The Relationship between Conflict Resolution Method, Communication and Organization Performance

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Abstract

The role of communication in conflict management towards ensuring organization peace and harmony as well as effectiveness and efficiency, cannot be overstated. Therefore, firm often commit more resources to these factors. The aim of this study was to investigate the relationship between conflict resolution method, communication and organisation performance. The study employed descriptive survey adopting representative samples of 280 out of a total population of 350 staff of two selected firms in Lagos state. Questionnaires were administered to generate primary data that was used for this study. The data obtained were presented in tables while Pearson correlation test was used to test the relationship between the stated variables with 10% level of significance. The analysis was carried out using statistical package for social sciences (SPSS) version 21. This study found out that the choice of conflict resolution method and communication style adopted in an organization affects organization effectiveness and efficiency. This study recommends that the management should ensure that there is a recognized communication channel for passing instructions and for receiving employee’s complaint and suggestions. Employees will not feel left out of decision making and thereby contributing to effectiveness and efficiency. The firm should also endeavor to establish a legitimate and compulsory conflict resolution method or mechanism. This may be internally done through collective bargaining or externally through the mediator.

Keywords: Conflict resolution, Collective bargaining, Formal communication, Business efficiency

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Background to the Study
Communication can be seen as transfer of thoughts, ideas, information and instructions from one party to another party. Communication is a phenomenon that explains the sending and receiving of understandable information. It is a role swapping process that includes the sending and receiving of information from one entity to the other. Communication is necessary in every organisation as it serve as the bedrock for carrying out business activities. Communication covers delegation of responsibility, feedback from subordinate, conflict management. Etc. Conflict occurs between people in all kinds of human relationships and in all social settings. It is an organisation reality everyone faced when working with others. It is inherently neither good nor bad in itself.

According to Robbins and Judge (2009) and Spaho (2013), conflict has been defined variously by many authors but common to all these definitions is that conflict is a perception. Conflict is a process which begins anytime a person (A) perceives that another person (B) has/have or is capable of affecting anything of value to A. Due to the wide range of potential differences among people (which could be cultural, ethical, educational etc), the absence of conflict usually signals the absence of meaningful interaction. Three different views on conflict have evolved over time, interactionism, traditional (the belief that conflict is disruptive and must be avoided) and resolution focused view (Robbins & Judge, 2011; Verma, 1999). De Dreu and Van de Vliert (1997) suggest that conflict should be encouraged in organizations because any organization which is harmonious, peaceful, tranquil, or cooperative is prone to become static and unresponsive to change. There is a need to encourage some level of conflict in organizations to enhance creativity. However, the manner in which conflict is handled determines whether it is constructive or destructive (Deutsch & Coleman, 2000). In this regard, Ikeda, Veludo-de-Oliveira & Campomar, (2005) added that conflict resolution depends on lots of factors such as type of companies or organizations, personalities of individuals and culture of the conflicting parties.

This study aims at studying the effect of conflict management and communication on organization performance.

Statement of Problem
With the level at which organizations enjoys ease business activities, automated production process and increased profitability, firms ought to experience improved relationship between all stakeholders. However, most organizations still strive in their endeavour to make the firm move forward. Some of the reasons identified for this decrease in business success are lack of effective communication and conflict management. Studies on conflict management suggest that conflict is complex particularly regarding how it affects organisational transformation and performance (Azar, 1990). In order for communication to be effective and shared within and outside an organisation for managing conflict, people's (stakeholders') views have to be factored in for mutuality Ivancevich (2002). With the rate at which conflicts arise in organizations, if effective communication is not put in place and the conflict properly managed, it is not clear if the recorded business success in terms of profitability and productivity will last long. This study therefore aims at examining the impact of conflict management and effective communication in an organisation.
**Objectives of the Study**

The purpose of this study is to investigate the relationship between conflict resolution method, communication and organisation performance. Specifically, the following are the objectives of the study:

1. To examine the impact of conflict resolution method on organisation effectiveness
2. To investigate the impact of communication style on business efficiency

**Significance of the Study**

This research work explains the role of conflicts management and effective communication in an organisation. Therefore, this study is of relevance to different categories of users.

This study provided the various concepts, issues, and proffer possible solutions to likely problems about conflict, conflict management, effective communication and organisation success. This study is important to business enterprise, industrial relations actors as it will serve as guideline on how to manage communication in an organisation.

