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## WORKPLACE CONFLICT AND ITS IMPACT ON THE ORGANIZATIONAL PERFORMANCE

BY

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### Abstract

*This article is on defining and assessing the nature of workplace conflict and its impact on the organizational performance, through an analysis of existing empirical studies and models which links workplace conflict with organization performance. The objective of this article is to demonstrate the conceptualization and operationalization of workplace conflict and to provide counter arguments on the position of the functional school of thought which regards workplace conflict as having certain beneficial attributes and advantageous implications for organizational performance. However, in contrast to this assertion, this paper argues that conflict in all forms and instances poses no beneficial or advantageous position to the organization but rather impedes, and mitigates negatively on the organization's drive and pursuit of the achievement of its goals and objectives. The discourse of literature revealed that workplace conflict has deep and negative impact on the variety of organization's process, employees and its performance. The review showed that if there is cohesion, collaboration, communication, tolerance and understanding, workers will be more committed and will be willing to cooperate, share information and also exchange ideas with their co-workers and thereby enhance the performance of the organization through the overall achievement of the organizations goals. In conclusion, it was stated that organizations should strive to quell all forms of conflict and should also emphasize on tolerance and collaboration. Thereafter, it was recommended that further research be carried out in this area to understand the nature and effects of workplace conflict in destabilizing organizational effort and plans and thereby affecting the performance of the organization. Managers and leaders are recommended to develop the strong culture of employee participation in the organization to improve the overall level of relationships and interaction between workers and co-workers.*

**Keywords:** *Workplace conflict, intra-personal conflict, interpersonal conflict, inter-group conflict, organizational performance. effectiveness, efficiency.*

## INTRODUCTION

Conflict within formal organizations is a common occurrence stemming from the divergence in interests between individual workers and management (Obisi, 2005). Due to inherent differences in individual values, attitudes, and goals, conflict becomes an unavoidable element in the organizational landscape. At both the individual and collective levels, conflicts are influenced by personality differences and various structural factors within the organization.

Obisi (2005) asserts that conflicts do not only arise among individual employees, but they also occur within the management team. Similarly, conflict situations can develop between and among groups of employees and the organizations they work for, further underscoring the complex and multifaceted nature of organizational conflict.

Notably, Otobo (2005) distinguishes between two primary forms of conflicts at work: organized and unorganized conflicts. Organized conflict, as described by Otobo, is a strategic response to a situation that is a source of dissatisfaction. It typically involves a collective response, with deliberate decisions taken in a mass meeting or by selected representatives of the affected staff. This form of conflict represents a concerted effort to change an undesirable situation within the organization.

On the other hand, unorganized conflict is characterized by an individual worker's reaction to a source of discontent (Otobo, 2005). In these instances, the individual may respond by withdrawing from the source of the problem or by demonstrating behaviors such as sabotage or rudeness. Agwu (2006) suggests that these reactions often lack strategic calculation and may not even be recognized by the individual as conflict behaviors.

Agwu (2006) further proposes that unorganized expressions of conflict are frequently not identified as such by those involved. Consequently, behaviors that may be indicative of conflict, such as rudeness, may be attributed to other factors like a "bad mood" or similar psychological states. This highlights the complexity and subtlety of conflict within organizations, where certain conflict behaviors may not be readily identified or understood.

The impacts of conflicts within organizations, irrespective of whether they are organized or unorganized, or involve individuals or groups, are significant and warrant careful attention. This significance arises from the influence that such conflicts have on the overall effectiveness of corporate organizations. Specifically, conflict situations can create disharmony among organizational participants, leading to negative impacts on performance (Otobo, 2005; Agwu, 2006).

Indeed, conflicts can result in wasted time and resources, causing disruptions within the organization. It is also worth noting that no organization is exempt from internal conflict. This is because organizations are comprised of individuals with varying interests, goals, ideas, and temperaments, making it challenging to harmonize these divergences (Otobo, 2005; Agwu, 2006).

Despite the challenges associated with conflicts, some schools of thought and theories suggest that conflicts, under certain conditions and in manageable quantities, can be beneficial and even necessary for organizational performance and effectiveness (Otobo, 2005). However, this perspective will be challenged in this study, drawing substantially from existing literature on the subject.

A substantial body of scholarly work (Ugbaja, 2002; McDaniel, 2001) tends to treat organizational conflict as an inherent feature of organizations, arguing that organizations cannot function effectively or even exist without it. This paper, however, will present a contrasting view, positing that conflict, in all its forms and quantities, hinders the functioning and performance of an organization. Thus, this paper diverges from previous studies in its argument and offers a different perspective on workplace conflict.

