

Review

Is organizational conflict healthy for the growth of an organization?

Anthony Igbokwe Ph.D

Abstract

Department of Business Administration,
Nasarawa State University, Keffi,
Nigeria

E-mail: tonychidi@yahoo.com

The study examines the impact of organizational conflict on performance of the organization, with the objective to ascertain whether organizational conflict is healthy for the growth and development or not. Secondary data was used as a source of data collection. The study concludes that organizational conflict is not entirely bad for an organization but rather help to stimulate innovativeness and good decision making among employees. It therefore recommends that managers should develop diverse but appropriate strategies to resolve and manage conflicts as they arise before escalating to unmanageable level. Also, efforts should be made by managers to occasionally stimulate conflict by encouraging divergent views and rewarding staff and department for outstanding performance.

Keywords: Organizational conflict, Innovativeness, Productivity, Growth.

INTRODUCTION

The emergence of a factory system of production during the early stages of industrial revolution in Europe and the United States marked the beginning of organizational conflict. The challenge posed by the human factor of production revealed itself even before workers had entered the factory. Capitalist production required that human labor be concentrated under one roof for the purpose of economic activity. However, the would-be workers, anticipating a loss of freedom and autonomy entailed in a subordinate wage labor relationship with factory owners, engaged in resistance and rebellion. This new relationship posed a threat to roles and identities. A traditional way of life and labor was disrupted. One necessary condition for instituting a factory system of production is the "formal subordination of labor". However, the establishment of the factory and wage labor system did not signal the end of the battle with labor – only a shift in terrain. The struggle over the formal subordination of labor eventually subsided, and was replaced by conflicts between workers and owners over

the "real subordination of labor" (Harvey 1982) entailing various managerial strategies designed to control labor and extract work effort. Since there is no final solution, or one best way, to achieve this objective, it is an ongoing struggle and process in all organizations. A large part of the evolution of organization theory and management strategy can be chronicled as a history of trial and error in developing methods and techniques for this control.

There is no single method or strategy that ensures perpetual organizational harmony. This is clearly illustrated by Edwards' (1979) identification of organizations as "contested terrain" yielding a proliferation of managerial control strategies. He analyzed three major forms of control: direct, technical, and bureaucratic. Direct control involves the personal exercise of authority by bosses over their workers. Technical control involves the application of technologies, such as the assembly line, that control and monitor the pace of the labor process. Bureaucratic control ties the control of workers to the formal structure and social rela-

Tions of the bureaucratic organization. Each new form of control is developed and implemented in response to the resistance against, and failure of, its predecessor. Though ultimate and effective control may be an impossible task given the unique capacities of the human labor input, it did not prevent generations of managers, and their consultants, from striving to develop such a system. Nowhere has the law of unintended and unanticipated consequences (Merton 1957; Portes 2000) operated with such predictable regularity. It is understood that conflict can have both positive and negative effect on organization. The objective of this study therefore is to understand under what circumstances organizational conflict can be considered healthy for the growth of the organization and under what circumstances can it be otherwise.

Conceptual issues

It is a known fact that potential for conflicts exist in every organization, Especially, where group or teams performs their respective task within the organization, disagreement are inevitably bound to arise. According to Tjosvold, (1998), organization is a good arena for the study of conflicts because of existence of highly dependent situations that involves authority, hierarchical power and groups. In other words, organization does not necessarily mean a work environment; it can also mean a social group or a team of people working together towards a common goal. Conflict may not necessarily be an argument, it can also be a misunderstanding or a simple problem that arises in the cause of carrying out a task. That is why different authors have different opinion of what constitutes a conflict in an organization. According to Daft and Marcic (2007) conflict is defined as antagonistic interaction in which one party attempts to block the intention or goal of another. The core of this definition is that of competition, which is rivalry among individuals or teams, can have a healthy impact on organization because it energizes people towards higher performance.

Organizational conflict according to Jones and George (2006) is referred to as the discord that arises when goals, interest, or values of different individuals or groups are incompatible and those individuals or group block or thwart one's attempts to achieve their objectives. This definition also demonstrates that conflict is inevitable part of organizational life because the goals of different stakeholders such as managers and employees are often incompatible. Organizational conflict can also exist between departments and divisions that compete for limited resources in organization.