This study provides an avenue for students of management and related courses to learn more about the topic as it may be required in their curriculum to learn about conflict management, effective communication and organisation success.

Finally, future researchers’ benefits from this study as it gives guidelines, serve as secondary data and gap for future research work.

**Conceptual Framework of Conflict**

![Conceptual Framework of Conflict Diagram]

**Source:** Researchers' construct (2019)

According to Thomas (1976), conflict is the process which begins when one party perceives that the other is frustrated, or is about to frustrate, some concern of his. Wall and Callister (1995) viewed conflict as “a process in which one party perceives that its interests are being opposed or negatively affected by another party.” Vecchio (2000) described conflict as “the process that results when one person (or a group of people) perceives that another person or group is frustrating, or about to frustrate an important concern.” Rahim (2001) looked at conflict as “an interactive process manifested in incompatibility, disagreement or dissonance within or between social entities (that is individual, group, organization, etc.).”
Sources of Conflict

According to Vecchio (2003) stated, conflict can spring from a variety of sources. This sources can be three general categories; communication, structural and personal behavior factors.

1. **Communication factors:** Managers typically attribute to a sizable percentage of conflicts that arise in the organizations due to poor communication. If we define true communication as creating a mental picture in the mind of a receiver in exactly the same detail as intended by the sender, then true perfect communication is certainly rare. Given this inherent imperfection, there are many opportunities for misunderstanding to develop in the communication process. To be sure, conflict stemming from such unsuccessful communication is not the same as conflict based on substantive differences, yet it can still have powerful effects.

2. **Structural factors:** The structural factors include size of the organization, staff heterogeneity, participation, line-staff distinctions, reward systems, resource interdependence, power etc.

3. **Personal behavior factors:** Another source of conflict lies in differences among individuals. Some people's values or perceptions of situations are particularly likely to generate conflict with others.

Some other factors that can result into conflicts are: absenteeism, misunderstandings or lack of information, changes in the workplace, actions taken by a supervisor, evaluation of work performance, personal situations that affect work performance etc.

In the same parlance, March and Simon (1969) are the thinkers who analytically examined the sources of conflict in organizations.
1. Change is the factor that most often leads to conflict. Change is unsettling, sometimes threatening. Of course, it is inevitable and often highly desirable.

2. A second factor which might cause institutional conflict is conflicting goals and objectives as well as opposing values and priorities. Often, if the interested parties earnestly desire to resolve such kinds of conflict; improved, honest and good-faith communication can be very helpful.

3. A third source of conflict is limited resources. Limited resources can practically mean anything: Not enough security, lack of space, outdated equipment, and most often, lack of money (Burnside, 2008).

**Conflict Resolution**

Conflict management is the practice of being able to identify and handle conflicts sensibly, fairly, and efficiently. Since conflicts in a business are a natural part of the workplace, it is important that there are people who understand conflicts and know how to resolve them. This is important in today’s market more than ever. Everyone is striving to show how valuable they are to the company they work for and at times, this can lead to disputes with other members of the team.

1. **Informal conflict resolution:** In informal conflict management, supervisors or employees may initiate a problem-solving process aimed at settling differences fairly, at an early stage, in an open manner, without retaliation, and as close as possible to the source of conflict. Informal conflict management may include mediation as a problem-solving strategy.

2. **Formal conflict resolution:** When conflicts can’t be resolved through individual discussions, employees may initiate a formal complaint resolution process by filing a complaint or grievance. Steps in formal conflict management may include a fact-finding investigation, a hearing, or arbitration.

**Conflict Resolution Methods**

When conflicts happen, how an employee responds and resolves conflict will limit or enable that employee’s success. Here are five conflict styles that a manager will follow according to Kenneth and Kilmann (1977):

i. **Accommodation:** An accommodating manager is one who cooperates to a high degree. This may be at the manager’s own expense and actually work against that manager’s own goals, objectives, and desired outcomes. This approach is effective when the other person is the expert or has a better solution.

ii. **Avoidance:** Avoiding an issue is one way a manager might attempt to resolve conflict. This type of conflict style does not help the other staff members reach their goals and does not help the manager who is avoiding the issue and cannot assertively pursue his or her own goals. However, this works well when the issue is trivial or when the manager has no chance of winning.

iii. **Collaboration:** Collaborating managers become partners or pair up with each other to achieve both of their goals in this style. This is how managers break free of the win-lose paradigm and seek the win-win. This can be effective for complex scenarios where managers need to find a novel solution.
iv. **Competition:** This is the win-lose approach. A manager is acting in a very assertive way to achieve his or her own goals without seeking to cooperate with other employees, and it may be at the expense of those other employees. This approach may be appropriate for emergencies when time is of the essence.

v. **Compromising:** This is lose-losing scenario where neither person nor manager really achieves what they want. This requires a moderate level of assertiveness and cooperation. It may be appropriate for scenarios where you need a temporary solution or where both sides have equally important goals.