### **1.1 Statement Of Problem**

Organizational conflicts can have a destabilizing impact on the organization's overall performance. These conflicts can lead to underperformance as valuable resources, both human and material, are diverted from enhancing output and productivity to controlling and managing conflicts (Sinclair, 2005). Moreover, conflicts can create interpersonal disharmony within the organization, making it difficult to achieve organizational goals.

It is feasible to achieve organizational goals if consistent efforts are made to reduce the overall level of conflict and to address any instances of conflict within the organization. As such, it becomes critically important to find effective strategies for avoiding and managing conflicts in order to achieve organizational objectives (Sinclair, 2005).

### **1.2 Purpose of the Study**

The primary objective of this study is to scrutinize the character and association between workplace conflict and organizational performance. Following this analysis, the study will then propose recommendations based on the review, focusing on conflict management strategies deemed suitable and effective in enhancing organizational performance. This is to be achieved based on the following objectives:

- i. To examine the nature of the relationship between intra-personal conflict and organizational effectiveness
- ii. To examine the relationship between intra-personal conflict and organizational efficiency
- iii. To examine the nature of the relationship between inter-personal conflict and organizational effectiveness
- iv. To examine the relationship between inter-personal conflict and organizational efficiency
- v. To examine the nature of the relationship between inter-group conflict and organizational effectiveness
- vi. To examine the relationship between inter-group conflict and organizational efficiency.

### **1.3 Research Questions**

- i. What is the nature of the relationship between intra-personal conflict and organizational effectiveness
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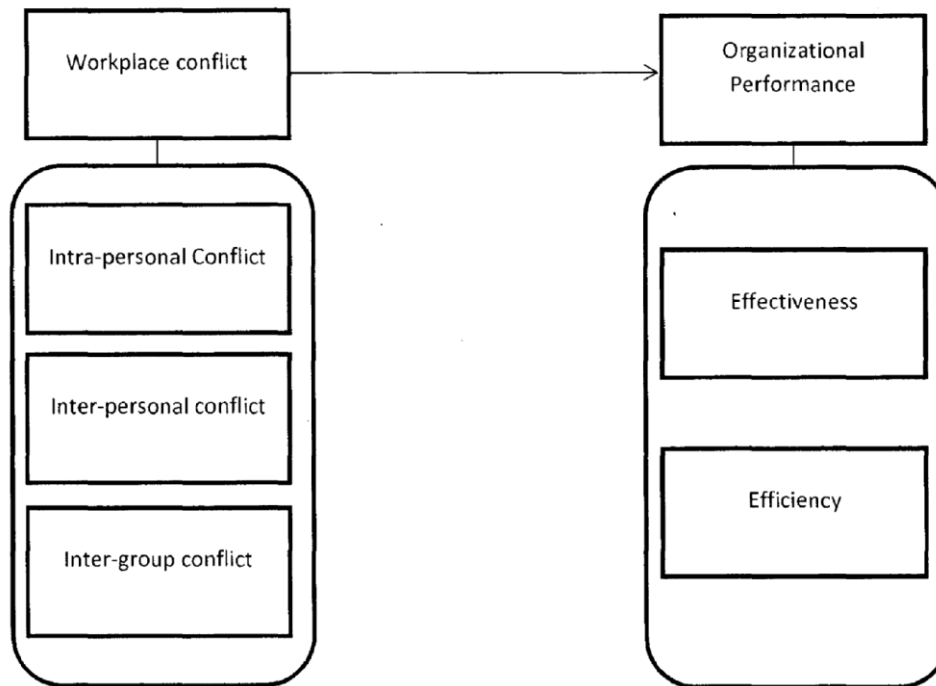


Fig 1.1 Conceptual framework for the study

## 2. LITERATURE REVIEW

### 2.1 Meaning of Workplace Conflict

Conflict, an inherent aspect of human behavior, is often perceived as the result of disagreement between individuals or groups striving to make the others accept their viewpoints (Dunlop, 2002). Ugbaja (2002) posits that organizational conflict constitutes any dispute within the workplace that engenders disharmony among a group of workers or between an individual and the management. Sinclair (2005) likewise considers conflict as a disagreement between employees and employers.