Robbins, et al (2009) describes organizational conflict as a process that begins when one group perceives that another group has negatively affected, or is about to negatively affect something that the first group cares

about. This definition is purposely broad. It encompasses a wide range of conflict that people experience in organization such as incompatibility of goals, differences over interpretation of facts, disagreements based on behavioral expectations etc. Going by the various definitions stated above, conflict is a force that needs to be managed rather than eliminated, and as much as possible managers should try to keep conflicts at a moderate and functional level to promote change effort that will be of benefit to the organization

Types of organizational conflict

There are different types of conflict in organization and a proper understanding of these conflicts can help deal with it as they arise. According to Jones and George (2006) four types of conflict due exist in an organization, namely interpersonal, intragroup, intergroup and inter organizational conflict.

Interpersonal Conflict

This is described as the conflict between individual members of an organization, which occurs because of differences in their goals or values. It also occurs between two or more individuals who are in opposition to one another. For instance, two people may experience interpersonal conflict when their values differ in certain ways.

Intra group conflict

This is the type of conflict that arises within a group, teams or department. When members of a particular group disagree about certain aspect of their activity, they are experiencing intragroup conflict.

Interorganizational conflict

Interorganizational conflict is conflict that arises across organizations. Sometimes interorganizational conflict arises when managers in one organization feels another organization is not behaving ethically and is threatening the well being of certain stakeholder groups.

Sources of organizational conflict

Conflict in organization can spring from a variety of sources, notably among them are overlapping authority, task interdependencies, different evaluation or reward system, scarce resources, and status inconsistencies.

Overlapping authority

This occurs when two or more managers, departments or function claim authority for the same activity or tasks, conflict are likely to happen.

Task interdependencies

Whenever individuals, group, teams or department are interdependent, the potential for conflict exists.

Different valuation or reward systems

The way in which interdependent groups, teams in department are evaluated and rewarded can be another source of conflict

Scarce resource

Management is the process of acquiring, developing, protecting, and utilizing the resources that allow an organization to be efficient and effective. When resources are scarce, management is all the more difficult and conflict is likely. For instance, when resource are scarce, managers may be in conflict over who has access to financial capital, and organizational members at all level may be in conflict over who gets raises and promotion.

Status inconsistencies

The fact that individuals, groups, teams or department within an organization are more highly regarded than others in the organization can create conflict.

School of thoughts on conflict management

In an attempt to examine the effect of conflict on organization has seen three schools of thoughts emerged with different views on what constitutes organizational conflict. One school of thought has argued that conflict must be avoided, that its presence in organization indicates a malfunctioning within the group. This school of thought is called the traditional view. Another school of thought, the human relation view, argues that conflict is a natural and inevitable outcome in any group and that it need not be evil but rather has potential to be positive force in determining group performance. The third and the most recent school proposes not only that conflict can be a positive force in a group but explicitly argues that some conflict is absolutely necessary for a group to perform effectively, this school is known as the interactionist view.

The traditional view of conflict

The early approach to conflict assumed that all conflict was bad. Conflict was viewed negatively, and it was used synonymously with such term as violence, destruction and irrationality to reinforce its negative connotation. Conflict by definition, was harmful and was to be avoided. The traditional view of conflict was consistent with the attitude that prevailed about group behavior in the 1930s and 1940s. Conflict was seen as dysfunctional outcome resulting from poor communication, a lack of openness and trust between people, and the failure of managers to be responsive to the needs and aspiration of their employees.

The view that all conflict is bad certainly offers a simple approach to looking at the behavior of people who create conflict. Because all conflict is to be avoided, we need merely direct our attention to the causes of conflict and correct those malfunctions to improve group and organizational performance. Although research studies now provide strong evidence to dispute that this approach to conflict reduction results in high group performance, many still evaluate conflict situation using this outmoded standard.

The human relation view of conflict

The human relation view of conflict equally argued that conflict was a natural occurrence in all groups and organization. Because conflict was inevitable, the human relations school advocated acceptance of conflict. Proponent rationalized its existence, it cannot be eliminated, and there are even times when conflict may benefit a group performance.

The interactionist view of conflict

Whereas the human relation view accepted conflict, the interactionist view of conflict encourages conflict on the ground that a harmonious, peaceful, tranquil, and cooperative group is prone to becoming static, apathetic, and nonresponsive to needs for change and innovation. The major contribution of the interactionist view therefore is to encourage group leaders to maintain an ongoing minimum level of conflict, enough to keep the group viable, self critical and creative.

