{cal}$  to find out the conflict on management in an organization. In this method, we can collect sample data of an organization and check the conflict with the help of the T<sub>test</sub>. This test is based on the mean and standard deviation. The value of T<sub>test</sub> is between

 $-\infty$  to  $+\infty$ . This test is used for small sample data so that more accurate information can be easily get in an organization. Mean and standard deviation describe as follows.  $T_{test}$  is calculated by the equation no (1).

$$T_{\text{test}} = \frac{x.\sqrt{N}}{sD} \tag{1}$$

Where SD= standard deviation

Mean: Basically mean is the average of number, where you add up all the number and then divide by the number of number. With the help of mean we can easily find out the conflict of management of the employee.

Generally mean is represented by  $\bar{\boldsymbol{x}}$  and calculated by the equation no (2)

$$\bar{\mathbf{x}} = \frac{\bar{\mathbf{x}}_{\mathbf{x}}}{\mathbf{N}} \tag{2}$$

Standard Deviation: Standard deviation is a quantity expressing by how much the members of a group differ from the mean value for the group. Generally standard deviation is calculated by the equation no (3)

Standard deviation = 
$$\sqrt{\frac{\sum_{i=1}^{n}(x_i-\vec{x})^2}{n-1}}$$
 (3)

Where xi= value of the i<sup>th</sup> position in the data set

 $\bar{\mathbf{X}}$  = The mean value of the data set.

n= the number of data point in the data set.

Information was collected from a sample staff of organizations designated for the study to draw a link between organizational performance (dependent variable) and conflict management (independent variable). An easy sampling method was used in selecting our respondents. This methodology gives equal probability to each worker in the organization to be designated as a part of the sample parts. The sample size specified is one hundred and fifteen employees, of which one hundred respondents are filled and the form is returned for our analysis. This implies that we have associated 87% response rates (0jo, 2003)[8].. The information collected through the form was analyzed using victim expressive information, while using regression, Pearson product-moment constant association and Student's t-test to examine hypotheses and its implications on conflict management and organization performance. The hypotheses of the analysis were properly tested to work on their authority or otherwise. However, each hypothesis was critically tested to make its relationship within the lightweight weight of the proposed evidence from the information collected and analyzed during this study. 2 hypotheses were tested with the help of multivariate study and association.

# **Hypothesis 1**

Ho: Employee performance does not affected by effectual conflict management.

H1: Employee's presentation or performance affects by effectual conflict management.

Employee confidence will be affected as result of conflict in an organization

Null hypothesis (Ho)	T <sub>cal</sub>	T <sub>tab</sub>	Df	Decision
Employee performance does not affect with conflict of management.	6.35	3.35	0.05	Reject Ho and Accept H1

According to the decision rule, Ho is rejected. we computed the sample data of 28 employees, with the help of standard deviation and mean value after that find the value of T<sub>cal</sub> is greater than that T<sub>tab</sub> (T<sub>cal</sub> > T<sub>tab</sub>). In the above table the value of T<sub>cal</sub> is shown to be 6.35 while the value of Ttab is 3.35. From the given table, it shows that the Employee's Moral is getting down and it will influence the employee's performance in the organization. Thus, the alternative premise (H1) is accepted and the null premise (Ho) is rejected.

# **Hypothesis 2**

Ho: Accommodation policy has not important connection with organizational performance.

H1: Accommodation policy has important connection with organizational performance

Accommodation in an organization will lead to employee performance

Null hypothesis (Ho)	$T_{cal}$	T <sub>tab</sub>	Df	Decision
Accommodation strategy does not lead to employee performance.	7.33	3.35	0.05	Reject Ho and Accept Hi

#### **Decision Rule:**

On the basis of the decision rule, Ho is rejected. The value of  $T_{cal}$  is greater than that  $T_{tab}$  ( $T_{cal} > T_{tab}$ ). In the above table the value of T<sub>cal</sub> is shown to be 7.33 while the value of T<sub>tab</sub> is 3.35. From the given table, it shows that the Employee's Moral is getting down regarding accommodation and it will influence the employee's performance in the organization. Thus, the alternative premise (H1) is accepted and the null premise (Ho) is rejected.

# **Hypothesis 3**

Ho: Competition policy does not have important relationship with organizational performance.

H1: Competition policy has important relationship with organizational performance.

Competition strategy in an organization will lead to employee performance

Null hypothesis (Ho)	$T_{\rm cal}$	T <sub>tab</sub>	Df	Decision
Competition strategy in an organization does not lead to employee performance. Research and	8.33	3.35	0.05	Reject Ho and Accept Hi

# **Decision Rule:**

On the basis of the decision rule, Ho is rejected. The value of T<sub>cal</sub> is greater than that T<sub>tab</sub> (T<sub>cal</sub>> T<sub>tab</sub>). In the above table the value of  $T_{cal}$  is shown to be 8.33 while the value of  $T_{tab}$  is 3.35. From the given table, it shows that the competition policy between employees will lead to employee performance. Thus, the alternative premise (H1) is accepted and the null premise (H0) is rejected.

#### 4. Conclusion

For any growing firm, it is necessary to resolve the conflict in a very short span of time. After studied the views of the different stakeholders as well as after analysis is must be noted that is a duty of the employees to be versatile and may use their energy towards the fulfillment of the organization goals and objective. It ought to be a target for the employees to give their best performance for the accomplishment of the organization goal. This analysis work has apathetic addressed the effect of conflict on organizational performance in every organization either it is public or private for example power holding company of India (PHCI) that the existence of the conflict tends to the weakness of the organization goal among different levels of the management of organization. This analysis work analyses the clear image of the role that conflict plays in the organizational performance with in the public sector (PHCI). Beside this researcher concluded that with the management of conflict in any organization at a certain interval there can be increase in the workforce and in production level which helps in attainment of the organizational goal and objective with success of managing conflict the final result is that the manager must be permitted to make a geographical to make a where the worker condition will be vigorous.

#### 5. Recommendations -

Researchers build the subsequent recommendations based on the above findings:-

- Since conflict is inevitable in organization so, there must be conflict resolution training for the employees and leaders.
- 2. There must be implementation of team building activities and also there must be an enforcement that encourages participation.
- There should be development of strong communication channel between all classes of workers in organization.
- There must be tributary operating surroundings for the workers for the conflict management in workplace.
- The employees should be clear about organizational goals and priorities which will decrease the dysfunctional conflict.
- 6. Management ought to formulate policies that may make sure that the conflict occurs inside the organization are quickly resolved.

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