



Conflict Management and Organizational Performance of Selected Oil Palm Organizations in Edo State, Nigeria

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ABSTRACT

Conflict is often avoided by people and some management of for-profit organizations. For this reason, this study investigated the effect of conflict management on the performance of some oil palm organizations in Edo State of Nigeria. The study is guided by two specific objectives. The first is to determine the extent dispute management influences employees' turnover, and the second, is to determine the extent grievance management influences employees' morale. The study adopted survey research design. Convenient sampling technique was employed. The instrument used for collecting data from the primary sources is a structured questionnaire, and records of the organizations, journals, magazines, texts and internet search provided data from the secondary sources. From the staff strength of 660 employees of the selected oil palm organizations Taro Yamane's formula was used to derive the sample size of 249 employees. Tables, frequency table, percentage distribution were used in analyzing the data; regression and Pearson's Product Moment Correlation Coefficient were used in predicting and testing the hypotheses with the use of SPSS version 22, to find the effect of independent variables on the dependent variables. The study revealed that dispute management significantly influence employees' turnover, and grievance management significantly influenced employee's morale. Based on the findings, we came to the conclusion that conflict management does have significant influence on organizational performance of the selected oil palm organizations in Edo State. Arising from this conclusion, the following recommendations are suggested: that the management of these oil palm organizations should set up strategies for identifying the presence of disputes or grievances in the organizations, causes of dispute or grievances, and possible methods of resolving or managing these grievances. And that management should promote industrial harmony in

the organizations, devoid of dysfunctional conflict for optimum performance in the selected oil palm organizations in Edo State.

Keywords: Conflict, Employee Morale, Employee Turnover, Performance

I. Introduction

There are many challenges an organizations encounters as it grows. These challenges could be conflict management, employees' turnover, employee morale, meeting the needs of customers, gaining suitable portion of the market share and employee satisfaction. Others are what to produce, for who, staff assessments, evaluation, placement, and maintaining industrial harmony in the organization, etc.

These challenges take places in an organization, which is a group of people who work together in the pursuit of common goal. These people constituting the organization have different values, tastes, perspectives, attributes, backgrounds and aspirations on joining these organizations which collectively create tension, giving rise to conflict (Salamon, 2010). Conflict is disagreement between employees, which could be unhealthy in the life of the organization. The recent land grabbing of community lands for expansion of palm oil farms at Okomu is one of the sources of conflict in the organizations. A blue chip organization may be at disadvantage in the face of competitions in the industry with poorly managed conflict. To meet the goals of individual workforce, the goal of the organization must be achieved. To achieve this goal, good industrial harmony must be encouraged through articulated and promotion of popular conflict management strategies.

1.1 Objectives of the Study

The objectives of this study are:

- a. To determine the extent trade dispute management can influence employees'



turnover in the selected oil palm organizations in Edo State.

- b. To determine the extent grievance management can influence employees' morale in the selected oil palm organizations in Edo State.

1.0 The Of Concept Conflict Management

Conflict or grievance means disagreement or disharmony between people or workers (Etim & Okey, 2013). When the signals of grievance escalate, it results to conflict. Conflict could be caused by a problematic situation, differing perception, interdependence, and potentials which adversely affect the relationship between individuals (Cahn & Abigail, 2007). But it is possible to manage them if we recognize the conflict signs in time (Turkaji, Fosic, Durak & Stressmayer, 2013). Rahim (2002) defines conflict management as the process of minimizing the negative outcomes of conflicts and promoting the positive outcomes with the goals of improving learning in an organization.

2.1 The Concept of Performance

Ahmad (2012) argues that performance should be measured in terms of return on investment, (ROI), sales growth rate, cash flow from operation, employee retention, employee morale, customer satisfaction, product quality, market development and so on. Performance is the ability of the organization to achieve its goal and objectives (Draft, 2000). To Salem (2013), performance is about doing the work, as well as being about the results achieved. Performance is partially or fully achieving the goal of the organization.

2.2 The Concept of Dispute Management

Dispute means disagreement and disharmony. Dispute being a natural phenomenon will always occur but a well-managed dispute will not degenerate to violence. Since violence will not erupt without dispute as antecedents (Etim & Okey, 2013). Disputes is a social factual situation in which at least two parties are involved and strive for goals which can only be reached by one party, and or want to employ incompatible means to achieve a certain goal. Dispute management consists of intervention designs to reduce dispute or in some cases, increase insufficient dispute. It is a process whereby managers design strategies and implement those strategies to ensure that dispute situations are resolved amicably.

2.3 Employee's Turnover

Employee turnover is the ratio of the number of workers that had to be replaced in a given

time period to the average number of workers (Agnes, 1999). Managers refer to turnover as the entire process associated with filling a vacancy, each time a position is vacated, either voluntary or involuntary, a new employee must be hired and trained. This replacement cycle is known as turnover (Woods & Sangster, 2002).

2.4 Employee's Morale

Morale is the amount of confidence and enthusiasm that a person has at a particular time (Oxford Advance Learner's Dictionary, 2015). Morale is the professional interest and enthusiasm that a person displays towards the achievement of organizational goals in a given job situation (Bentley & Rampel, 2003). A high morale means the employee is satisfied with the job, puts in more effort, is creative, takes initiatives, is committed to the organization and focuses on achieving organizational goals rather than personal goals. Low morale leads to high skiving, high turnover, unsolved complaints and strikes, thereby encumbering firm's performance (Linz, 2006).