The interactionist view does not propose that all conflicts are good. Rather, some conflict support the goals of the group and improve its performance is known as functional, constructive forms of conflict. In addition, there are conflicts that hinder group performance; these are dysfunctional or destructive form of conflict. What differentiates functional from dysfunctional conflict? The evidence indicates that one need to look at the type of

conflict such interpersonal, inter organizational or intra group conflict.

Effect of conflict on organization performance

In an empirical study carried out by Abdullazeez et al (2010) reveals the response of the managers on the issues of benefits of conflicts to organization, the results indicates that conflicts have both positive and negative effects to the organization. This reflects that if conflicts are not resolved properly might affect the organization adversely in terms of poor performance, lack of cooperation, wasting of resources and productivity. In addition, conflict has positive effect to the organization especially in building cooperation among the employees, encourages organizational innovativeness and improves quality decisions in resolving conflicts.

Reasons conflict is healthy for the growth of organization

The functional view of organizational conflict sees conflict as a productive force, one that can stimulate members of the organization to increase their knowledge and skills, and their contribution to organizational innovation and productivity. Unlike the position mentioned above, this more modern approach considers that the keys to organization success lie not in structure, clarity and orderliness, but in creativity, responsiveness and adaptability. The successful organization, then, needs conflict so that diverging views can be put on the table, and new ways of doing things can be created.

The functional view of conflict also suggests that conflict provides people with feedback about how things are going. Even "personality conflicts" carry information to the manager about what is not working in an organization, affording the opportunity to improve.

If you subscribe to a flexible vision of effective organizations, and recognize that each conflict situation provides opportunity to improve, you then shift your view of conflict. Rather than trying to eliminate conflict, or suppress its symptoms, your task becomes managing conflict so that it enhances people and organizations, rather than destroying people and organizations.

Reasons why conflict is not healthy for organization

The dysfunctional view of organizational conflict is imbedded in the notion that organizations are created to achieve goals by creating structures that perfectly define job responsibilities, authorities, and other job functions. Like a clockwork watch, each "cog" knows where it fits, knows what it must do and knows how it relates to other parts. This traditional view of organizations values

orderliness, stability and the repression of any conflict that occurs. To the traditional organizational thinker, conflict implies that the organization is not designed or structured correctly or adequately. Common remedies would be to further elaborate job descriptions, authorities and responsibilities, increase the use of central power (discipline), separate conflicting members.

This view of organizations and conflict causes problems. Unfortunately, most of us, consciously or unconsciously, value some of the characteristics of this "orderly" environment. Problems arise when we do not realize that this way of looking at organizations and conflict only fits organizations that work in routine ways where innovation and change are virtually eliminated. Virtually all government organizations work within a very disorderly context. One characterized by constant change and a need for constant adaptation. Trying to "structure away" conflict and disagreement in a dynamic environment requires tremendous amounts of energy, and will also suppress any positive outcomes that may come from disagreement, such as improved decision-making and innovation.

Managing conflict in an organization

For an organization to achieve its purpose or goals, managers must be able to resolve conflicts in a functional manner. Functional conflict resolution means that conflict is settled by compromise or by collaboration between parties in conflict.

Compromise

Is possible when each party is concerned about not only its own goal accomplishment but also the goal accomplishment of the other party and is willing to engage in a give and take exchange and make concession until reasonable resolution of the conflict is reached.

Collaboration

Is a way of handling conflict in which parties to a conflict try to satisfy their goals without making any concession and instead come up with a way to resolve their differences that leaves them both better off.

Studies have also shown that handling conflicts through accommodation, avoidance, or competition is ineffective from an organization point of view because the two parties to a conflict do not cooperate with each other and work toward a mutually acceptable solution to their differences. When the parties to a conflict are willing to cooperate with each other and through compromise or collaboration devise a solution that each finds

acceptable, an organization is more likely to achieve goals.

