

**CONFLICTS AND JOB PERFORMANCE: TOWARDS AN EFFECTIVE DIAGNOSIS AND
MANAGEMENT STRATEGIES**

Dzisi, Smile

School of Business and Management Studies, Koforidua Polytechnic, Koforidua, Ghana

afuasmile@yahoo.com

Abstract

For any organization to be effective there must be an efficient means of conflict management. This study focusing on rural banks in Ghana, investigates the nature and causes of conflicts, and the effect of these conflicts on job performance; insofar as we could determine, the organizational conflict literature is deficient in these areas. Most studies on organizational conflicts concentrate on large organizations. Such a diagnosis in small organizations is very crucial for the appropriate development and implementation of effective conflict management strategies. Quantitative research method approach was employed to collect and analyze data from 11 rural banks selected in random out of 22 while a sample of 1100 employees participated in the survey. Results indicate that interpersonal and inter-group conflicts are the major types of conflicts that exist in the rural banks in Ghana and they are mainly caused by poor human relations and inadequate welfare package. The results supported the hypothesis that conflict has a significant negative effect on job performance. This study provides an important insight into various strategies for effective management of different conflict situations.

Keywords: Conflict Management; Job Performance; Small Organizations; Rural Banks

INTRODUCTION

Conflict is almost synonymous with human life. Wherever individual or groups come into contact socially, geographically, ideologically or politically, conflict is inevitable since they all have divergent views and goals. Conflict situations are important aspect of the workplace. A conflict is a situation when the interests, needs, goals or values of involved parties interfere with one another. Runde and Flanagan (2010) saw conflicts as perceived differences between two or more parties that result in mutual opposition and have both constructive and devastating consequences. Conflicts could be so destructive that, it can bring administrative work to a halt. Even though one can deduce that a conflict has some traces of goodness such as renewed commitment of the feuding parties, the consequential devastation could be overwhelming. Awedoba (2009) also described conflict as a relationship between two or more parties that

centers on differences, disagreements on issues of common interest or concern, divergence, incompatibilities, clash of wills and the like. It may involve antagonism and opposition. There is therefore a need for causes of the conflict to be diagnosed and managed effectively to avert conflict's consequential destructiveness.

Conflict management is the process of planning to avoid conflict where possible and organizing to resolve conflict where it does happen, as rapidly and smoothly as possible. For any organization to be effective and efficient in achieving its goals, the people in the organization need to have a shared vision of what they are striving to achieve, as well as clear objectives for each team / department and individual. Ways of recognizing and resolving conflict amongst people is needed so that the conflict does not become so serious that co-operation is impossible. All members of any organization need to have ways of keeping conflict to a minimum - and of solving problems caused by conflict, before conflict becomes a major obstacle to work. Conflicts in themselves have a lot of goodness if well managed. They are sometimes healthy; for their absence may mean that, important differences among individuals are suppressed or covered up but if managed well, they promote creativity, innovation and improved performance since there would be renewed commitment. Poor management of conflicts, however, can lead to hostility, infighting, divisiveness and disintegration. These are all negative attributes that hamper institutional progress. Financial institutions as organizations are not spared of conflicts either. Conflict occasionally arises among the various stakeholders of financial institutions. It sometimes occurs among staff members, between managers and staff; and staff and clients. Conflicts in financial institutions usually result from staff members' resistance to disciplinary actions by managers such as queries. In most cases, lack of logistics frustrates workers so much that their work output is negatively affected and their non-performances attract the wrath of their managers.

In financial institutions, conflict is a recipe for poor output and performance. Ineffective conflict management has a potential of jeopardizing the emotional and social fiber of an organization which in the end would negatively affect the 'esprit de corps' of such organization. Conflict is an inevitable human phenomenon and as long as individuals have their personal interests and ambitions, it is bound to rear its ugly head anytime two or more people congregate; but if managed well could improve productivity. Even though conflict is often said to be functional for organizations, most recommendations in the literature relating to organizational conflict still fall within general 'conflict resolution' reduction, or minimization realm. The organizational conflict literature is deficient in the areas of empirical diagnosis of the nature and causes of conflicts occurring in small organizations. Research into conflicts in rural banks is scanty, especially, the effect of conflicts on job performance.

This paper attempts to address these issues by diagnosing the nature and causes of conflicts in rural banks. Such a diagnosis will lead to recommendations of appropriate management strategies for different conflict situations. The objectives of the study are therefore (1) to ascertain the nature of conflicts in rural banks, (2) to identify the causes of conflict in the rural banks, (3) to find out the effects of these conflicts on job performance, and (4) to recommend appropriate conflict management strategies.

Significantly, this study will unravel the various kinds of conflict and their causes which will create awareness among managers and staff of Ghanaian financial institutions. This will help them create the needed environment to either avoid, or reduce conflict among their staff to the barest minimum. The study will also equip the various stakeholders of financial institutions with the various conflict management techniques. This will enhance effective detection of individual characteristics and differences for the enhancement of creativity, innovation and improve performance among various stakeholders especially the staff.

