



**Addis Ababa University**

**School of Commerce**

**College of Business and Economics**

**Department of Human Resource Management**

**The Effect of Workplace Conflict on Organizational  
Performance -A Case Study of Bole Sub City Business  
Organizations**

**By:**

**Chanyalew Tadesse**

**June 2023**

**Addis Ababa, Ethiopia**



**Addis Ababa University**

**School of Commerce**

**College of Business and Economics**

**Department of Human Resource Management**

**The Effect of Workplace Conflict on Organizational  
Performance -A Case Study of Bole Sub City Business  
Organizations**

**By:**

**Chanyalew Tadesse**

**A Thesis Submitted in Partial Fulfillment of the Requirements for the  
Degree of Masters of Arts in Human Resource Management**

**Advisor:-Fesseha Afework (As/ Professor )**

**June, 2023**

**Addis Ababa, Ethiopia**

## **Declaration**

I hereby would like to declare that this master’s thesis, entitled with “the effect of workplace conflict on the performance of business organizations -a case study of Bole Sub City Business Organizations “ is my original work and has never been presented for the award of any other degree or diploma to any other universities or institutions. All sources of materials used for the study are duly acknowledged. I have produced the paper independently except for the subsequent advises which I have received from my advisor.

By.....

Signature.....

## **ENDORSEMENT**

This thesis has been submitted to Addis Ababa University School of graduate studies  
for examination with my approval as a university advisor

Advisor .....

Signature.....

Addis Ababa University

June 2023

**Addis Ababa University**  
**School of Commerce**  
**College of Business and Economics**  
**Department of Human Resource Management**

**The Effect of Workplace Conflict on Organizational Performance –A Case Study  
of Bole Sub City Business Organizations**

**By: Chanyalew Tadesse**

**Approved By Board of Examiners**

**Advisor .....**                      **Signature .....**

**Date .....**

**Internal Examiner .....**                      **Signature .....**

**Date .....**

**External Examiner .....**                      **Signature .....**

**Date .....**

## **Acknowledgments**

First and foremost, I am very thankful to the almighty God for giving me such a beautiful opportunity, patience, and strength to realize my dreams.

My gratitude and heartfelt thanks go to my sincere advisor, As. Professor Fisseha Afework, for his patience in looking over my draft research paper exhaustively and providing me with detail and genuine advice, showing me all the way, with the intention of having me do concise and complete work on the research paper.

My deepest thanks should also go to my younger brother, Aklilu Tadesse for sharing me his experience and supporting me on editing the entire research work

I am also thankful to young colleagues, Ato Dereje Bauligne and Ato Abebe Balew, who have sacrificed their time and supported me in collecting the raw data.

At last but not least, my deepest thanks also go to my colleague, Ato Wondwosen Bezabih, for sharing his important experiences of the research work and providing me his genuine comments.

## Table of Contents

<b>Title</b>	<b>Pages</b>
Declaration.....	i
ENDORSEMENT.....	ii
Acknowledgments.....	iv
Table of Contents.....	v
List of Tables.....	vii
Abstract.....	viii
CHAPTER ONE.....	1
INTRODUCTION.....	1
1.1. Back ground of the Study.....	1
1.2. Statement of the Problem.....	4
1.3. Research Questions.....	6
1.4. Research Objectives.....	7
1.4.1. General Objective.....	7
1.4.2 Specific Objectives.....	7
1.5 Significance of the Study.....	7
1.6. Scope of the Study.....	8
1.7. Limitations of the Study.....	9
1.8. Definition of Terms.....	9
1.9. Organization of the Study.....	11
CHAPTER TWO.....	12
LITREATURE REVIEW.....	12
2.1 Theoretical Frame Work.....	12
2.1.1 Types of Conflicts.....	14
2.2 Empirical Review.....	19
2.2.1 Causes of Conflict.....	21
2.3 Conceptual Frame Work.....	24
CHAPTER THREE.....	27
RESEARCH METHODOLOGY.....	27
3.1. INTRODUCTION.....	27
3.2. Description of the Study Area.....	27
3.3 Research Approach.....	27
3.4 Research Design.....	28
3.5 Data Analysis:.....	28
3.6. Population and Sample.....	28
3.7 Data Sources and Types.....	29

3.8 Data Collecting Procedures .....	29
3.9 Data Processing and Analysis.....	29
3.10 Ethical Considerations .....	31
CHAPTER FOUR.....	32
4.1. Presentation Analysis and Interpretation of Quantitative Data .....	32
4.1.1 Background Information and Respondents Characteristics.....	32
4.1.2 Primary Data Analysis .....	35
4.1.2.1 .Causes of Work Place Conflict.....	37
4.2. Analysis and Interpretation of Qualitative Data .....	44
CHAPTER FIVE .....	47
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS.....	47
5.1. Summary .....	47
5.2. Conclusions .....	48
5.3 Recommendations.....	49
5.4. Future Research Directions .....	51
Annex.....	55
Questionnaire .....	55

## List of Tables

Table 3.1 Reliability Statistics .....	30
Table 4.1. Descriptive Statistics of characteristics.....	32
Table 4.2: Respondents profile .....	33
Table 4.3 Analysis of descriptive statistics .....	36
Table 4.4 Summary of causes of work place conflict .....	38
Table 4.5 Summary of Effects of Workplace Conflict.....	39
Table 4.6 Correlation coefficients of independent and dependent variables .....	40
Table 4.7 Regression Model summaries .....	41
Table 4.8: ANOVA table .....	42
Table 4. 9: Coefficient of regression .....	42
Fig.2.1 Conceptual Framework.....	25

## **Abstract**

*The purpose of this study was to explore the occurrence of workplace conflicts, the different causes of conflicts and their effects on the respective business organizations included in this research. The research has been conducted with the aim of using primary data source collected through data collecting instruments-questionnaires and interviews. Initially it was planned to collect data from one hundred fifty respondents and one hundred forty two samples have been successfully collected through random sampling technique. The data collected was analyzed with the help of SPSS software and qualitatively. When employees come to the workplace with different backgrounds, such incompatibilities obviously put them in conflict. When people are trying to work together with such differences, conflicts might occur at times when they are unable to accommodate their differences. Workplace conflict and organizational performance are strongly interrelated. In this research the most important causes of workplace conflict, their effects and outcomes are examined and finally recommendations will be suggested on the basis of the findings of the research. The study has revealed that workplace conflict has various causes as: differences in backgrounds, personal needs, attitudes, desires, values, interests and also lack of clear job descriptions. The findings of this study have also led us to conclusions that the different causes of workplace conflicts have resulted in either negative or positive effects. The management of any business organization has to keep alert and watch out to the prevalence of any kind of workplace conflict and find a timely solution before it disrupts the company. Business organizations should give clear job descriptions and work directions for easier workflow and establishing smooth relationship.*

**Key words:** *Business organization, workplace conflict, organizational performance and industrial peace*

## CHAPTER ONE

### INTRODUCTION

This chapter deals about background of the study; statement of the problem; objectives of the study; significance of the study; scope of the study; limitations of the study; operational definition of key terms, and organization of the study.

#### **1.1. Back ground of the Study**

Any type of human relationship, including interactions at work, will inevitably involve disagreements, disputes, and various forms of conflict. This strongly implies that disputes, backbiting, blaming others, gossiping, and undermining others will always happen in any human society. Due to this, workers at all levels frequently complain to companies about these workplace conflict problems. They have to deal with strike-related activity of various kinds, including coworker physical fights, absenteeism, decreased productivity, surprise resignations, and legal problems... Even though workplace conflicts occur frequently, they are harmful because they entail intense interpersonal relationships that can rupture and destroy a specific working environment as well as the entire business. Conflict can have a disastrous impact on an organization's success, especially if it diverts employees' attention away from other fruitful pursuits.

Furthermore, it might disrupt interactions among teammates and foster such levels of interpersonal hostility that group members may not be eager to collaborate or work together to meet organizational goals. Additionally, unresolved disputes may grow into larger disputes, which could lead to the emergence of new disputes. (Prince Donkor, 2015)

Conflict is one of the most predictable outcomes of working together. Most managers spend a large portion of their working hours resolving disputes or the consequences of issues with people. Conflicts that are poorly handled waste energy that could have been applied to productive endeavors (Utaka and Silas Dikibo, 2020). Calculating the damages resulting from organizational conflict is challenging. The majority of conflict theories focus solely on psychological and/or economic factors when attempting to explain and manage conflict. According to Zahid (2017), conflict is an

unpleasant circumstance that fosters unhealthy competition among employees for resources, tasks, legitimacy, recognition, and security.

Conflict can be seen as a dispute that emerges when the interests, goals, or values shared by different groups or individuals are irreconcilable. Due to this, people get frustrated with one another as they attempt to accomplish their goals.

“Employees who seek power therefore struggle with others for position or status within the group. Conflicts are endemic to society as a whole. They are directly related to the scarcity of resources, division of functions and tasks, power of relations, differentiation and organization roles in society (Food and Agricultural Organization (FAO), & CABI and Scopus, 2021).”

When conflict is mentioned, people frequently see it negatively and rarely from a positive perspective. We experience both functional and dysfunctional conflicts. Functional conflicts are those that push us to be innovative problem solvers in order to maintain a positive work environment and develop a structure that will allow the organization to benefit from diverse employees while providing opportunities for redevelopment and the acquisition of new skills. Dysfunctional conflicts are ones that not only have a negative psychological and emotional impact on employees but also reduce productivity. It is crucial to keep in mind that how disagreements are handled will determine whether they have a functional or dysfunctional conclusion. (Adeyemi, Workplace Conflict on Productivity and Emotional Stability of Employee, March 31,2022)

The current rapidly changing world is characterized by the manifestation of various types of conflicts. Conflicts have both negative and positive outcomes for individual employees and the organization as a whole. Conflicts do occur in social interactions, but they are handled by family, friends, and relatives. The same principle applied to organizations, where disagreements must be handled through employee and management collaboration in order for the latter to function effectively and expand. Conflict may prevent the organization from achieving its goals if it is not adequately managed. Workplace conflict can have a negative impact on a person's health while also being risky for organizations, departments, and teams.

Conflicts at work have significant negative impact on productivity because the parties involved tend to prioritize personal matters above work-related ones. Conflict-affected parties are characterized by resistance, fear, suspicion, and conspiracies, which have an impact on both the quantity and quality of services and goods provided. Conflict makes workers feel less secure at work because the environment becomes one of distrust, mistrust, and harshness. Employees spend a lot of time considering perceived enemies as well as conflict, which wastes a lot of time and resources. Finding efficient strategies to manage and resolve organizational conflicts can significantly improve productivity, which may enhance performance, according to Rivers (2005). Unresolved conflict in organizations has large hidden costs. Healthy disagreements are necessary for an organization to avoid stagnation, but when people are unable to resolve their differences amicably and agree on a course of action, the conflict becomes harmful to the parties involved. individuals, teams, and ultimately the organization. (Rivers 2005). (Zelege, 2020)

It is extremely important to develop strategies for resolving workplace conflicts, regardless of the origin of the disagreement, its severity, or the identities of the parties involved. This is to ensure that groups' outcomes can be predicted to improve when conflict is appropriately managed. Increased interpersonal communication and effective job performance can result from corporate organizations maintaining effective conflict management practices. Therefore, as long as there are individual or group interactions in business organizations, conflict is unavoidable and hence effective management is essential and such that the managers, supervisors or other related bodies are expected to know the causes of work place conflict and the possible means of handling them for smooth operation of business organizations. (Hussien, December 2020)

Conflict among employees in a company is unavoidable. It can have a beneficial effect on employee happiness and organizational performance if it is managed effectively and serves as a catalyst for change. On the other hand, unresolved disagreement has a detrimental influence on both job performance and employee happiness. Organizational leaders that fail to address workplace disputes transmit the message that poor work ethics and unethical conduct are acceptable (Abdul and Sehar, 2015). Organizational life includes conflict, which may occur between individuals,

between individuals and groups, or between groups (Wehrich, 1992). Although conflict is typically viewed as destructive, it can be advantageous since it may lead to the presentation of an issue from various perspectives. According to Russell and Jerome (quoted in Hotepo, Asokere, Abdul-Azeez, and Ajemunigbohun, 2010), there are both positive and harmful repercussions of conflict. It can be advantageous when it fosters innovation, fresh perspectives on established issues, the elucidation of opposing viewpoints, and the growth of interpersonal conflict management skills in performance. Conflict can be harmful if it breeds resistance to change, causes strife in interpersonal or organizational relationships, encourages distrust, heightens feelings of hopelessness, or widens gaps in understanding. (Nneka, 2019).