**Concept of Communication**

Effective Communication is a complex and dynamic process, and like other management terms, it has no universally accepted definition. Effective communication is defined as a process in which one person or group evokes an identical meaning in a second person or group. The meaning becomes shared by, or common, to both people and groups. Indeed, the term communication stems from the Latin root word "communicare" which means, "to make common". Also communication is defined by many authors in different ways. But their meaning is somehow related. Some are the following; Communication is the process of sharing ideas, information and messages with others which includes all oral and written exchanges of ideas and information between persons directly or indirectly involved in an organization setting (Hamilton, Cordel & Doyle, 1982, P.2). Communication refers to the process by which information is transmitted and understood between two or more people. We emphasize the word understood because transmitting the sender's intended meaning is the essence of effective communication (Steven Shane and Von Glinow, 2005, P.324). Most authors are agreed on the first definition because, communication is said to be effective when it have more than merely imparting meaning. It must also be understood, have identical meaning between individuals and applied to the intended operation (Robbins, 2003, P.284).

Communication and information are separate and can be regarded as opposite ends of the same spectrum; however, they are interdependent of each other. Communication is based on perception, which requires a message to be sent by somebody to a recipient who then decodes the message, thus communication involves at least two entities. On the other hand, information is based on logic and is not enshrined in mutuality (Drucker, 2007). Communication is the sending and receiving of messages by means of symbols and in this context, organisation communication is a key element of organisational climate (Kotter, 1990). Communication is the process by which individuals promote meaning in the minds of others by means of verbal or nonverbal messages (McCroskey & Richmond, 1996). The most uncomplicated conceptualisation of communication can be found within the Encoder/Decoder paradigm, in which communication is described as the transfer of information by means of a code (Ivancevich, 2002), where communicators understand each other based on shared social and communicative cues. However, where this is in short supply, conflict ensues. In order for communication to be effective and shared within and outside an organisation for managing conflict, people's (stakeholders') views have to be factored in for mutuality.
According to Ivancevich (2002) the degree of meaning in relation to understanding is quite often signified by the reaction of the recipient. In addition, Drucker (2007) argues that the fundamentals of communication are based on four variables:

1. Communication perception;
2. Communication expectation;
3. Communication demands; and
4. Communication/information relationship

Communication perception deals with how a receiver of what is communicated sees or understands an issue; communication expectation deals with the degree at which what is communicated reflects a recipient’s expectations. Communication demand is the challenge of communication in terms of what a receiver does with what is commutated; while communication/information relationship entails building or sustaining relationship as a consequence (Drucker, 2007).

**Common Types of Organisation Communication**

The organisation communication structure is defined as the ‘system of pathways through which messages flow’ or as ‘patterns of interaction among people who comprise the organization’ (Nica, 1998, pp. 188-191). Communications is important in solving conflicts because it can increase understanding and reduce the risk of jumping to conclusions or making generalizations. It is important to understand first the sources of most conflict situations. There are many types and forms of communication within organizations. Two of the most important ones are formal and informal communication, especially for the public institutions, where the degree of formality is (either by necessity or tradition) higher than in many of the other types of organizations.

1. **Formal communication** is that type of communication that sends information through the officially designated channels between different organization positions. There are three types of formal communication: downward, upward and horizontal communication (Nica, 1998, pp. 188-191).
   
a. **Downward communication** is the one that flows from upper to lower (from managers to their subordinates). The types of messages transmitted are job instructions, job rationales, information on procedures and practices, feedback, and indoctrination. It is considered to be efficient, but it is the expression of the managerial control and it frequently generates vertical conflicts.

   b. **Upward communication** is the transmission of messages from lower levels to the higher ones (such as communication initiated by subordinates with their superiors). Types of messages sent through this type of communication could be, for example, about performance on the job, about job related problems, about fellow employees and their problems, about subordinates’ perceptions of organization policies and practices, tasks and procedures.

   c. **Horizontal communication** is that flow of messages across functional areas at a given level of an organization (this permits people at the same level to communicate directly). The messages exchanged are those that facilitate problem solving, information sharing across different work groups, task coordination between departments and project teams. It is effective, but not efficient (time consuming) and of course it can generate horizontal conflicts.
2. **Informal Communication** contains those episodes of interaction that do not have a place within the officially designated channels of communication. It is a necessary and unavoidable aspect of organization life; it creates a relaxed, comfortable climate and addresses problems not accessible to the formal communication, thus aiding the functioning of the organization. Nevertheless, it should never substitute formal communication.