From an organizational perspective, McDaniel (2001) suggests that conflicts arise due to the divergent attitudes, values, beliefs, goals, and understanding among the participants. The inevitable variation in individuals' orientation, personalities, and identities within an organizational framework precipitates such conflicts.

Within the scope of industrial relations, Levine (2000) describes organizational conflict as any disagreement between workers and employers due to a breach of contract. Wogwu and Wali-Innocent (2022) posited that provided that workers and employers abide by their contractual terms, organizational harmony is generally maintained. However, disagreements resulting from breaches of employment contract terms often lead to conflicts.

Accommodation and resolution of such conflicts constitute the core theme of industrial relations. Agreements between workers and employers on the terms of employment and work conditions are vital to this process (Ubaku, 2003). These terms and conditions encompass aspects like wages, work hours, compensation, leaves, promotions, fringe benefits, safety, working conditions, employee health and welfare, among others.

Nwatu (2004) points out that while employees and employers share a common interest in accomplishing work, disagreements may arise over the nature of the work, how it should be performed, and the pricing of labor services. Therefore, it becomes crucial to establish mechanisms for effectively avoiding conflicts naturally resulting from these shared and opposing interests.

## **2.2 The Types of Workplace Conflict**

Organizational conflicts can manifest in a variety of ways, with individual and collective conflicts being the primary categories (Daft, 2005). Individual conflicts arise when an employee perceives an unjust treatment or deprivation of certain rights. Instances of such conflicts include perceived unfair disciplinary action, lack of promotion opportunities, or denial of annual increments. If not properly addressed, such conflicts can have detrimental impacts on the involved employee's wellbeing and productivity.

Conversely, collective conflict can occur due to a misinterpretation or non-implementation of collective agreements or from a breakdown of collective bargaining. Collective conflicts often involve economic matters unless they evolve from individual conflicts. They can emerge due to a breakdown in collective agreements, misinterpretations of such agreements, or non-implementation of specific provisions (Doyles, 2000).

Notably, an individual conflict can escalate and become a collective conflict under certain conditions. Dunlop (2002) reinforces this by stating that collective conflicts might also arise from non-observance of an individual's conditions or disciplinary measures.

Interestingly, many conflicts within organizations relate to situations not explicitly governed by rules. These conflicts typically originate from individual workers and may stem from perceived ill-treatment by a superior or a claimed right not being respected (Chandan, 2005).

- i. Chandan (2005) further distinguishes between five specific types of workplace conflicts: Intra-personal conflict
- ii. Inter-personal conflict
- iii. Personal-group conflict
- iv. Inter-group conflict
- v. Inter-organizational conflict, however, for the purpose of this paper, only three of these forms of conflict will be addressed, these are:
  - i. Intra-personal conflict
  - ii. Interpersonal conflict
  - iii. Inter-group conflict

### **2.2.1 Intra-Personal Conflict**

Intra-personal conflict, as defined by Nwatu (2004), arises within an individual when there is a clash between personal goals and externally imposed values or expectations. This type of conflict often creates internal tension as the individual attempts to reconcile personal interests with societal or organizational expectations. A prime example of intra-personal conflict can be observed in the case of a bank cashier who is expected to maintain politeness and good relations with customers, even in situations of intense provocation. In such a scenario, the cashier experiences internal conflict between their instinctive reaction to the provocation and the professional obligation to remain courteous.

### **2.2.2 Inter-Personal Conflict**

Chandan (2005) outlines that inter-personal conflict transpires between two or more individuals within an organization. This form of conflict typically arises due to differing opinions or understandings about the organization's goals, especially when individuals are granted the autonomy to interpret these goals. The result is a conflict of interests, fueled not by facts, but by varying perspectives or opinions. Moreover, this type of conflict can be aggravated by competition among employees, particularly when career development and promotional opportunities are limited. This competition fuels the desire to outperform others, further deepening the discord.

### **2.2.3 Inter-Group Conflict**

Inter-group conflict arises when disagreements exist between different groups, departments, sections, or units in an organization, specifically regarding established norms and values. According to Chandan (2005), these conflicts are not personal, but rather are tied to inherent factors within the organizational structure. For instance, when tasks are improperly defined, they can incite conflict. Similarly, conflicts can emerge due to inconsistencies in performance evaluation criteria across various units and groups. Nwatu (2004) gives the example of potential conflict between cashiers, who are rewarded based on the number of customers they serve, and customer-care staff, who are evaluated based on customer satisfaction levels.