## **1.2. Statement of the Problem**

A statement of a problem is all about the major issues that the research is addressing. Accordingly, this particular research focuses on the major influences of conflict on the performance of employees in business organizations. When we talk of the performance of employees, it consequently means the performance of business organizations, as organizations are networks of interpersonal relationships designed to reach an objective and accomplish goals. Thus, the performance of every employee directly affects the performance of business organizations, either positively or negatively.

Employees from a variety of backgrounds (experience, skill, academic profile, working culture, commitment, and the like) and working styles are brought together in every corporate organization for a common business value. Conflicts usually arise as employees from various backgrounds work together. Conflicts may have either a positive or negative effect on how well business organizations perform.

Conflict continues to grow and become an increasingly significant issue in the workplace of the dynamic 21st century. Conflict emerges constantly in organizations. Disagreement between individuals who are working for the organization to carry out organizational goals and objectives is referred to as conflict in organizations. Conflict arises when people with various personalities interact and have varying backgrounds, cultures, ideas, thoughts, expectations, and goals (Yarbag, 2015). Each member of a team is an individual with many different kinds of perspectives, ideas, attitudes, and

backgrounds. Employees frequently argue with one another over their beliefs and/or actions. Therefore, the study of conflict in organizations is not new and has been researched in detail from different perspectives over many decades (Robbin, 1978; Kulbaciaukaite, 2021).

Conflicts of all kinds are becoming an increasingly prominent feature of the modern, swiftly changing world. Conflicts in organizations have both beneficial and negative effects on individual employees and the company as a whole.

Conflicts may prevent the goals achieving of business organizations if they are not adequately managed. According to Hart (2000), future effective organizations should develop the capacity to absorb conflict throughout the organization's life cycle.

The capability in consideration here refers to a system for handling conflict that will reduce its intensity and enhance organizational effectiveness.

Conflict at work may be exceedingly detrimental for a person's health while also risky for organizations, departments, and teams. The "Dual Concern Theory" is often used in workplace conflict settlement. The main argument of the article is that "conflict management is a function of high or low concern for self combined with high or low concern for others." The "Dual Concern theory" by Pruitt and Rubin (1986) is based on Blake and Mouton's (1964) "Theory of Cooperation and Competition".

Finding efficient strategies to manage and resolve organizational conflicts can significantly improve productivity, which may enhance performance, according to Rivers (2005). Unresolved conflict in organizations has large hidden costs. Although it is important for individuals to have healthy disagreements in order to accommodate their differences, when people are incapable of settling their conflicts peacefully and agreeing on a course of action, the conflict becomes destructive and harmful to individuals, teams, and ultimately the organization (Rivers, 2005). (Zelege, Effect of Work Place Conflict Management on Organizational Performance: The Case of Ethiopian Customs Commission, Bahirdar Branch, 2020).

Unresolved disagreement within a company has numerous negative effects that are costly both financially and psychologically. Conflict can result in low morale, frustration, missed deadlines, loss of confidence, low levels of trust, communication issues, absenteeism, and legal action. (Buss, 2009) Productivity is negatively affected

by poorly handled conflict (Cram and MacWilliams, 2009). Employee health and wellness are influenced by poorly managed conflict, which has an adverse effect on attendance. It is a regular practice to neglect responsibilities. (Jung, 2003). Unmanaged and unresolved disagreements make workers stressed, less confident, worried, and frustrated. Unmanaged and unresolved disagreements make workers stressed, less confident, worried, and frustrated. All of them contribute to lower job satisfaction, shame, stress, and disappointment, which in turn cause psychological and physical illnesses. Conflict that has escalated prompts parties to avoid one another, cut off communication, withhold information, or give inaccurate information. (Cram and McWilliams, 2009). (Nneka, Conflict Management and Organizational Performance, 2019)

### **What gaps does this research intends to fill or bridges out?**

As any research is expected to add value to existing knowledge or come up with new findings (solutions), similarly, in conducting this research, I pointed out the particular causes of workplace conflicts in the industries where the research has been conducted. Workplace conflicts exhibits lots of similar features from one business organization to the other, accordingly as this research has been conducted the particular causes of workplace conflicts in those seven companies where the research was conducted have been critically identified, analyzed, interpreted and from which conclusions and recommendations have been derived.

The researcher has forwarded recommendations which will be forwarded to the respective business organizations to help them use it as an input and react accordingly in order to minimize or solve workplace conflicts.

### **1.3. Research Questions**

The research questions of this study were:

- What is the current practice of Workplace Conflict in the Case Study of Bole Sub City Business Organizations?
- What is the extent of the Performance of Business Organizations in the Case Study of Bole Sub City Business Organizations?
- What is the relationship between Workplace Conflict and the Performance of Business Organizations in the Case Study of Bole Sub City Business Organizations?

- What is the Effect of Workplace Conflict on the Performance of Business Organizations?

## **1.4. Research Objectives**

### **1.4.1. General Objective**

The main objective of this study is to assess the current practice of work place conflict with in the randomly selected business organizations of Bole sub City and also to explore actual the relationship between work place conflict and the performance of randomly selected business organizations in Bole sub city.

### **1.4.2 Specific Objectives**

The Specific objectives of the study were:-

- To assess the current practice of Workplace Conflict in the Case Study of Bole Sub City Business Organizations.
- To examine the extent of the Organizational Performance of Business Organizations in the Case Study of Bole Sub City Business Organizations.
- To know the relationship between Workplace Conflict and the Organizational Performance of Business Organizations in the Case Study of Bole Sub City Business Organizations.
- To examine the Effect of Workplace Conflict on the Organizational Performance of Business Organizations in theCase Study of Bole Sub City Business Organizations.

## **1.5 Significance of the Study**

This study has the purpose of diagnosing the major factors which are causing for workplace conflicts to happen and the impacts which impose on the performance of business organizations. . It is to assess the positive and/or negative impacts of conflict on organizational performance and provide recommendations as to how industrial relations might be improved so as to enhance performance and productivity within organizations. Consequently, the result of this study might be very helpful in serving as an input and source of knowledge for the organizations included in this study to alleviate the actual challenges they encountered and provide respective solutions accordingly.

The research might also provide adequate experience to the researcher with regard to the nature and type of workplace conflicts, the initial causes of conflicts, the level of conflicts, the consequences they bring about, and how they would be handled and resolved in different business organizations.

Furthermore, the findings of the research would serve the organizations to revise their strategies and formulate policies that would serve the organizations to improve the relationships between individual employees and between employees and the management bodies at different hierarchies. Apart from this, the research might serve as secondary data for interested researchers in the area to explore more about workplace conflicts in business organizations and the ways in which the conflicts are resolved with the ultimate purpose of enhancing organizational performance.

### **1.6. Scope of the Study**

The scope of the study should clearly describe the boundaries of the research to be conducted; accordingly [this](#) research has been conducted here in Addis Ababa, Bole Sub City in seven randomly selected business organizations or industry zones

With the aim of gathering data from different working environments, I have chosen four manufacturing industries and three service giving business organizations found in Bole Sub city, as mentioned below:-

1. Jalannera Coffee Export and coffee Farm PLC
2. Sun Sisters Trading PLC
3. Lexin Stainless still
4. Get Hab Wood Furniture
5. Hohite Tibeb Share Company
6. Glory Academy
7. Vision Academy

All the business organizations are situated in Bole Sub City .The time frame for conducting the research took a one month period from half of April to half of May/2023

Questionnaires and interview sessions were chosen as data collecting instruments and the sample size expected being collected is a total of one hundred fifty sample of respondents.

The research is expected to come up with its own outcomes and hence the negative and positive outcomes of the research would be described in the final terms of the research.

### **1.7. Limitations of the Study**

Conducting research is not by itself a simple task; it requires adequate time and budget. Hence, the researcher may be challenged by it to some extent. Some employees may be reluctant to share information because of pressure from management.

In some organizations, the management may not be comfortable sharing their experiences about the case at hand.

### **1.8. Definition of Terms**

#### **Business Organization**

- The structural frame work of duties and responsibilities required of personnel in performing various functions with a view to achieve business goals through organization (Sheldon, Sep. 2019).

#### **Employer**

- A person or a business that gives a paying job to one or more people (Duminy, July13,2020).
- An employer is an individual or organization that has employees. It can direct the work of its employees, including dictating where, when, and how work is completed. In exchange for the employee's services, an employer pays compensation that may be a salary or an hourly wage (Heathfield, July 5,2020).

#### **Employee**

- An employee is a worker hired for a specific job or to provide labor in the service of someone else (the employer) (Murray, July6,2020).
- Any person, excluding an independent contractor, who works for another person or for the state and who receives, or is entitled to receive, any remuneration (Duminy, Definition of " Employee" and " Employer", July 13 2020).

## **Workplace Conflict**

It is a conflict that occurs when there is a disagreement amongst employees due to opposing interests, personalities, beliefs or ideas. Conflict in the work place is natural and bound to occur when you have people of different backgrounds and perspectives working side-by-side (Boogard, July30,2021).

## **Functional and Dysfunctional Conflict**

- **Functional conflict** is a type of conflict that is characterized by the parties 'efforts to achieve mutually beneficial outcomes .It is typically characterized by parties working together to resolve the conflict in a constructive way.
- **Dysfunctional Conflict** is a type of conflict that occurs when two or more parties come to an agreement that is not beneficial to all involved. This type of conflict cause emotional harm, distress, damage to relationships and create a power struggle (Team, March 2 2022).

## **Industrial (Employee) relations**

Employee relations refer to the relationship between or among an employer and its employees. Employee relations concerns the building of positive relationships and interactions among employers and employees, and at a broader level, it helps foster a sense of community within an organization. (Crail, Sep 19,2022).

## **Performance**

- Performance is a particular result obtained in management, economics, marketing etc. that print features of competitiveness, efficiency and effectiveness of the organization and its procedural and structural components (Verboncu, 2019).

## **Employee Performance**

- Employee performance refers to how your workers behave in the work place and how well they perform the job duties you have obligated to them (Donohoe, June 2019).

## **Productivity**

- At the corporate level productivity is a measure of efficiency of a company's production process ,it is calculated by measuring the number of units produced relative to employee labor hours or by measuring a company's net sales relative to employee labor hours (KENTON, August 29,2022),

### **Employee Productivity**

- The level of employees performance in relation to attendance ,work quality ,the capacity of performance and personal factors (Ozeum, 2021).
- The ability to influence both employees and organizational performance ,as well as an organization's ability to maintain a competitive advantage over other business (Shivangi Singh, 2022).