2.5 Theoretical Framework

The theory underlying this study is the modern theory founded by C. Wright Mills (1964). In Millis view, social structures are created through conflict between people with differing interests and resources. The theory identified functional and dysfunctional conflict as they manifest in human behaviour. Relating the theory to this work, one can easily deduce that the management of conflict variables has the responsibility of maintaining conflict within tolerable situation in the organization, because the study does not advocate total eradication of conflict, but it does abide by the objective of conflict management which is to ensure that conflict remains creative and productive in the oil palm organizations in Edo State.

II. Research Design

Survey research design is employed in this study, using as population the staff strength of 660 employees of the three selected organizations, which are the Nigerian Institute of Oil Palm Research (NIFOR), Okomu Plc and Presco Nig. Ltd. The sample size of 249 was derived with Taro Yamne's Formula. Structured questionnaire was used in gathering data from the primary sources. The secondary sources of data are official publications of the organizations, textbooks, journals, magazines and existing literature. Personal Interactions were also employed to clear grey areas.



III. Method of Data Analysis

The data collected from the primary and secondary sources were analyzed by using tables, frequency tables and percentages. We used inferential statistics to test our hypotheses, using Regression and Pearson Product Moment Correlation Coefficient to determine the strength, direction and statistical significance of the correlation.

IV. Findings and Interpretations:

Hypotheses One

H₀1: Dispute management does not have significant influence on employee turnover of the selected oil palm organizations in Edo State. In testing this hypothesis, the scores derived from the statement relating to dispute management and employees turnover were rescaled into two different single variable labeled dispute management and employee turnover respectively.

Table 1: Linear Regression of Dispute Management on Employees' Turnover

a) Model Summary

Model	R	R Square	Adjusted R square	Std Error of the Estimate
1	.179 ^a	.032	.027	14.41793

a) Predictors' (Constant), Dispute Management

Sources: SPSS Version 2

b) ANOVA

Model	Sum of Squares	Df	Mean Squares	F	Sig.
Regression	1216.957	1	1216.957	5.864	.017
Residual	36586.292	176	207.877		
Total	37803.259	177			

a) Predictors (Constant) Dispute Management

b) Dependent Variables: Employees' Turnover

Sources: SPSS Version 22

a) Coefficient

Model	Unstandardized Coefficient		Standardized Coefficient	t	Sig.
	B	Std. Error	Beta		
1. (Constant)	43.174	16.007		2.885	.004
Dispute management	-1.068	.441	-.179	-2.420	.017

a) Dependent Variable: Employee Turnover

Source: SPSS Version 22

Table 1 shows an F value of 5.854, and a P value of .017, testing at alpha value 0.05. The P value is less than the alpha level, so, the null hypothesis which states that dispute management does not have significant influence on employee turnover in the selected oil palm organizations in Edo State is rejected. Consequently, dispute management does have significant influence on employee turnover of

Hypothesis Two

H₀2 Grievance management does not have significant influence on employees' morale of the selected oil palm organizations in Edo State.

the selected oil palm organizations in Edo State. This is our finding. The Beta coefficient is -.179 and R² value is 0.032, meaning that as trade dispute management becomes more efficient, employees tends to be better retained in the organization. Therefore employee turnover rate drop. And 3.2% of employee turnover rate is predicted by efficient trade dispute management.



Table 2: Linear Regression of Grievance Management on Employee Morale

a) Model Summary

Model	R	R Square	Adjusted R square	Std Error of the Estimate
1	.251a	.063	.058	14.74864

a) Predictors⁷ (Constant), Dispute Management
Sources: SPSS Version 22

b) ANOVA

Model	Sum of Squares	Df	Mean Squares	F	Sig.
Regression	2575.806	1	2575.806	11.842	.001 ^a
Residual	38283.934	176	217.522		
Total	40859.739	177			

a) Predictors (Constant) Dispute Management
b) Dependent Variables: Employees' Turnover
Sources: SPSS Version 22

a) Coefficient

Model	Unstandardized Coefficient		Standardized Coefficient	t	Sig.
	B	Std. Error	Beta		
1. (Constant)	43.174	16.007		2.885	.004
Dispute management	-1.068	.441	-.179	-2.420	.017

b) Dependent Variable: Employee Turnover
Source: SPSS Version 22

Table 2 shows an F value of 11.482, and a P value of .001, testing at alpha value .05. The P value is less than the alpha level, so, the null hypothesis which states that grievance management does not have significant influence on employee morale of the selected oil palm organizations in Edo State is rejected. Consequently, the alternate hypothesis that states that grievance management does have significant influence on employee morale in the selected oil palm organizations in Edo State. This is our finding. The Beta coefficient is .251 and R² value is .063, meaning that as grievance management improves, employees' morale tends to increase. And 6.3% of employee morale rate is predicted by improved grievance management.

V. Summary of Findings, Conclusion and Recommendation

5.1 Summary of Findings and Conclusion

Most often, conflict situation is not the best for organization that is growing. Most conflicts are dysfunction and if not well managed, controlled bad to drop in performance in the organization. Obasan (2011) in his study on; the impact of conflict management on corporate productivity as an evaluative study, recommended strategies which

promote industrial democracy as preferred option in dispute resolution. The research findings show that:

- a) Dispute management does influence employee turnover in the selected oil palm organizations in Edo State.
- b) Grievance management has significant influence on the employees' morale in the selected oil palm organizations in Edo State. From these findings, one can conclude that conflict management has significant influence on the performance of the selected oil palm organization in Edo State.

5.2 Recommendation

To manage conflict within acceptable level, management should strive to pay salary that is obtainable in the industry, provide conducive working environment, good company policies, encourage exceptional performance as means of increasing workers motivation and morale and job satisfaction which are capable of minimizing employee turnover and increasing employees' morale.



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