LITERATURE REVIEW

Relevant literature on conflict management was reviewed. The review focused on the meaning of conflict, types of conflict, job performance, the effects of conflict on job performance and how conflict is managed.

What Is Conflict?

Several attempts have been made by various authorities at defining conflict in modern societies. However, no single definition stands out so clearly and distinct. Conflict is synonymous with antagonism, opposition, disagreement, discord, combat and encounter. Conflict can also connote competition between or among groups in society. Ursing (2003) stated that conflict is the differences in perspectives, beliefs, actions or interests which are sometimes verbalized and sometimes they are not. When these differences are verbalized it is easier to become aware of it but when they are not verbalized the managers would have to observe the actions of those who perceive the conflict. These actions could sometimes be misunderstood which could compound the conflict. Mankoe (2007), also defined conflict as the pursuit of incompatible or at least seemingly incompatible goals, such that gains to one side come out of the expense of the other. To buttress the definition of conflict as a result of competition for scarce resources, Gendron and Hoffman (2009) confirm this competitive stand when they defined conflict as a struggle between and among individuals or groups over values and claims to scarce resources, status and power bases. In furtherance to the competition oriented source of conflict, Mintah-

Afari (2008) described conflict as a misunderstanding or disagreement through which the parties involved perceive a threat to their needs, interests or concern.

According to Bekoe and Quartey (2013), conflict is the expression of disagreement over something important to both or all sides of a dispute. This clearly shows that conflict could be between two or more individuals or groups. Mintah-Afari's (2008) described conflict as a misunderstanding or disagreement through which the parties involved perceive a threat to their needs, interests or concern. Conflict can also connote competition between or among groups in society. It is emphatically true that, scarce nature of resources can never permit the goals, aspirations, interests and needs of social groups to be achieved simultaneously. These social groups, however, have varied value systems; they would invariably adopt various strategies both fair and foul to fight for their pound of flesh at the expense of the others and this invariably breeds conflict. Where every human being interact there is bound to be the emergence of conflict because human are different in all sphere of life. Conflict is a disagreement about issues between two or more persons, groups, nations and countries.

Conflict is either good or bad. When conflict is handled unskillfully and dissipatedly, it becomes bad but when it is handled morally and creatively, it ceases to be frightening and crippling, and it results in growth, maturity, and empowerment for individual, group and organization (Afzal, Khan and Ali 2009; and Kigali, 2006). Conflict is not always negative as it is perceived to be; it all depends on how it is handled. Conflict affects quality of work performance and profit of an organization negatively. The inability to deal with conflict at the work place can result in a huge loss of productivity and affect the individuals and groups involve in the conflict emotionally which may lead to discrimination, unfair treatment, inability to ask for what one needs among others. McCarthy (2007) also states that destructive conflict undermines relationships, distracts team members from their common goals, and encourages them to give any conflict a wide berth in the future. When relationships are negatively affected as a result of conflict the possibility that productivity will be affected negatively is very high. This means that conflict should not be swept under the carpet if it is perceived in the organization. Unresolved conflicts lead to pairing-of and clique-forming (Garner, 2012) which could mar or tarnish the reputation of the organization.

Types of Conflict

The issues about types of conflict seem quite controversial since they attract varied opinions from various authorities across the world. Ikeda et al (2005) identifies two types of conflict in organizations, namely: interpersonal conflicts with supervisors or colleagues and inter-group conflicts which is within different sections of an organization. This clearly shows that wherever there is human interaction there is the likelihood of conflict. Mankoe (2007) also identifies four

types of conflict, namely: intrapersonal, interpersonal, intra-group and inter-group conflicts. By Mankoe's exposition, it does not necessarily need two individuals or groups for conflict to prevail. An individual can even be engulfed by conflict sometimes out of indecision. This presupposes that humanity and conflict are inseparable. Hoy and Miskel (2005), cited in Afful-Broni (2007:155), also classified conflict under four major types, such as: conflict about goals, conflicts about opinions, interpersonal conflicts and procedure conflicts. Conflict about goals arises when the desired end of a project is not agreed upon by various stakeholders within a given environment like the bank. Conflict about opinion, on the other hand, relate to situations where individual opinions vary tremendously with each holding on strongly to what they have come to discover as facts, while interpersonal conflicts result from differences in personal characteristics. Procedural conflicts arise where people differ in the procedures that they believe ought to be used in achieving set goals or disagreements over how to handle issues. The above considerations go to stem the fact that, as professional as financial institutions may be, one cannot waive the possible existence of conflict.

Hotepo et al (2010) on the other hand, postulate two essential types of conflict in organisations that is, vertical and horizontal. To them, vertical conflict occurs in groups of different hierarchical levels for example conflict between an administrator and person(s) over whom the former has authority or oversight responsibility; whereas the horizontal conflict occurs between or among people of the same status as far as authority and power are concerned. A critical scrutiny of Hotepo's postulations reveals the fact that, conflict is no respecter of levels and status of human endeavor. It defies whoever is involved; it rears its ugly head wherever human activity such as banking prevails.