### **1.9. Organization of the Study**

This research is organized into five chapters as:-

Chapter one is the introductory part,

Chapter two deals with a literature review that gives a brief explanation of the theoretical, conceptual, and empirical aspects of the research.

Chapter three discusses the methodology of the research.

Chapter four deals with the data analysis and interpretation, which give rise to the findings of the study;

Chapter five is the last chapter, whereby conclusions and recommendations are given about the overall research on the basis of the research findings.

## CHAPTER TWO

### LITREATURE REVIEW

This chapter deals with related literatures of the research here underway and it encompasses the theoretical frame work to be which helps to have theoretical knowledge. The second one is empirical review which surves as input to see related researches conducted by other researchers The last and most important part of literature review is the conceptual frame work which serves as the core of the research where by the independent and dependent variables are demonstrated as conceptual model

#### **2.1 Theoretical Frame Work**

In the course of exchanges between people, conflict is an unavoidable natural event. Conflicts frequently arise whether they are at home, in a religious institution, or in any organization (commercial or nonbusiness organizations), particularly when there is in teraction between two or more people, groups, or organizations. Conflicts arise, among other reasons, from individual variations in perceptions, objectives, interests, ideas, fe elings, and values that are at odds with each other. Conflict is part of social and busine life, and it is found everywhere.

Conflict is an aspect of social existence that appears at all levels of society and is argu ably as old as man himself. Conflict cannot be avoided because of the extensive social contact that occurs within an organization. Depending on how it is handled, a conflict can have either an useful or negative effect. 2012 (Afful-Broni).

Conflict is usually viewed negatively and infrequently from a positive perspective w en it is communicated. There are two distinct kinds of disputes: functional conflicts an d dysfunctional conflicts. Functional conflicts are those which encourage us to think cr eatively and solve problems in order to maintain a positive work environment and dev elop a structure that will allow the organization to gain from a diverse workforce whil e providing chances for personal growth and the acquisition of new skills. It is importa nt to remember that how disagreements are handled will influence whether they turn o ut functionally or dysfunctionally. Dysfunctional conflicts are those that have a negati ve psychological and emotional impact on employees and also result in low productivity conflict can be functional, notwithstanding the common perception that it is dysfuncti onal conflict may result in both good and bad effects. When it fosters innovation, imp

rove dialogue between or among opposing parties, and builds interpersonal conflict management skills in people, it can be beneficial. When an organizational dispute results in or presents a chance for change and resolution between the parties who are offended for the benefit of both the employees and the organization, it is considered to have a positive effect (Osad & Osas, 2013).

If conflict leads to resistance to change, poor communication, mistrust amongst individuals, low productivity, and organizational inefficiency, it may be damaging.

According to Tabitha and Florence (2019), individual conflict was described by Lamb as "man against self" conflict, in which the individual's state of mind is primarily influenced by situations inside or outside of him/her. Violence, drug addiction, desperation, frustration, and disorientation are just a few examples of the feelings that can lead to aggression. Man may struggle to choose a goal because of an incompatibility between his values or ideals and his thoughts and behaviors.

Interpersonal conflict is a conflict that takes place between two or more persons working together in groups or crews, according to Wood et al., as stated in Tabitha and Florence (2019). From an organizational perspective, this is also known as worker-to-worker conflict or lateral conflict because it often impacts personnel who are in the same hierarchy... Every business has this conflict, which is a normal aspect of life (Clove & Goldsmith, 2011). According to Nistorescu, cited in Tabitha and Florence (2019), if this type of conflict is not quickly resolved, it may eventually result in dangerous situations that will lower organizational effectiveness. Nistorescu views this kind of conflict as a way for one person or group to prevent another from achieving the desired goal. Not all conflicts result in a physical fight or the use of weapons; some conflicts may be hidden. (Jhon-Eke, 14 May 2020).

Disagreements regarding techniques or objectives and attempts by people or organizations to advance their own points of view at the expense of others are characteristics of conflict (Ayalew, 2000). Contrarily, conflict is described as "perceived or experienced incompatible differences within the individual or between two or more individuals that may lead to some or other form of opposition," according to Kroon (1991). A conflict can also be defined as two parties pursuing conflicting objectives, which inevitably favors one party at the expense of the other (Rashid, 1983).

Similar to this, Stoner (1998) characterizes conflict as disagreements about how to all

ocate scarce resources as well as conflicts over objectives, ideologies, and other matters that might arise between individuals or inside an organization. Hellriegel and Slocum (1996) defined conflict as hostility caused by differences in goals, opinions, or feelings inside or between people, groups, departments, or organizations.

Conflict, according to Ayalew (2000), is a dynamic process of interaction between two or more parties that are competing for a limited resource and whose goals or expectations are in conflict with one another.

Conflict is both a universal and natural occurrence in human affairs.

Everyone's life gets affected by conflict on a daily basis in varied degrees. Conflict can arise within organizations for good or bad causes, just as it can arise among individuals for good or bad reasons. Its management influences whether a favorable or unfavorable outcome occurs. This suggests that it offers a possibility to encourage learning if it is interpreted positively. If conflict is not handled properly and successfully, it may lead to physical and psychological violence (Ayalew, 2000; Jones, 1994 (Yohannes, 2021)

### **2.1.1 Types of Conflicts**

Conflicts may arise both within an individual (such as when a person's personal views conflict with his or her own, creating a choice dilemma), as well as between two individuals (such as when superiors and subordinates are at odds). For instance, they might happen between department heads.

Performance, importance to particular groups, and, broadly speaking, union management rivalries can all lead to conflicts within groups (Amason & Schweiger, 1994).

Most writers would agree that conflicts can have outcomes that are beneficial as well as adverse.

Therefore, in order for them to benefit the organization, they must be managed appropriately.

Management must be aware of the circumstances in order to decide whether to systematically prevent or resolve conflicts for this aim.

A study conducted by Thomas and Schmidt discovered that managing disagreements takes up 20% of managers' time. Therefore, identifying the type of conflict and figuring

out how to handle it is essential for organizational management. Standardized procedures can be proposed and created in order to handle the features of common disputes across all categories (Chand, 2010).

Conflict can be classified into several types based on its degrees, directions, structure, and mindful conflict (Kinicki & Kreitner, 2008; Green, 2012).

Simple sorts of conflict include:

### **1. Intrapersonal Conflict**

It is a sort of psychological conflict that develops when a person's motives or aspirations are obstructed, or when a person must choose between two options but is unable to do so because of conflicting goals and responsibilities (Chand, 2010). When a person's role and his values and beliefs do not align, there is often internal conflict relating to values. Incompatibility, unacceptability, confusion, disappointment, motive conflict, and role conflict are some essential variables that lead to conflicts within people (Evans, 2013).

### **2. Interpersonal Conflict**

It is perhaps the most popular and common argument between two or more people.

Often referred to as this, conflict in an organization can result from differences between two people. Green & Charles (2012).

This conflict could occur between two managers who are competing for the same promotion or over a limited supply of capital resources and workers. They can disagree on the ideal marketing plan for their most important customer. Similar disputes could also occur between managers and their superiors, a supervisor and a worker, a worker and another worker, etc. Conflicts between organizational aims and goals could also result in it (Kinicki & Kreitner 2008). Whitten and Cameron (2012) claim that personality conflicts, perceptions based on experiences, education, backgrounds, and education, conflicts over values and interests, power and status imbalances, a lack of knowledge, roles in compatibility, stress, and a lack of resources are some of the causes of this conflict.

### **3. Intragroup Conflict**

It is a specific sort of conflict that emerges amongst members of the same working group.

Employees in the same group can disagree on ideas or react emotionally to a situation, which can lead to substantive or affective conflict.

It happens when someone works to achieve a different goal for their group within the

organization than the other groups.

According to Barki and Hartwick (2004), the organizational level is C.

All groups, formal and informal, often establish clear operational guidelines and codes of behavior that are adhered to by all group members.

Even if he isn't in agreement with the group's goals and techniques for accomplishing them, a group member may feel compelled to stay because of social pressures. Intragroup conflict may occur if there are problems between group members (Chand, 201). The three different types of intragroup conflict that the majority of researchers have recognized are relationship, task, and process conflict (Amason, 1994; Jehn, 1995; Pinkley, 1990). However, there is considerable conceptual and practical overlap between the three categories of intra-group conflict (Dirks & Parks, 2003).

A relationship conflict may develop if there are interpersonal incompatibilities among group members, such as tensions, animosities, irritations, and personality conflicts (Jehn, 1995).

In addition, this disagreement causes negative internal emotions. These emotions can include resentments, worries, or mistrust, among others. Frustrations, tensions, and concerns about being caught off guard by members of other groups are a few more (Murnighan & Conlon, 1991).

Task conflicts occur when there are disagreements on the goals and details of a task, including how to interpret the evidence, allocate resources, and adhere to rules (Jehn, 1995).

Differences in opinion, attitude, and idea that may coexist with interactions between individuals and ongoing discussions are the features of a task conflict. Process disputes are arguments about the proper way to carry out a task.

#### **4. Intergroup Conflict**

When various groups within an organization compete with one another in order to achieve their objectives, intergroup conflicts emerge.

Networks of connected teams, departments, individuals, and groups make up organizations.

People often establish various groups when there is a demand for them (Green, 2012). Since internal organizational structural factors influence conflicts, there could not be a lot of naturally occurring interpersonal hostility between groups. For instance, there are continuing and significant disputes between management and unions. The conflict between line and staff organizations is one of the most frequent (Kinicki & Kreitner, 200

8). Conflicts may arise from a lack of agreement on decisions, competition for resources, conflicting goals or viewpoints, poor communication, rivalry, and the setting of team boundaries, among other factors.

As each unit attempts to build its own organizational substructure, organizations differ in terms of goal and temporal orientation, formality of structure, and supervisory style (Jones, Gareth, George, and Jennifer, 2008). Intergroup conflicts between daytime and nighttime shift workers can happen in a similar way as intragroup conflicts when one of them assigns blame to the other for missing equipment, a maintenance issue, etc. (Evans, 2005). The organization's overall effectiveness is thought to depend on harmony among all linked groups. When management examines intergroup activities within a company, any dispute can be located and handled (Kinicki & Kreitner, 2008).

### **5. Intra-Organizational Conflict**

Role conflict, linestaff conflict, vertical conflict, and horizontal conflict are four distinct kinds of intraorganizational conflict. Even though they have certain characteristics in common, they can also overlap (Luthans, 1998). Vertical conflicts (such as disagreements between supervisors and subordinates) can occur between organizational levels. While horizontal conflicts can arise within divisions or employees who are on the same organizational hierarchy levels, they typically come about as a result of superiors trying to assert their authority (Jones & George, 2008).

Since staff departments typically support line departments, there is also conflict between line and staff departments. Conflicts can result from interactions between line departments and staff departments. Line managers and staff managers often have various personality traits. Staff employees are younger, from a variety of backgrounds, and are more likely to possess greater skills.

### **6. Inter-organizational conflicts**

Conflicts arise between groups that rely on one another in some way. All disagreements that take place within an organization, whether at the individual or group level, are disputes. Conflicts may arise, for instance, over delivery dates, quality, quantity, and other issues between a buyer organization and a supplier organization; between a government agency that regulates one organization and organizations that are subject to its influence; or between labor unions and the organizations they represent (Jones & George, 2008). (Abdul Fattah Farea Hussien Y. H.-M., August 2019)

### **Negative Effect of Conflict**

Numerous experts on the subject argue that disagreements might result in beneficial conclusions as well as negative ones. Conflict has negative consequences on communication between people, groups, or between employees and an organization. People may advance their own self-interests or personal advantages at the expense of others or the business, resulting in a decline in productivity, a drop in employee performance, and a high turnover rate.