**Communication Theories**

**Actor-Network Theory (ANT)**

Actor-Network Theory suggests that human and non-human factors are equally influential in the success of technological innovation and scientific knowledge-creation. The theory looks at how networks are formed and how these networks contribute to these successes. It suggests that no one person or thing is solely responsible for these advancements. Therefore, both an actor and a network are responsible for achieving these outcomes.

**Adaptive Structuration Theory (AST)**

This theory was propounded by Anthony Giddens in 1973. He believed that groups and organizations create rules and resources which are defined as structures. These structures form social systems which develop a life of their own. The quality of the structure affects decision making, and decisions also affect the structure.

**Agenda Setting Theory**

The Agenda Setting Theory was propounded by Max McCombs and Donald Shaw in 1968. Agenda Setting Theory states that mass media organizations determine what the general population considers newsworthy by deciding how much attention a news story receives. The term salience transfer is commonly used and refers to the ability of the media to transfer their agendas onto the public.

**Conflict Management theories**

Over the years three distinct views have evolved about conflict in organizations. These include: traditional view, behavioural or contemporary view, and interactionist view.

**The Traditional View**

The traditional view of conflict management based on the works of Karl Max and Friedrich Engel (dominant from the late nineteenth century until the mid-1940s) assumes that conflict is bad, always has a negative impact, and leads to declines in performance as the level of conflict increases. Conflict must therefore always be avoided. Although that approach worked sometimes, it was not generally effective; when they are suppressed, the root causes cannot be identified, and the potentially positive aspects of conflict cannot emerge.

**The Behavioral or Contemporary View**

The behavioral also known as the human relations view, emerged in the late 1940s and held sway through the 1970s. It argues that conflict is natural and inevitable in all organizations and that it may have either a positive or a negative effect, depending on how the conflict is
Data Sources and Method of Collection
The method used in the presentation of data is simple percentage method of tabular presentation. The correlation test analysis was employed to test the stated hypothesis and to test the significant relationship between the actual and observed variables. The computer statistical package for social science (SPSS) software was used for this purpose.

Method of Data Presentation and Analysis
The data for this study were obtained from primary sources. The primary data was obtained through the administration of questionnaire to respondent. However, it should be noted that the review of related literatures which include other research works, the publications in journals and text book were also used.

Methodology
Research Design
This study is based on a descriptive research design with focus on conflict management and communications.

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Test of Hypotheses

**Hypothesis One**

**Table 1:** There is an impact of conflict resolution method on organisation effectiveness

**Correlations**

<table>
<thead>
<tr>
<th></th>
<th>Conflict Resolution Method</th>
<th>Organisation Effectiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conflict Resolution Method</td>
<td>Pearson Correlation 1</td>
<td>.886*</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed) 280</td>
<td></td>
</tr>
<tr>
<td>Organisation Effectiveness</td>
<td>Pearson Correlation 0.886</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed) 280</td>
<td></td>
</tr>
</tbody>
</table>

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

**Decision rule:** Reject $H_0$ if Pearson correlation calculated value is less than 1, Accept $H_0$ and reject $H_1$ if the calculated value is equal to 1 or greater than 1 at (0.01) significant level (2-tailed).

**Conclusion:** Since the Pearson correlation calculated value is 0.886 and is less than 1 at, 0.01, it shows that there is an impact of conflict resolution method on organisation effectiveness at (0.01) significant level (2-tailed).

Test marketing determines sales volume of a product.