In the context of organizational performance, Cascio (2006) describes it as the degree of achievement of a workplace mission that shapes an employee's job. Different scholars have varying interpretations of performance, often using it to express measurements of transactional and input-output efficiency (Stannack, 1996). Barney (1991) views performance as a continuous process, a recurrent subject of debate among organizational researchers. Performance is not solely about defining objectives but also addresses the resolution of organizational problems and challenges (Heffernan & Flood, 2000). Daft (2000) and Sinclair (2005) echo similar sentiments, suggesting organizational performance is about achieving goals efficiently and effectively by utilizing resources.

For organizations to achieve better corporate performance, they need to successfully leverage their resources and competencies to secure competitive advantages both locally and globally. Human resource management plays a crucial role in this, shaping policies around selection, training, development, performance appraisal, compensation, promotion, incentives, work design, communication, employment security, and more (Ahniad & Schroeder, 2003). The end goals include fostering competence, promoting cooperation with and among employees, enhancing motivation, commitment, satisfaction, and ensuring retention. Sang (2005) emphasizes the positive influence of comprehensive human resource management practices, such as planning, staffing, incentives, appraisal, training, teamwork, employee participation, and employment security, on organizational performance.

## **2.4 The Effect of Conflict on Organizational Performance**

Chandan (2005) suggests that uncontrolled conflict can derail the achievement of organizational goals. Both individual and group reactions to conflict can span from sabotage and work slowdowns to overloading and non-cooperation. Given that targets and objectives are realized through group and individual efforts, conflicts impacting core operations or involving high-ranking individuals can have a devastating effect. Goals may not be achieved on time, be realigned, or modified when the same individuals involved in their formulation are in conflict. The ongoing conflict can result in aggrieved workers becoming less

committed and motivated, leading to levity, time loss, low productivity, and decreased output, ultimately hampering organizational performance.

Echoing Chandan, McDaniel (2001) posits that poorly managed organizational conflict can dampen productivity, lower morale, perpetuate conflict, and promote indiscipline and misconduct, all of which impact the organization's profitability and performance negatively. Therefore, it's imperative for management to promptly resolve conflicts as they arise. Effective conflict management aims to address or minimize grievances to the point where aggrieved parties feel appeased.

According to Ojo (2005), effective conflict management is vital for corporate organizations due to its direct or indirect impact on corporate performance. It restores trust, confidence, calm, and harmony among employees and management, fostering improved relationships and creating a conducive work environment that promotes teamwork and commitment, thus enhancing organizational performance. Furthermore, effective conflict management enables workers to achieve their personal goals within the organization, such as status enhancement, which can result in improved positions, earnings, and welfare. These aspects are crucial motivation sources that, when achieved, can drive higher productivity and positively impact organizational performance. Additionally, effective conflict management ensures continuous production, preventing work process interruptions, which further promotes organizational performance. Ojo (2005) concludes that effective conflict management can boost morale, enhance productivity and profitability, all contributing to improved organizational performance

## **2.5 CONCLUSIONS**

To conclude, this paper posits that workplace conflict yields solely negative and adverse impacts on organizational performance. Whether severe or minor, it erodes employee trust and impedes communication. The literature review served as a platform for discussing the characteristics of conflict in relation to organizational functioning. These characteristics were identified to predominantly encompass open defiance of management or leadership, workflow disruption, strife among parties, personal reputation attacks, and even physical assault or abusive behavior. Contrary to some scholars advocating for a moderate level of conflict within organizations, this paper argues against any form of conflict. The aftermath of conflicts often leaves a legacy of resentment and ongoing distrust among parties, even after the dispute is seemingly resolved. Hence, proactive conflict management strategies are recommended to avert the potential long-term detrimental effects of conflict on the organization.

## **2.6 RECOMMENDATIONS**

In light of the discussions and conclusions drawn, the following recommendations are put forth in alignment with this paper's standpoint:

- i. Organizational management should enact strict policies and regulations that reinforce unwavering adherence to organizational rules and expectations within the workplace.
- ii. Immediate action should be taken to address any form of deviant behavior. Should it persist, appropriate measures should be deployed to prevent its escalation into conflict situations.

iii. Encouraging employee participation is essential to involve workers in the various decision-making processes and functions of the organization. This approach can prevent feelings of discontent or alienation in the workplace.

iv. Organizational management should have minimal tolerance for instances of discord or disagreement within the organization's structure. All values should be harmonized and synchronized with the overall objectives and goals of the organization.

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