### **Positive effects /Benefits of Conflict**

- Encourages others to strive more and perform better;
- Offers original and inventive solutions
- Provides variation to one's organizational life, without which professional life would be monotonous and uninteresting
- Aids in comprehending interpersonal conflicts and improves departmental and individual coordination while fostering intra-group relationships
- Encourage creativity: Fortunately, some organizations see dispute as a chance to come up with new ways to solve issues. Members who are in conflict may be more creative while looking at issues from different angles.
- Share and respect opinions: As group members cooperate to resolve disagreement, they become more open to discussing their ideas with one another. Members who are in conflict may also actively listen to one another as they seek to achieve the corporate goals. (OMENE, DEc.2021).

One of the most probable outcomes when people are cooperating is conflict. The majority of managers devote a significant percentage of their working hours to settling conflicts and difficulties involving individuals. According to Utaka and Silas-Dikibio (2020), ineffective conflict management wastes time and resources that could have been used for productive projects.

When different people or organizations' interests, goals, or ideals are at odds with one another, conflict can be seen as a dispute that results. As a result, while attempting to achieve their objectives, people start to feel unsatisfied with one another.

Power-

hungry employees compete with one another for position or prestige inside the group. Conflicts are commonplace in society as a whole.

They are directly related to aspects like limited resources, duties and responsibilities being divided, interpersonal influence, social differentiation, and organizational roles in a society... (Fadilat, October 2021)

Conflict, according to Hellriegel and Slocum (1996), is opposition that results from disagreements over objectives, thoughts, or feelings within or among people, groups, departments, or organizations.

Conflict is defined by Ayalew (2000) as a breakdown in the usual processes of decision making that makes it difficult for an individual or a group to choose an alternative as well as a dynamic process of interaction between two or more individuals or groups who compete for a scarce resource.

Conflict is a universal and inevitable part of human existence.

Everyday conflict, to varying degrees, happens in everyone's life. Conflict is not necessarily detrimental to a group or a person. The handling of it determines whether a positive or bad outcome occurs.

It can result in a positive learning experience if managed well.). (Hussien, Causes of work place conflict and its management in government secondary schools of Arada sub city, 2020)

## **2.2 Empirical Review**

The empirical review takes into consideration a variety of literatures addressing the impact of workplace conflict on worker performance. These empirical studies reveal the close relationship that exists between conflict and effectiveness. Effective human resource management is an essential aspect of an organization's ability to operate efficiently.

To be effective and efficient in accomplishing management's defined objectives for each team, department, and individual member, any organizational foundation should have a common understanding of what it is aiming to accomplish. To avoid a decline in collaboration with the organization, one must also be knowledgeable about how to recognize and resolve interpersonal problems.

All members of any organization must be able to keep conflict to a minimal before it significantly hinders productivity.

Come into collision is an unavoidable aspect of organizational life since the goals of different stakeholders, including managers and employees, might occasionally collide (Jones, 2000).

Conflict will persist in any organization as long as people want to achieve positions of authority, wealth, status, and security. Conflict can arise inside an organization when the goals, objectives, or values of several individuals or groups clash (Henry, 2009).

According to Robert and Angels (2005), conflict can be viewed figuratively as an opportunity, a journey, or a manifestation of war. However, someone who approaches conflict from the perspective of war will often seek to win the situation at all costs, but someone who approaches conflict from an opportunistic perspective and sees it as a voyage is typically more interested in the route than the destination.

If conflict is to be managed in organizations to increase performance, it should be perceived as an opportunity and a journey rather than as a requirement. As a result, it is less typical to rely on the metaphor and vocabulary of battle when handling conflict within an organization and more typical to use the metaphor and language of opportunity and adventure. Given the aforementioned, it is imperative to take into account the terminology used when there is a dispute.

Conflict can be defined as a dispute or competition between people who have different desires, views, values, or hopes by Algert and Watson (2006). Group conflict is unavoidable, although it does not always have a fixed ending. They continued to show how conflict could worsen and lead to undesirable outcomes. As a result, a highperforming team or group needs to be skilled at managing conflict. There aren't many different sorts of collective conflict in societies that are mostly made up of organizations (Urry, 2003).

This however does not mean that organizations or the social structures that are primarily composed of organizations have solved the conflict. The contrary, nevertheless, is true, as organizations are among the most significant environments for conflict expression because they serve as a vehicle for it. It is less reasonable, however, that organizations that deal with conflict have somehow prevented individuals and society from going through conflict. Conflict is an essential component of organized society and organiz

ations themselves, as may be observed. In the late modern era, conflict may have been too quietly generated and successfully eliminated by intense monitoring (Lyon, 2001).

Conflict emerges when one party feels that their actions are in opposition to or negatively affecting the interests of the other party (Robbins and George, 2009). It could also be seen as actions aimed to stop the other person from achieving the goals they have set. Goals that are inconsistent with one another and conflicting behaviors lead to conflict. Numerous viewpoints, such as those of the individual, the group, and the organization, can be used to analyze it. Depending on the circumstances at hand, confrontations that arise from disagreement may be destructive to at least one side or to both. Conflict is not always good or bad; rather, it is a necessary component of an organization's life, and how it is handled impacts how well it functions (Kreitner and Kinicky, 2003).

### **2.2.1 Causes of Conflict**

Due to the impact and results of unattended conflict on employees and the business as a whole, an immediate emphasis on conflict resolution is suggested over a careful and systematic (and invariably more time-intensive) approach to investigating the underlying causes of conflict (Dijkstra, 2006). There is not much evidence that supports the argument that organizations genuinely make an effort to figure out the root causes of intra-organizational conflict.

People or organizations instead utilize conflict management methods for resolving conflicts rather than addressing the sources (causes) of conflict, which is an essential component in developing effective conflict resolution techniques (Havenga, 2004).

In accordance with Mayer (2000), who makes this assertion in favor of it, if the causes of conflict are recognized and discovered, a conflict map may be made that could guide dispute settlement processes. A more specialized, comprehensive approach to resolving the specific dispute can be developed by the facilitator or management by having an understanding of the numerous aspects that affect conflict behavior.

Numerous situations can lead to conflict.

According to Deutch and Coleman (2006), some of the factors that lead to conflict include imbalances in knowledge, beliefs, and essential values; competition for authority, prestige, and recognition; a desire for autonomy; a need to decompress; and different

perceptions or characteristics brought on by organizational structure, role heterogeneity, workforce heterogeneity, environmental changes, differences in goals, and diverse economic interests

According to Havenga (2004), there are a number of components that might lead to conflict inside an organization, including the availability of resources, affirmative action initiatives, the volume and nature of the work, the adoption of new management techniques, and discrepancies in culture and ethnicity. Among the sources and causes of conflict in organizations that Robbins and Judge (2009) emphasized are: Limited resources: People and organizations compete for the organization's limited supplies of equipment, supplies, cash, and other welfare services, such as welfare services, welfare benefits, and other welfare services. This results in all groups within the system being denied their needs, whether they are absolute or relative. When the organizational system receives insufficient financial support, structures deteriorate and services and functions are reduced. Some associations have admitted conflicts' . . (Usendok M. I., 2022)

Workplace conflict is a common event that can have a variety of potential causes.

Johnson (2003:24) lists the typical reasons why conflicts arise in the workplace. These include:

#### **.1. Poor Communication**

One of the main reasons of conflict is insufficient interaction, which can occasionally result in conflict amongst employees. Ineffective communication or a difference in communication styles may result from this. Employees who aren't given the chance for conversation may make incorrect assumptions and take office gossip seriously. Poor communication not only increases conflict at work but also affects productivity and morale.

#### **2. Difference in Personalities**

Personality conflicts among coworkers are another cause of conflict in the workplace. Employees have a diverse range of experiences and backgrounds, which has an effect on how they are moulded as individuals. Another reason for conflict at work is personality traits amongst coworkers. Employees come from a variety of backgrounds and experiences, which affects how they develop as people.

### **3. Difference in Value System**

In the workplace, employee personalities and values vary, just like both. The values that differ across generations are clear when there is a generational divide. Employees that are younger may have different work ethics than those who are more seasoned. Conflict between coworkers does not always originate from differences in values; rather, frequently happens as a result of the unwillingness of the coworkers to tolerate those differences.

Coworkers can then disparage one another's backgrounds and personalities. As insults are traded, the argument gets worse until a workable solution is offered and agreed upon.

### **4. Competition**

Employee conflict is a sign of unhealthy workplace competition, and some businesses foster these conditions more than others. When pay is determined by performance, there may be fierce competition among the workforce. Employees may undermine or criticize one another as a result of unregulated competitiveness, which promotes a toxic work environment. In a toxic work environment, individualism is rewarded and long-term work is discouraged.

### **5. Common Resources**

If multiple parties are compelled to share resources, conflict may result. This possibility arose as the combined resources became more limited. Managers frequently share resources, such as secretarial support. The support of ten or more managers, each of whom assigns priority to their own tasks, is typically provided by an assistant. This puts the secretaries under stress and increases the likelihood of scheduling and prioritization issues.

### **6. Goal Differences**

It is possible for different work groups to have goals that are incompatible with one another.

One cable television company, for instance, wants to sell as many new installations as possible.

This presented difficulties because the service department's goal was timely installs.

Orders were delayed as a result of the service department's workload becoming backe

d up due to rising sales. These disputes frequently arise when people fail to recognize the goals of another department.

## **7. Authority Relationships.**

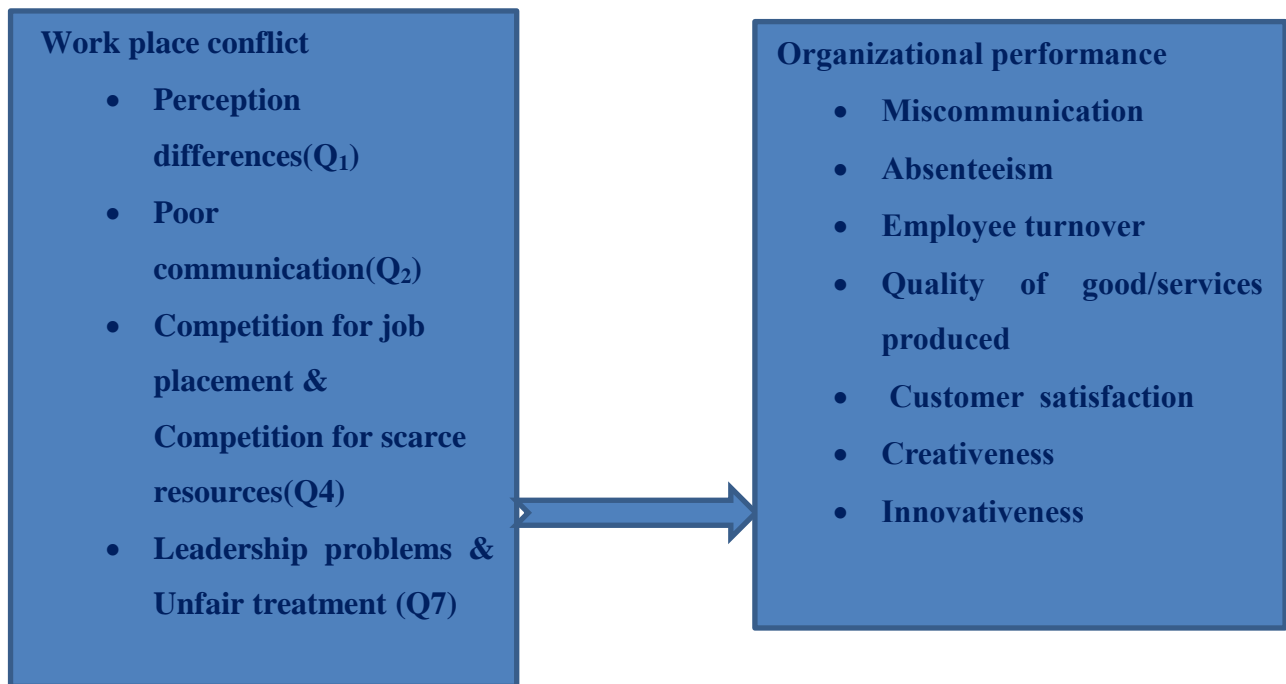
Traditional boss-employee relationships are structured in a way that brings up ideas of a hierarchy or a boss who is above the employees. Since they are subject to instructions from another individual, many employees find this connection uncomfortable. Different people have varying degrees of antagonism toward authority, which leads to conflicts.. (Hussien, Causes of Work Place Conflict and its Management in Government Secondary Schools of Arada Sub City , December 2020)

### **2.3 Conceptual Frame Work**

Coworkers have a wide range of personalities and perspectives; therefore working in an organization inevitably leads to conflict. As a result, they are unable to resolve conflicts at work. The simplest method of reducing conflict, according to Thomas (1999), is to discontinue the relationship by moving away or ceasing communication with the opposing side. But in most cases, this is not just impractical but also perhaps impossible. As a result, managers should improve their conflict resolution abilities both within their organizations and at their places of employment (Saidu, September 2021).