**Hypothesis Two**

**Table 2:** There is a significant impact of communication style on business efficiency

**Correlations**

<table>
<thead>
<tr>
<th></th>
<th>Communication Style</th>
<th>Business Efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication Style</td>
<td>Pearson Correlation 1</td>
<td>.917**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed) 280</td>
<td>.000 280</td>
</tr>
<tr>
<td>Business Efficiency</td>
<td>Pearson Correlation 0.917</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed) 280</td>
<td>.000 280</td>
</tr>
</tbody>
</table>

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

**Decision rule:** Reject $H_0$ if Pearson correlation calculated value is less than 1, Accept $H_0$ and reject $H_1$ if the calculated value is equal to 1 or greater than 1 at (0.01) significant level (2-tailed).
**Conclusion:** Since the Pearson correlation calculated value is 0.917 and is less than 1 at 0.01, it shows that there is a significant impact of communication style on business efficiency at (0.01) significant level (2-tailed).

**Recommendation**
Having discovered that conflict resolution method and communication style have impact on organization effectiveness and efficiency, it is then recommended that:

- The management should ensure that there is a recognized communication channel for passing instructions and for receiving employee’s complaint and suggestions. Employees will not feel left out of decision making and thereby contributing to effectiveness and efficiency. There should also be a workbook that contains the accepted employee conducts in the organisation. This handbook will guide the employee and also serve as a tool for determining the duties and rights of employees. This way, conflicts of right or conflicts of interest will be reduced. The firm should also endeavor to establish a legitimate and compulsory conflict resolution method or mechanism. This may be internally done through collective bargaining or externally through the mediator. Recognition must be given for an employee’s outstanding performance so as to encourage the employee and others to do more towards firm’s productivity.

**Conclusion**
From the analyses, it can be concluded that the choice of conflict resolution method and communication style adopted in an organization affects organization effectiveness and efficiency.
Reference


p. 104 - IJSRSSMS


**Questionnaire**

The Relationship between Conflict Resolution Method, Communication and Organisational Performance

<table>
<thead>
<tr>
<th>Section A: Bio Data</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Instruction:</strong> please tick the appropriate option and fill the spaces provided</td>
<td></td>
</tr>
<tr>
<td><strong>Sex:</strong></td>
<td>Male ( ) Female ( )</td>
</tr>
<tr>
<td><strong>Age:</strong></td>
<td>Under 25 years ( ) 25 to Under 35 years ( ) 35 to Under 45 years ( ) 45 to Under 55 years ( ) 55 years and above ( )</td>
</tr>
<tr>
<td><strong>Marital Status:</strong></td>
<td>Single ( ) Married ( ) Others ( )</td>
</tr>
<tr>
<td><strong>Qualification:</strong></td>
<td>SSCE ( ) ND or Equivalent ( ) BSC/HND ( ) MSC ( ) MSC and above ( )</td>
</tr>
<tr>
<td><strong>Work Experience:</strong></td>
<td>Below 5 years ( ) 5- under 10 years ( ) 10-under 15 years ( ) 15 years and above ( )</td>
</tr>
<tr>
<td><strong>Category Of Staff:</strong></td>
<td>Academic ( ) Non-Academic ( )</td>
</tr>
</tbody>
</table>
**Section B:** Indicate the Extent at which You Agree or Disagree with Each of the Statements Using: Strongly Agree = SA; Agree = A; Undecided = U; Disagree = D; Strongly Disagree = SD

<table>
<thead>
<tr>
<th>Quality of Communication</th>
<th>SA</th>
<th>A</th>
<th>U</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>To what extent would you agree that communications in my organization is:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Clear</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>2 Motivational (make one want to comply)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Comprehensive (Cover every aspect/issue involved or required to comply)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Understandable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Given in a timely manner</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Conflict Resolution Method**

During times of conflicts, staff

| 1 Discuss issues with others to try to find solutions that meet everyone's need. |    |
| 2 Try to negotiate and use a give and take approach to problem situations. |    |
| 3 May not get what I want but it is a small price to pay for keeping the peace. |    |
| 4 Try to meet the expectation of others |    |
| 5 Where there is disagreement I try to gather as much information as I can and keep the lines of communication open. |    |
| 6 try to see conflicts from both sides through questions like what do I need, What does the other person need, What are the issues involved |    |
| 7 enjoy the battle of wits that usually follows |    |

**Employee Efficiency**

To what extent would you agree that

| 1 Doing things rightly is highly valued in this organization |    |
| 2 Accuracy is highly valued in this organization |    |
| 3 Most employee in this organization performs their work in line with the rule |    |

**Employee Effectiveness**

To what extent would you agree that

| 1 The rules guiding my job enables me to do the right things |    |
| 2 Most employees in this organization arrive for work on time |    |
| 3 Most employees in this organization meet all their work target |    |
| 4 Most employees in this organization meet work deadlines promptly |    |