Theoretical framework

Bureaucratic theory and sources of conflict

One way to address organizational conflict is to create formal procedures which can guide and facilitate organizational behavior and interactions. This can reduce confusion about role expectations, clarify chains of command, and proscribe appropriate methods for completing tasks and advancing organizational goals. The rational-bureaucratic approach to organizations, like human relations and human resources, is incorporated conceptually and practically in almost every organization. It is designed to bring rationality and predictability to a human endeavor that routinely defies both.

Embedded in the theory of rational bureaucracy, most closely associated with the work of Max Weber, are three central principles: formalization, instrumentalism, and rational-legal authority. Formalization is the centerpiece of bureaucracy. It refers to the degree to which rules, procedures, regulations, and task assignments exist in written form. Written documentation indicating the procedures for acting, deciding and communicating, represent the formalization of organizational activity. These written directives exist prior to the entry of people into positions within the organization. They are designed to direct and regulate organizational behavior after one has been slotted into a formal position.

The concept of instrumentalism conveys the notion that the organization is like a tool or machine designed to achieve a particular purpose. The formal internal structure -- positions, procedures, rules, interaction patterns are regarded the instruments that direct and ensure the realization of the larger organizational mission. The explicit formal relationship between the structures and tasks, and goals or objectives, makes bureaucracy a rational organizational instrument.

The notion of "legitimate authority" acknowledges that humans are not bureaucratically programmed but that they have the capacity to subjectively evaluate the authority structure and engage in opposition and resistance. For example, workers can decide that their bosses are not technically competent, or that particular methods are not the best way to achieve some goal, or that the goals of the organization conflict with their goals. In all of these cases, the mechanistic bureaucratic model breaks down and other arrangements are required to gain cooperation and compliance.

The Hawthorne experiments and human relations

The Hawthorne experiments represent one of the most

influential pieces of research in this history of social science; with wide-ranging implications for organizational human relations. This was a period of considerable interest in developing more harmonious industrial relations between labor and management and enhancing productivity levels. The Hawthorne researchers were originally interested in gauging the impact of physical conditions, such as lighting, work layout; work pace on output and productivity among various work teams. However, the reported paradoxical results of the research – with productivity and output raising regardless the physical conditions, suggested the social dynamics that we now associate with the "Hawthorne effect".

CONCLUSION AND RECOMMENDATION

Conflicts are part of human nature and it is extremely important to study it not only for theoretical purposes but also for organizational practice. The study indicates that the major cause of organizational conflicts is lack of resources. This leads to competition for the scarce resources. Therefore, it is pertinent on the organization's management to ensure that the available limited resources are utilized optimally for the benefit of the organization and other stakeholders. Though conflict is often viewed as negative, it is capable of increasing organizational innovativeness and productivity, thereby improving organizational performance. In addition, conflicts build the spirit of teamwork and cooperation among the employees of an organization.

The study also revealed that the most used means of managing conflict among the managers in Nigerian organization is Bargaining, Collaboration, and Avoidance. When conflicts are properly managed in organization, it will lead to the attainment and achievement of organizational goals and objectives. In the height of the findings of this study, the following are recommended:

- (i) Managers should develop diverse but appropriate strategies to resolve and manage conflicts as they arise before escalating to unmanageable level.
- (ii) Efforts should be made by the managers to occasionally stimulate conflict by encouraging divergent views and rewarding staff and department for outstanding performance.
- (iii) Proper communication procedures should be put in place to resolve conflict.
- (iv) Efforts should be made by the management to organize seminars/workshops on organizational conflict management from time to time for the employees. This will enable employees learn about conflict and how it can be effectively managed for individual and organization effectiveness.

REFERENCES

Bacharach P, Edward LL (1980). Power and Politics in Organizations.

030 Merit Res. J. Art. Soc. Sci. Humanit.

- San Francisco: Jossey-Bass.
- Bazerman MH, Margaret AN (1992). Negotiating Rationally. New York: Free Press.
- Bendix R (1956). Work and Authority in Industry: Ideologies of Management in the Course of Industrialization. New York: Wiley.
- Blau P (1955). The Dynamics of Bureaucracy. Chicago: University of Chicago Press
- Daft R, Marcic D (2007). Management: The new place. International students' edition
- Harvey D (1982). The Limits to Capital. Cambridge, MA: Blackwell.
- Jones G, J George (2006). Contemporary Management, fourth edition. Mcgraw-hill Irwin
- Robbins SP, Mary C (2007). Management, ninth edition. Pearson education international