This study is about the effect of workplace conflict on organizational performance in randomly selected industrial areas of Bole sub-city. The conceptual framework of this study consists of the following variables:

Diagrammatic Representation of the conceptual frame work of the effect of work place conflict on organizational performance



Ground Independent Variables

Dependent Variables

**Fig.2.1 Conceptual Framework**

Source-self extracted from the review literature

The above diagrammatic representation is demonstrating the conceptual framework of the effect of workplace conflict on organizational performance. The conceptual framework signifies that work place conflicts have plenty of causes, like differences in employees backgrounds in terms of values and self-interest, competition for position, competition for scarce resources, unfair treatment by heads, lack of clear job descriptions, absence of ground rules and the like, which are potential causes of work place conflict and seriously affecting individual and group relationships. Secondly, the causes of workplace conflict disrupt the working environment. This will have an impact on the performance and productivity of business organizations. Therefore, we can deduce from this that workplace conflict has a direct and strong link with organizational performance and may lead to a decrease or an increase in the performance of business organizations. The technique of managing workplace

conflicts determines the effect of workplace conflicts. When conflicts are not managed timely and properly they will have negative outcome, whereas if conflicts are well managed they will rather have positive outcome creating peace and harmony with in the work force and this ultimately contributes for an increase on organizational performance. Furthermore, organizational performance may influence the quality of products or services that it delivers.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1. INTRODUCTION**

In this chapter, the research methodology is briefly discussed by describing the different aspects to be mentioned that may give a clue about the research to be employed. The research methodology will give guidelines about the ways in which information will be gathered and processed.

This study has the purpose of identifying the major influences of conflict on the performance of organizations included in this research. For the successful accomplishment of the research objectives, research methodology plays a significant role. The research methodology encompasses various essential steps such as: giving a brief description of the area of the study, the research approach, the research design, population sampling, sample size, determining the sources and types of data, data collection procedures, and ethical considerations that the researcher should follow in seeking information from the respondents.

#### **3.2. Description of the Study Area**

This research was conducted in randomly selected industrial areas of Addis Ababa, Bole Sub-City. It tries to explain the effect of conflict on organizational performance and the positive and negative impacts of conflict in the course of industrial relations.

#### **3.3 Research Approach**

In this research both quantitative and qualitative research approaches (Mixed approaches) are employed. It is a research approach for exploring and understanding the meaning individuals or groups propose for the social problem or issue supposed to be studied. The researcher would apply different approaches to different respondents, taking various scenarios into consideration that distinguish one respondent from the other. Respondents vary in age, sex, level of education, work experience, status of engagement, and the like, and hence, for the successful accomplishment of the research, different approaches such as semi-structured interviews and structured questionnaires will be employed in order to gather adequate information from the respondents.

### **3.4 Research Design**

Since the research approach followed mixed approach of employing quantitative and qualitative data, for this -Descriptive and Explanatory research approaches are employed .Descriptive research approach is utilized for analyzing and interpreting the quantitative data similarly explanatory research approach is used to give a brief explanation about the research findings.

A well-planned research design helps ensure that our methods match our research objectives and that we use the right kind of analysis for our data (McCombes, June 7, 2021).

In this study, both quantitative and qualitative research approaches (mixed approaches) will be used, and primary data were collected through questionnaires and semi-structured interviews. This descriptive research focus on people's personal experiences with workplace conflicts, and managers share their opinions, views, and thoughts. They recalled feelings about workplace conflicts and the effects that they presuppose. Data was collected randomly from 70 employees and 72 management bodies in a qualitative and quantitative research design. Data collection tools include semi-structured questionnaires and interview guides.

In this research, interviewing of respondents was employed on one by one basis for ensuring freedom and confidentiality of the information that they provide

### **3.5 Data Analysis:**

The collected data was analyzed using SPSS and Excel sheets and presented in tables and graphs with narratives and direct quotations for emphasis

### **3.6. Population and Sample**

In conducting this research, a sample population of employees and managers at different levels who represent the organization was taken from those randomly selected industries. In this research, seven business organizations have been randomly selected. Since the research follows a mixed approach (using a questionnaire for quantitative data analysis and an interview for qualitative data analysis), the sampling technique varies accordingly.

About eighty (80) questionnaires were disseminated to employees or the management bodies with in the seven business organizations, however about 72 have been

successfully collected and used as primary data sources for this study. With respect to the interview session about ten samples of respondents were nominated in each business organization and a total of seventy respondents have been participated. In this research a total of one hundred forty two sample population have been collected and utilized in this research.

### **3.7 Data Sources and Types**

In this research primary data has been collected and used as the only data source, except for reviewing related literatures for the sake of having background information. As mentioned above the data sources are responses obtained from the responses obtained from the respondents collected by questionnaires and interviews from sample respondents.

### **3.8 Data Collecting Procedures**

The researcher needs a supporting letter from the university in which he is supposed to do this master's thesis in those industrial areas that are randomly selected for the research and is required to secure permission from the heads of the respective companies to proceed with the research.

Questionnaires and semi-structured interviews are prepared and framed as data collection tools. The questionnaires and interviews are normally prepared with consideration of the work position, educational level, experience, and other standards of the respondents. Since most employees do have a lower education level, interview sessions are designed as data collection tools. On the other hand, since most members of the management body are thought to be educated, questionnaires are administered to collect data from the management (employer) side.

### **3.9 Data Processing and Analysis**

In the task of data processing, there are different activities to be carried out, like editing, coding, classification, and tabulation of the collected data. There are two sequential parts to this data processing process: First data cleansing, which involved editing the obtained raw data to find errors and omissions in responses and to ensure that the questions are answered correctly and consistently. Editing is a comprehensive and critical assessment of the completed questionnaire to determine whether it

complies with the standards for gathering relevant data and to address incomplete surveys.

The process of assigning numerical or other symbols was carried out in the next phase. In order to classify responses into a finite number of classes and categories, answers are coded by being given numbers or other symbols. This aids in condensing the response into a small number of categories or classes, which can then be further, classified or organized into huge groupings of raw data that have similar traits. Data that shared similar features was collected together, tabulated, and displayed for additional study.

The following statistical tools were employed, depending on the nature of the fundamental questions to be answered and the variables to be handled: To ascertain the respondent's personal attributes and analyze their responses, frequency distributions and percentages were used. To determine where the response average lies, the mean value was employed. In most cases, the Statistical Package for Social Science Studies (SPSS) was used to analyze the data. To describe the mean value difference of a variable, use frequencies, significance, percentage, mean, and standard deviation. Each fundamental question was applied to the aggregate data, and conclusions were reached.

### **Reliability Statistics**

**Table 31 Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.721	.715	10

The overall data is tested for reliability accordingly the Cronbach's Alpha is **.721** and the **standard is .715** and this is entailing that if any other research is conducted on related area by using the data collecting tools of this research similar reliability statistical value is expected to occur and this would make this research reliable.

### **3.10 Ethical Considerations**

While any research is being conducted, one of the most important considerations that we need to observe is ethical consideration. As a researcher, before I proceeded to collect data in the form of questionnaires and interview sessions, its purpose was clearly explained to all participants in this particular study. Before administering the questionnaire and conducting interviews, participants were briefed on the purpose of the study, the process of data collection, and the confidentiality of the information they provided. To ensure confidentiality, the data collected will be kept in the hands of the researcher and will never be touched by anybody else.

Some of the ethical considerations are allowing the voluntary participation of the respondents and informed consent, in which respondents should know the reason why they give the interview or fill out the questionnaires and give their consent. For the sake of the job security of employees or for good communication between managers and employers, the opinions forwarded should remain confidential between the researcher and the respondents. Authors mentioned in this research should be acknowledged, and the findings of the research will be presented in a generalized manner.

## CHAPTER FOUR

### ANALYSIS, DISCUSSION AND INTERPRETATION

#### 4.1. Presentation Analysis and Interpretation of Quantitative Data

Data collected from research participants or respondents is presented in this chapter. It includes information about the respondents' sex, age, level of education, and job experience. Additionally, it includes information gathered from questionnaires, interviews, and analysis of the documents, along with a thorough interpretation of all the data collected.

##### 4.1.1 Background Information and Respondents Characteristics

In this descriptive research approach, questionnaires were used as data collection tools from the employees and management bodies, randomly selected in Bole Sub City. Of the 80 questionnaires that have been disseminated, about 72 have been successfully responded, and all the background information's are briefly described in the following list of tables:

**Table 4.1. Descriptive Statistics of characteristics**

	N	Minimum	Maximum	Mean	Std. Deviation
Sex	72	1	2	1.46	.502
Age	72	1	4	1.93	.828
Education	72	1	6	4.60	1.285
Experience	72	1	5	2.37	1.294
Valid N (list wise)	72				

In table 4.1.2 depending on the range of variables to the above background information the mean and standard deviations are statistically described. In contrast to the mean of each background information the standard deviation maintains a lower value signifying the validity of the data except for the case of experience as the standard deviation is a bit larger compared with the value of the mean.

**Table 4.2: Respondents profile**

No	Factors (Variables)	Categories/ Characteristics	f	%
1	Sex	Male	39	54.2
		Female	33	45.8
2	Age	18-30 years	25	34.7
		31-40 years	29	40.3
		41-65 years	16	22.2
		Above 65 years	2	2.8
3	Experience	0-5 years	24	33.3
		6-10 years	18	25.0
		11-15 years	15	20.8
		16-20 years	9	12.5
		21 and above	6	8.3
4	Educational level	Grade 12 complete	2	2.8
		Certificate	1	1.4
		Diploma	14	19.4
		First Degree	37	51.4
		Masters and Above	13	18.1

Source: Survey study (2023)

Table 4.2 above displays that the back ground information comprises those personal information's as **Sex, Age, Education, and Job Experience**. In conducting this research about 72 participants from the employers/management side have properly responded to the list of questions stated in the questionnaire.

### **Sex/Gender**

As shown in table 4.2 above, concerning gender distribution of respondents, (45.8%) were females whereas (54.2%) were males. This shows that the sex proportion between males and females was almost closure in number

### **Age**

According to the age of respondents (34.7%) were in age group of 18-30, (40.3 %) were in the age group of 31-40 years, (22.2 %) were in the age group of 41-65 and finally 2.2% were in the age group above 65 years. This indicates that of the total respondents, those age groups ranging from 31-40 covered the biggest proportion. The next bigger proportion was to the youngest age group ranging 18 -30, the third age group of respondents was for those ranging from 41-65. Age groups ranging above 65 years old have very insignificant proportion in this study.

### **Experiences**

The researcher has used five distinct scales to measure the job experiences of the respondents. The table above shows us that respondents with job experience ranging from 0 to 5 are about 24 (33.3%), covering the highest proportion of the respondents. Respondents with following 0–5 years 6–10 years of experience are about 18 (25%), which is the biggest number of respondents. Similarly, respondents with 11–15 experience are about 15, comprising 20.8%, and this is also the third-biggest proportion. The last two categories of participants with the lowest years of experience, i.e., 16–20 years, and also above 21 years cover the least proportion of the respondents. This data analysis tells us that the majority of respondents in almost all companies are at a younger age and minimum job experience.

## **Education**

The researcher categorized the educational levels of respondents into six groupings: below grade 12, grade 12 complete, certificate, diploma, first degree, and master's degree and above. As listed above, the majority of respondents are those with a first degree, comprising 37 out of 72 and a proportion of 51.4%, which is half of the total respondents who participated in this research. The second highest number of respondents is diploma and master's degree holders, with 14 and 13 respondents, respectively. Whereas the respondents with certificates and below-average educational levels together cover a negligible portion of respondents. (i.e., only 8 respondents))

### **4.1.2 Primary Data Analysis**

The questionnaire designed for collecting data had used five alternatives of Linkert scale and the researcher had given codes as: - 1; Strongly Disagree 2. Disagree 3. Neutral 4. Agree. 5. Strongly Agree

**4.1.2.1 The current practice of Workplace Conflict in the Case Study of Bole Sub City Business Organizations**

**Table 4.3 Analysis of descriptive statistics**

<i>No</i>	<i>Items</i>	<i>Rating Scales</i>					<i>Mean</i>	<i>St. dev</i>
		<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>		
1	As employees from various backgrounds work together conflicts usually arise						3.35	1.258
2	Causes of workplace conflict are varying with in employees themselves and with the management bodies						3.28	1.038
3	Conflict can be destructive if it results in unwillingness to change, improper communication, and mistrust between people						3.85	1.030
4	Competition for better position and scarce resources are some of the likely factors for conflicts to happen						4.25	960
5	Workplace conflicts are deemed to be positive if disagreements are peacefully resolved and issues are openly addressed						3.06	1.149
6	Mismanagement of conflicts might have a negative consequence on organizational performance and productivity						4.29	.985
7	Incapable leadership and absence of fair treatment amongst employees are factors which are causing conflict						4.22	.938
8	Absenteeism, decrease in performance and employee turnover are negative effects of conflict which damage the performance and productivity of organizations						3.68	1.072
9	There are instances of unresolved conflicts which have resulted in negative effect of physical injury , incurring medical expenses and court litigations						3.93	.738
10	Well managed conflicts can inspire members to brainstorming ,be more creative and innovative that contributes for enhancing organizational performance and productivity						4.07	.828

*Source: Overall (aggregate) mean*

The researcher has utilized the Linkert scale as a data collecting tool. The options are about five, beginning with strongly disagree, disagree, neutral, agree, and strongly agree.

The mean is the average value obtained for each question according to the choices made by the respondents. It gives us an idea of where the center value of a data set is located.

According to Jim Frost, the standard deviation (SD) is a single number that summarizes the variability in a data set. It is considered the most appropriate measure of variability. It represents the typical distance between each data point and the mean. Smaller values indicate that the data points cluster closer to the mean; the values in the data set are relatively consistent. Conversely, higher values signify that the values spread out further from the mean.

Taking this justification into consideration, the descriptive data above exhibits different values; for instance, the mean for question number 9 is about 3.93 and the standard deviation is .828. This tells us that the data points tend to be closer to the mean. Conversely, the mean for question number 1 is 3.35, while the standard deviation is 1.258. Here we can argue that the responses (the data) to this specific question are spreading out over a large range of values.

Similar to question number nine, in question number ten the mean is 4.07 and the standard deviation is .828 such that the data obtained from the respondents is closer to the mean.

On the other hand similar to question number one, in question number 2 ,3,5 and 7 there is a big gap amongst the means and standard deviations in which the data obtained from the respondents are dispersed far from the mean

#### **4.1.2.1 .Causes of Work Place Conflict**

The data collected from sample respondents is analyzed by SPSS software and such that each table describes the frequency of responses to the five given scales i.e. frequency of: - the percentage, valid percent and cumulative percent that each scale holds:-

For easier presentation the tables are categorized in to two major groups as **cause** and **effect** of work place conflict.

**Table 4.4 Summary of causes of work place conflict**

**Summary of causes of workplace conflict**

		Responses		Percent of Cases
		N	Percent	
Causes	Strongly disagree	18	6.2%	25.0%
	Disagree	26	9.0%	36.1%
	Neutral	61	21.2%	84.7%
	Agree	110	38.2%	152.8%
	Strongly agree	73	25.3%	101.4%
Total		288	100.0%	400.0%

Table 4,4 above is a summary that demonstrated how sample respondents reacted to the causes of workplace conflict or the independent variable. Here responses to four questions associated with causes of workplace conflict are merged and such that about 110 of them replied to agree and 73 strongly agree. If we simply add these two ,it gives us 183 respondents out of the 288 (63.54 %) reacted for the occurrence of workplace conflicts

The general picture we obtained from this was that most respondents replied for the existence of different causes of workplace conflicts as- variation in backgrounds, competition for better positions, and scarce resources, incapable leadership are agreed to be possible causes of workplace conflict by the majority of respondents in business organizations.

**Table 4.5 Summary of Effects of Workplace Conflict**

Summary of effects of work place conflict

		Responses		Percent of Cases
		N	Percent	
Effects	Strongly disagree	19	4.4%	26.4%
	Disagree	27	6.2%	37.5%
	Neutral	71	16.4%	98.6%
	Agree	185	42.8%	256.9%
	Strongly agree	130	30.1%	180.6%
Total		432	100.0%	600.0%

Table 4.5 above demonstrated how sample respondents reacted to the effect of workplace conflict or dependent variable. Here responses to six questions associated with the effects of workplace conflict are merged and such that out of the 432 total respondents of the six questions which are found merged here about 185 of them replied agree and about 130 of them replied strongly agree. When we add these two about 315 respondents covering 72.9% of the total respondents agreed on those effects of workplace conflicts which happened due to those causes of conflicts stated under table 4.4.

The general picture we obtain from this is that workplace conflicts do have various effects as- miscommunication, physical injury, time and money spent for medical treatment and court litigation, absenteeism, employee turnover and decrease in productivity innovativeness and creativity are the likely effects of workplace conflicts replied by the majority of respondents.

**Correlation Analysis**

Correlation analysis was used to look at the relation between the independent factors (Perception difference, Poor communication, Competition for job placement and Mismanagement of conflicts) and the dependent variable (Organization performance). The researcher used Cohen's (1988) to determine the strength of the relationship between conflict aspects and Organization performance. If these variables show a

positive relationship, they indicate changes in scores in the same direction, whereas the variables change in the opposite direction. Based on the aforementioned idea of correlation, the relationship between conflict aspects (Perception difference, Poor communication, Competition for job placement and Mismanagement of conflicts) Organizational performance are presented as follows.

**Table 4.6 Correlation coefficients of independent and dependent variables**

**Correlations**

		Perception difference	Poor communication	Competition for job placement	Mismanagement of conflicts	Organizational performance
Perception difference	Pearson Correlation Sig. (2-tailed) N	1 .079 72	.079 .511 72	.432** .000 72	.417** .000 72	.545** .000 72
Poor communication	Pearson Correlation Sig. (2-tailed) N	.079 .511 72	1 .637 72	-.057 .637 72	.264* .025 72	.248* .036 72
Competition for job placement	Pearson Correlation Sig. (2-tailed) N	.432** .000 72	-.057 .637 72	1 .197 72	.154 .197 72	.351** .002 72
Mismanagement of conflicts	Pearson Correlation Sig. (2-tailed) N	.417** .000 72	.264* .025 72	.154 .197 72	1 .000 72	.585** .000 72
Organizational performance	Pearson Correlation Sig. (2-tailed) N	.545** .000 72	.248* .036 72	.351** .002 72	.585** .000 72	1 72

\*\* . Correlation is significant at the 0.05 level (2-tailed).

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

As it is shown in the above table, the Pearson correlation statistics shows that the dimension of perception difference and mismanagement of conflicts have strong, significant and positive correlation with Organization performance as provided by correlation coefficients of (0.545 and 0.585) respectively, ( $r > 0.500$ ) with significance level ( $p$ ) of 0.000 for both variables. But Poor communication and Competition for job placement have weak, positive and significant correlation with Organization performance as provided by correlation coefficients of (0.248 and 0.351) respectively, ( $r < 0.500$ ) with significance level ( $p$ ) of 0.036 and .002 respectively.

### Multiple Regression Analysis

Regression analysis method utilized to examine the relations and factors of dependent variable and independent variables (Kothari, 2007).

Model summary of multiple regression analysis

**Table 4. 7 Regression Model summaries**

#### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.728 <sup>a</sup>	.530	.502	2.30597

### Regression Mathematical Model

The equation of multiple regressions on this study is made on four independent variables, and one dependent variable (Organizational performance) and independent variables (Perception difference, poor communication, competition for job placement, and leadership treatment). The basic objective of using regression equation on this study is to make the researcher more effective at describing, understanding, predicting, and controlling the stated variable.

The result of the regression model shown in table 9 above indicates the value of the regression coefficient ( $R=0.728$ ,  $R$ - square = 0.530 and adjusted  $R$ - square = 0.502. The model  $F = 18.881$  and significance level of  $P=.000$ ) for Organization performance indicates that the model is significant at  $p < 0.05$ , 2-tailed. Thus, the aggregated effect of dependent variable on Organization performance is explained by the value of the  $R$  square. That means the  $R^2$  measured how much of the variation in the dependent variable (Organization performance) can be explained is accounted for by the model.

In these findings, R square of the model is 0.530 which entails that 53.0 % of the variation in the dependent variable comes from the variation on the stated independent variables. Which means Organization performance is accounted for by this model which is quite good and it also means that 53.0% of the change in use of Organization performance is explained by the independent variables dimensions those are Perception difference, poor communication, competition for job placement, and leadership treatment.

**Table 4.8: ANOVA table**

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	401.601	4	100.400	18.881	.000 <sup>b</sup>
	Residual	356.274	67	5.318		
	Total	757.875	71			

Analysis of variance ANOVA part of regression analysis shows that the overall model is significant or not. The significance level in the above table reveals that the regression model is highly significance to fit the data. And the cumulative effect of the set of factors measures on the Organization performance is highly significance.

**Table 4. 9: Coefficient of regression**

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	8.751	1.927		4.541	.000
	Perception difference	.592	.223	.470	2.656	.010
	Poor communication	.324	.392	.093	.827	.001
	Mismanagement of conflicts	.858	.361	.259	2.373	.000
	Competition for job placement	.041	.392	.016	.105	.917

a. Dependent Variable: Organizational performance

The coefficient table of regression analysis (the above) shows the effect of each predictor variable on the response variable. This result considers the interaction effect of independent variables what the correlation analysis doesn't consider it. That is why

it is important to refitting the relationships of dependent and independent variables through regression analysis, which shows the real effect of each predictor variable on the dependent variable. Referring significance level of each predictor variables, it shows that Perception difference, poor communication, and leadership treatment has significant effect on Organization performance with significance level of 0.010, 0.001 and 0.000 respectively. But competition for job placement and scarce resource has insignificant effect on Organization performance with significance level of 0.917. From this the regression equation is derived as:

$$\text{Regression Equation } Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Where, Y= Organization performance (the dependent variable)

$\beta_0$ - constant  $\beta_1$ - $\beta_4$  = the Beta coefficients for their respective variables

$\beta_1$  – coefficient of perception difference

$\beta_2$  – coefficient of poor communication

$\beta_3$  – coefficient of competition for job placement

$\beta_4$  – coefficient of leadership problems

$\varepsilon$  – Standard error from table of model summary

$X_1$ - level of perception difference

$X_2$ - level of poor communication

$X_3$ - level of level of competition for job placement

$X_4$  – level of leadership problems

Therefore the regression equation written as:

$$Y = 8.751 + 0.592X_1 + 0.324X_2 + 0.041X_3 + 0.858X_4 + e$$

If all independent variable practices has not been achieved in the organization or (when  $X_1, X_2, X_3, X_4 = 0$ ), the Organization performance will start form 8.751. According to the above equation, if  $X_1$  (perception difference) changed by one unit and  $X_2, X_3,$  and  $X_4,$  keep constant Y (Organization performance) varied (increase) by  $\beta_1$  (0.592) unit, on average. If  $X_2$ (poor communication) increased by one unit and  $X_1, X_3,$  and  $X_4$  keep constant Organization performance is increased by 0.324. Similarly,  $X_3$  (competition for job placement ) changed by one unit and  $X_1, X_2,$  and  $X_4$  keep constant Organization performance is increased by 0.041, and also  $X_4$  (leadership problems) changed (increased) by one unit and  $X_1, X_2,$  and  $X_3,$  keep constant Organization performance is increased by 0.858.

## **4.2. Analysis and Interpretation of Qualitative Data**

As cited above, descriptive data analysis has been conducted with the help of the SPSS software application, and quantitative data was thoroughly analyzed and interpreted. For the sake of addressing the problem in a proper way, an interview scheme is also employed, and the data collected from the interviewees (respondents) is analyzed and interpreted as follows:

Since most employees' educational background is so limited, it may be difficult to them to properly respond to questionnaires and that is why I opted to conducting an interview session by which participants could at least express their feelings, exposures and experiences in relation to their respective working environments. By making use of interview session adequate information is collected from the participants of this research, which is analyzed and interpreted qualitatively. The questions included in the interview sessions focused on feelings, exposures, experience of employees with work-place conflicts, how and with whom conflicts occur, the driving force for conflicts to happen, whether conflicts have a negative or positive effect, whether conflict has a direct relation to performance or not, and the outcomes of conflict. The respondents briefly viewed the outcomes of conflict, and they forward their respective justifications.

.The interview session was conducted with seven different business organizations. In each business organization, an average of ten employees was involved as respondents, and about ten questions were forwarded to individual participant. Accordingly, participants have given their responses properly to each question raised to them.

The first question raised to them was, whether they have observed any kind of conflict in the work place they engage with. The respondents argue that work-place conflicts are common practices in business organizations. The second question raised to them was between whom and where work-place conflicts are happening. Their response to this is that conflicts usually occur between or among employees themselves, as well as between employees and the management. In saying this, the respondents elaborated that most employees got into conflict with their immediate supervisors or department heads. To explain what are the most common causes employees themselves got into conflict with each other, they have given several justifications, such as:

- Misunderstanding/Lack of mutual understanding
- Competition to better position
- Lack of tolerance
- Incompatibility in skill/experience ,while working together

To the question forwarded what are the common causes of conflict between employees and the manager/supervisor, the justifications given are:-

- Failure of employees to perform their duties properly (Lack of competitiveness)
- Coming late to the work place
- Failure of employees to observe the rules and regulation of the organization
- Unfair treatment on employees by the supervisor/department head
- Negligence of employees to their tasks and duties
- Work burden on employees and the stress created
- Absence of clear job descriptions which should give clear work direction
- Unnecessary intervention by the supervisor/manager
- Inferiority complex by the incompatible supervisor/department head are the major ones

To the question –what are the consequences of conflict- most employees have given similar answers as:-

- Miscommunication within employees themselves and employees with the employer, especially with their immediate supervisors or department heads.
- Conflicts may lead to physical combats and this might bring physical injury
- Un planned financial expenses for medical treatments resulted from bodily injury
- An inability to work in harmony
- Appearance of court litigations and this leads to wasting of time and money
- Experienced employees may terminate their jobs and this seriously affects both employees and the employer
- Deterring employees from promotion
- It seriously affects industrial peace as a whole- are the most frequent responses from the majority of employees

The sixth question forwarded to employees was, “Do you think that conflicts have direct relation with performance? Most employees have replied as conflict strongly affects organizational performance. Their arguments are conflicts affect the moral and motivation of employees in which when the wrong supervisors treat us unfairly we lose the moral and motivation to work. Additionally they suggested that when employees themselves enter in to conflict physical injuries may occur and an injured employee may be out of work to follow medical treatment. Furthermore an injured person may apply to court to seek for justice and conflicting parties may spend several days attending court litigations and these undesirable situations would definitely affect organizational performance.

The seventh question raised was - miscommunication, absenteeism, loss of morale (motivation), termination of job are frequently mentioned as negative effects of conflict, which of these are common in your company? The replies came from respondents are different, however such negative effects as miscommunications, absenteeism, loss of morale and employee turnover are manifested from company to company.

They were also asked. Some people argue in that conflicts do have positive outcome, and respondents are asked if they are agreeing with this idea. Here most employees replied conflicts do not have positive outcome, but some employees replied conflicts have positive outcome and they justified that after conflicts happen employees themselves or employees with supervisors may get understand each other ,resolve their conflicts and work in harmony and cooperation and this improves organizational performance.

Employees were also asked about the role of HR in protecting and resolving conflicts. For this, they replied that in most cases, the HR department provides pre-orientations about the rules and regulations of the organization and the work flow; it also conducts discussions with employees, and conditional trainings are also offered. When conflicts are happening, HR intervenes between conflicting parties to resolve the conflicts and secure industrial peace.

The last question presented is: If conflicts are not resolved peacefully, who will be more affected between employees and the employer? Their responses are- both employees and the employer are affected in that employees lose job security at least temporarily, whereas the organization is more affected as it loses experienced and trained employees.

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter provides short and concise summary of the overall study and it draws conclusions and recommendations on the basis of the research findings

#### 5.1. Summary

This study was conducted with the view of investigating the effect of workplace conflict on the performance of randomly selected business organizations in Bole Sub-City, Addis Ababa. Different research studies conducted on this topic have revealed the occurrence of conflicts in business organizations and the causes of conflicts.

As an initial phase, the research proposal was framed with the research problem that the researcher intends to address. Together with this, the general and specific objectives of the research problem are designed. The research questions are prepared and are in line with the objectives of the research.

The research has followed a mixed approach, i.e., qualitative and quantitative approaches. For the qualitative approach, semi-structured interviews are employed with industry workers (employees) and questionnaires are sent to employers and other management bodies. In carrying out this research, 72 employer respondents and 70 employee respondents were administered, for a total of 142 respondents.

The data collection step was a very challenging task, and some of the management bodies were not willing to allow the researcher to go according to the plan. It was after an exhaustive discussion and frequent trials that the dissemination of questionnaires, collecting data, and also conducting the interview sessions were successful.

Finally, the collected data was analyzed and interpreted in such a way that the quantitative data (data collected through the use of questionnaires) is analyzed with the help of SPSS Software and the qualitative data obtained by semi-structured interviews is qualitatively analyzed and interpreted, which serves as an input for deriving conclusions and recommendations.

## 5.2. Conclusions

Conflicts are common practices in business organizations. The findings of this research revealed that conflicts are day-to-day happenings that normally occur within employees themselves and also between employees and the employer or immediate supervisor or head of employees.

For conflicts happening among employees, causes of conflicts vary as - lack of mutual understanding between or among disputing parties, competition for a better position, competition for scarce resources, lack of tolerance, and incompatibility in skill or experience are the major reasons suggested by employees.

The study has revealed that workplace conflicts and organizational performance have strong relations in which as workplace conflicts are imposing negative consequences organizational performance and productivity are going down and the reverse is that when work place conflicts bear positive results as increasing creativity and innovativeness organizational performance and productivity are increasing

The research findings have also revealed that, in the course of an employment relationship, employees usually got into conflict with their employers. The most frequent reasons suggested are failure of employees to observe the rules and regulations of the organization, coming late to the work place, negligence of employees to their tasks and duties, unfair treatment of employees by the supervisors or department heads, work burden on employees, absence of clear job descriptions, unnecessary intervention by the supervisors or managers, and incapability to give clear instructions and directions by the supervisor or department heads.

With regard to the outcomes of conflict, the findings of the research have shown us that conflict has both negative and positive outcomes. The negative effects of conflict are miscommunication within and between employees and the management, physical injuries that might result from conflicts and the medical expenses incurred, court litigation and the time and money spent on it, termination of jobs by experienced employees and a decrease on organizational performance

Unresolved workplace conflicts are also affecting the quality of products and services that the business organization is delivering.

Apart from the quality of products or services, unresolved conflicts affect customer satisfaction. This is because employees whose morale is affected by the conflict and working under stress cannot deliver quality products and services, which in turn damages the satisfaction of potential customers with the organization.

Conflict also has a positive outcome when conflicting parties undergo reconciliation and resolve their differences in a peaceful manner. They further strengthen friendship and mutual understanding, which in turn grows into cooperation and collaboration. It also promotes creativity and innovativeness, which ultimately increases job performance and productivity.

Mismanagement of conflicts might have negative outcomes, both in terms of affecting employment relationships and also damaging the performance and productivity of business organizations. Poorly managed conflicts do have negative outcomes such as increased stress, loss of morale at work, and anxiety.

Building team spirit, working in harmony, and cooperating play a significant role on an increase in job performance and productivity, which equally benefits both the employees and the organization.

### **5.3 Recommendations**

Business organizations should give special consideration to the need of establishing a training and awareness creation department whose regular and ongoing task should be providing pre-orientations since the recruitment period of employees, as to how employees should socialize while they are working together, build team spirit, and resolve their differences peacefully and in a modern way.

Management and HR in business organizations should play a significant role in being alert, following incidents that are causes to conflicts, and resolving these signs of conflict as early as possible.

In most business organizations, employees are not given clear job descriptions and work areas, so the immediate supervisors might give orders to employees arbitrarily, which is one of the likely causes of conflicts. Therefore, we are urging companies to provide clearly defined job descriptions for which a given employee will be

responsible and accountable, which in turn is very helpful for easier work flow and supervision.

Business organizations should also set ground rules that prescribe different things about working relationships, such as for whom an employee is accountable in carrying out his or her duties and the code of conduct that an employee is expected to fulfill. Therefore, an employee should be well informed about this all since the recruitment period.

Workplace conflicts having negative effect are damaging the moral and motivation of employees. Therefore the management should take this in to account and solve these negative effects of conflict as this is very helpful to maintain the performance and productivity of industries

Business organizations can make use of the various types of conflicts as inputs to look for or design different strategies so as to avoid or minimize conflicts having a negative effect. On the other hand, companies may properly handle conflicts that have positive effects as opportunities to strengthen the relationships amongst employees and/or relationships between employees and the management bodies, ultimately enhancing the performance of employees and consequently the productivity of business organizations.

There is a need to pay special attention to the importance of resolving work place conflicts timely in order to reconcile differences with in the disputing parties as this will secure peace, harmony and cooperation in the workforce with the ultimate purpose of enhancing performance and productivity.

The effect of workplace conflicts should be viewed not only from the perspectives of performance and productivity but also from the point of view of the quality of goods or services being delivered. In line with this, customer satisfaction should be given special attention, and as companies work on resolving conflicts, they are at the same time working on producing quality products or services and ensuring customer satisfaction.

#### **5.4. Future Research Directions**

This research limited itself to a narrow scope of randomly selected business organizations in Bole Sub City, therefore to explore more on the factors which are affecting workplace conflicts in business organizations, interested individuals may undergo further research as there are potential problems to be tackled in our country. The findings of this research, the conclusive remarks and recommendations are mere sources of information's up on which more and more researches should be conducted on this area.

The contemporary studies on this area have shown us the fact that conflicts are not only having negative outcomes, but conflicts have also positive outcomes ,however many employees included under this study were unable to see the positive aspects of workplace conflicts. Hence that further researches should dig out and show up what the positive aspects of workplace conflicts in business organizations.

## References

- Abdul Fattah Farea Hussien, Y. H.-M. (August 2019). Conflicts, Their types and Their Negative and Positive Effects On Organizations . *International Journal of Scientific and Technology Research*.
- Abdul Fattah Farea Hussien, Y. H.-M. (August 2019). Conflicts: Their types and Their Negative and Positive Effects On Organizations. *International journal of Scientific and Technology Research* .
- Adeyemi, J. K. (March 31, 2022). Workplace Conflict on Productivity and Emotional Stability of Employee . *International Journal of Management and Business Applied* .
- Adeyemi, J. K. (March 31, 2022). Workplace Conflict on Productivity and Emotional Stability of Employee. *International journal of Management and Business Applied*.
- Ayinde, A. F. (October 2021). Workplace conflict and Employees Job Performance in Agro-Services Corporation ,. *Journal of Agricultural Extension*.
- Boasu, I. J. (October 2021). Organizational Conflicts and Performance Outcomes . *The Perspective of the Council for Scientific and Industrial Research Institute , Ghana*.
- Boogard, K. (July 30, 2021). How to Deal With conflict in the Workplace.
- Crail, C. (Sep 19, 2022). What is Employee Relations?
- Donohoe, A. (June 2019). *Employee Performance Definition*.
- Duminy, L. (July 13 2020). Definition of " Employee" and " Employer".
- Duminy, L. (July 13, 2020). Definition of "Employee" and " Employer".
- EBSCOhost, E. J. (n.d.).
- Fadilat, A. A. (October 2021). Work place conflict and employees job performance in agro service cooperation. *Journal of agricultural extension*.
- Food and Agricultural Organization (FAO), , & CABI and Scopus. (2021). Workplace Conflict and Employees' Job Performance in Agro-Services Corporation, Ogun State, Nigeria. *Journal of Agricultural Extension*.
- Heathfield, S. M. (July 5, 2020). What is an Employer.
- Hussien, S. T. (2020). Causes of work place conflict and its management in government secondary schools of Arada sub city.

- Hussien, S. T. (December 2020). Causes of Work Place Conflict and its Management in Government Secondary Schools of Arada Sub City .
- Hussien, S. T. (December 2020). Causes of workplace conflict and its management in government secondary school Arada sub city.
- Jhon-Eke, E. C. (14 May 2020). Conflict Management as a Tool for Increasing Organizational Effectiveness.
- KENTON, W. (August 29,2022). What is productivity and How to Measure it Explained.
- Kulbaciaukaite, J. (2021). Impact and effect of conflict in the work place on the performance of management in the retail industry. *National college of Ierland*.  
matiwos. (n.d.).
- McCombes, S. (June 7,2021). What is a Research Design Types,Guide and Examples.
- Murray, J. (July6,2020). What is an Employee.
- Nneka, A. J. (2019). Conflict Management and Organizational Performance. *International Journal of Management and Entrepreneurship*.
- Nneka, A. J. (2019). Conflict Management and Organizational Performance: A Study of Selected Breweries in the South East Nigeria. *International Journal of Management and Entrepreneurship*.
- OMENE, G. R. (DEc.2021). Conflict Management Strategies As A Prerequisite for Effective Organizational Performance.
- Ozeum, N. a. (2021). *Employee Productivity*.
- Prince Donkor, S. A. (2015). Effect of Conflict on Employee Performance : Evidence from Cocacola Company Limited,Kumasi Branch. *American Scientific Research Journal for Engineering Technology and Science*, Volume 14 No 3 , Page 44-53.
- Saidu, S. (September 2021). Effect of conflict Management Styels on Employees Perormancein Selected Institutions of Higher learning in Adamawa State ,Nigeria.
- Sheldon, O. (Sep. 2019). Definition of Business Organization.
- Shivangi Singh, A. S. (2022). What do we know about Employee Productivity?Insights from Bibliometric Analysis. *Journal of ScienttometricRes*.
- Team, C. P. (March 2 2022). WHAT IS THE DIFFERENCE BETWEEN FUNCTIONAL AND DYSFUNCTIONAL CONFLICT?

- Usendok, M. I. (2022). Organizational Conflict and Employee Job Performance. *A Case study of Akwa Ibom State University.*
- Usendok, M. I. (2022). Organizational Conflict and Employee Job Performance. *A Case Study of Akwa Ibom State University.*
- Usendok, M. I. (2022). Organizational Conflict and Employee Job Performance . *A case Study of Akwa Ibom State University.*
- Verboncu, Z. (2019). Firm Performance: Definition and Measurment Models.
- Yohannes, T. (2021). The effect of work-life conflict on employees job performance(The case Bank of Abyssinia,Bahirdar city branch.
- Zelege, (2020). Effect of workplace conflict managmenton on ganizational performance. *Thesis and Disertations.*
- Zelege, Z. (2020). Effect of Work Place Conflict Management on Organizational Performance: The Case of Ethiopian Customs Commission, Bahirdar Branch.
- Zelege, Z. (2020). Effect of work place conflict management on organizational prformance. *Thesis and Dissertations .*
- Zewdu, Z. (2020). Effect of work place conflict managment on organizational performance. *Thesis and Disertations.*

**Annex**  
**Questionnaire**

Addis Ababa University  
College of Business and Economics  
School of Commerce  
Department of Human Resource Management

**Part I- Back ground Information**

1. Sex    Male                      Female
2. Age    18-30                      31-40                      41-65                      Above 65 years
3. Level of Education  
            Below grade 12    Diploma  
            Grade 12 Complete    First Degree  
            Certificate    Masters and Above
4. Work Experience (in years)  
            0-5                      6-10                      11-15                      16-20                      21 and above

**Part II -Questionnaires for employers and other management bodies**

**Dear respondents:-**

The purpose of this study is to investigate the cause and effect of conflict on the performance of industries, in this particular research entitled with” **The effect of work place conflict on the performance of industries in Addis Ababa with special emphasis of Bole Sub city Business Organizations** “

The study will be conducted for partial fulfillment of the requirement for master’s degree in HRM, and hence your genuine opinion is essentially important for the success of the research. Therefore you are kindly requested to describe your opinion freely for each question in the questionnaire.

As a researcher I am assuring you here that it is confidential and feel free to give answer of any kind. Finally I would like to thank you in advance for spending your time and fill the questionnaire.

The questionnaire is **structured** and for the questions listed below ,options are provided and you are supposed to tick on the box of your choice ( You may choose more than one answer if necessary ) further more at the bottom of the questionnaire spaces are left to you open ended to freely suggest your own extra opinion.

**Items of questions presented to Employer (The management body)**

**NB. Dear respondent you are expected to fill the questionnaire in reference to your own organization.**

No	Statements	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	<p>As employees from various backgrounds work together conflicts usually arise</p> <ul style="list-style-type: none"> <li>• How the perception(Background difference) contributes conflicts to happen</li> <li>• What are the frequent causes of conflict</li> </ul>					
2	<p>Causes of workplace conflict are varying with in employees themselves and with the management bodies</p> <ul style="list-style-type: none"> <li>• Types of conflicts which occur in your organization</li> <li>• What are the root cause of conflicts happening between employees and the management</li> </ul>					
3	<p>Workplace conflict can be destructive if it results in unwillingness to change, improper communication, and mistrust between people, What negative effects of conflict are exhibited in your company Apparent consequences if any</p>					
4	<p>Competition for better position and scarce resources are some of the likely causes of work place conflicts</p> <ul style="list-style-type: none"> <li>• Are the above two causes of conflict occur in your case</li> <li>• How the management can handle this to minimize conflicts</li> </ul>					
5	<p>Workplace conflicts are deemed to be positive if disagreements are peacefully resolved and issues are openly addressed</p> <ul style="list-style-type: none"> <li>• Do you imagine positive outcome of conflicts</li> <li>• What are these outcomes to be enjoyed in the company</li> </ul>					
6	<p>Mismanagement of conflict might have a negative consequence on organizational performance and productivity</p>					

	<ul style="list-style-type: none"> <li>• Are there negative instances resulted from mismanagement of conflicts</li> <li>• What remedies might be proposed to view conflicts on time and take measures</li> </ul>					
7	<p>Incapable leadership and absence of fair treatment amongst employees are factors which are causing conflict</p> <ul style="list-style-type: none"> <li>• Do leadership problems be reasons of conflict</li> <li>• How do you associate this with employees moral and motivation</li> </ul>					
8	<p>Absenteeism, decrease in performance and employee turnover are negative effects of conflict which damage the performance and productivity of organizations</p> <ul style="list-style-type: none"> <li>• Which negative effects of conflict are common in your company</li> <li>• How can the company intervene to minimize such negative outcomes?</li> </ul>					
9	<p>There are instances of unresolved conflicts which have resulted in negative effect of physical injury , incurring medical expenses and court litigations</p> <ul style="list-style-type: none"> <li>• What negative instances of conflict are encountered in your company</li> <li>• What undesirable outcomes do they bring about</li> </ul>					
10	<p>Well managed conflicts can inspire members to brainstorming, be more creative and innovative that contributes for enhancing organizational performance and productivity.</p> <ul style="list-style-type: none"> <li>• What positive outcomes of conflict are noticed in your company</li> <li>• How do you relate this with productivity and customer service</li> </ul>					



1. As an employee of the organization have you ever observed any kind of conflict in the work place that you engage with?
2. If your answer is” yes “between or among which groups of employees/management bodies that you have observed conflicts?
3. What are the common causes of conflict between or among employees in your company?
4. What common causes of conflict do you observe between employees and the management body?
5. If conflicts are happening, what are its consequences that you have observed?
6. Do you think that conflicts have direct relation with performance?
7. Miscommunications, absenteeism, loss of morale (motivation), termination of job are frequently mentioned as negative effects of conflict, which of these are common in your company?
8. Some people argue in that conflicts do have positive outcome. Do you agree with this idea? If yes what is your justification.
9. Are the HR and other management bodies playing role in protecting the happening of conflicts or is it rather one of the causes for aggravating work place conflicts?
10. If conflicts are not resolved peacefully, who will be more affected between employees and the employer? How?