DeCenzo (1997) also identified four major types of conflict such as Role, Power, Crisis and Maintenance conflicts. He sees role conflict as a situation where the institutional head in his ambition to meet the demands of the institution's mission statement, may have to squeeze the organizational budget and in the process censor some motivational needs of the staff. He is likely to incur the displeasure or wrath of the staff under such circumstance. Power conflict is a psychological confrontation that depends largely on the personalities involved and it relates to power-play. For example, the Project Officer of a bank decides to organize a day's seminar for a cross-section of the bank's clients without the manager's permission. Seeing the act as an indictment on his position, the manager stops the program mid-way. This will definitely incur the displeasure of the entire department but they cannot openly react, however, they will begrudge their boss. Crisis conflict, on the other hand, refers to spontaneous situations that are often suddenly dumped on the manager whereas the maintenance conflict reflects the kind of conflict

arising out of attempts to resolve a prevailing precarious situation. DeCenzo's (1997) opinions establish the fact that, conflict is unassuming and can erupt at any time so long as a human institution like the bank exists and operates.

Causes of Conflict

One might find it extremely difficult to fathom why conflict should exist in a society such as banks where almost everybody is literate and perceived to be more enlightened. It must, however, be established that, almost every decision and project in financial institutions is a recipe for a conflict situation. Such conflicts can only be resolved for development to take place when the root of the conflict is unraveled.

Owens (1987), classified causes of conflict into three basic types: competition for scarce resources, autonomy and goal divergence. Competition for scarce resources is where resources available to an organization are too insufficient to meet the requirements of the subunits to do their work and this makes the units struggle over the meager resources especially when it comes to budgetary allocations. He went on to explain autonomy as when one party seeks to control activities "belonging" to another unit and the second unit seeks to fend off such "interference", that is, the second unit attempts to protect its autonomy; while goal divergence occurs when two parties in an organization must work together but cannot agree on how to do so.

Afful-Broni (2007) could not agree more when he outlined eleven solid origins of conflict which are worthy of note especially as they relate to financial institutions. His first focus was on choice of administrative personnel as a source of conflict. In any given organization, the appointment of leadership will be met with some resistance from certain quarters. There may be instances when some individuals anticipated having a particular person chosen, appointed or elected to the vacant leadership position and where that may not materialize, the new administrator may not find co-operation with these individuals. In such a situation, there is bound to be conflict whenever the new leader proposes, recommends and sends out a directive.

There are also tribal differences as a source of conflict. Within every community, there are sub-communities or sub cultures whose beliefs and practices vary from one another. The third source he outlines was Earlier Entrants. In almost every institution, one is most likely to find certain individuals or a group who were perhaps part of or close to the era of the pioneering working team but may find themselves at the lower section of the organogram due to low academic qualification.

Another source of conflict is competition for scarce resources. There are times when within a financial organization, the cause of conflict can be traced to various units, departments or individuals struggling for the same scarce resource. For example, it is possible for two workers to have a seriously furious argument over who has the priority to use particular office equipment or the departments only laptop or television for a particular programme. Additionally, Afful-Broni (2007) talks of Economic Circumstances as a cause of conflict. The rich and the poor have always lived in contact with each other and usually hold each other in unspoken disdain. In a particular bank, there could be tension among the staff because of the perception by some that, others who are rich are attempting to look down on them. Such a situation can also persist among clients.

In furtherance to the afore-mentioned, differences in ideologies or politics abound in any given society and financial institutions are no exception. As societies grow to be more democratic and people begin to find their voices and regain confidence, individuals like staff members would want to have a say in how administrative decisions are made and implemented which may promote conflict. Afful-Broni (2007) also specified that age difference which is also referred to as 'generation gap' can be a source of conflict in the banking community. Since people of the same age groups are likely to get along more easily than those of different generation, it is important that when conflicts arise, people look beyond the real issues at stake to possible differences in belief, values, preferences and attitudes which are usually age-related.

Furthermore, Afful-Broni (2007) outlined power struggle as another major cause of conflict in almost every organization. Power has been described as one of the greatest aphrodisiacs of all time and to hold on to it at all cost, becomes strong and can create conflict especially when the administrator decides to implement a certain decision in a particular way at all cost in disagreement with his subordinates. Finally, social injustice and exclusion can easily create conflict in financial institutions. Even though such institutions are formal organizations in which membership and their upgrading are based on qualification, levels of operation and performance, there are some informal and traditional realities that creep into the banking community and can be the root of conflict. In financial establishments, when some individuals are always relegated to the background in the decision-making and implementation processes, conflict will definitely arise.

From the above submissions of Afful-Broni; it is important that administrators of financial institutions, like all other leaders, look out for such underlying factors of conflict in order to bring

them under control. If the leader is able to trace the source of the conflict, he may be able to handle it more tactfully.

Effects of Conflict

The situation in which the impression is created that conflict has only negative and devastating repercussion is just unfortunate. Conflict is like a double-edged sword and so has equally positive and negative implications. Mankoe (2007) confirms this opinion when he claims that, in everyday life, there has traditionally been emphasis on the negative and dysfunctional aspects of conflict. He explains that, the definition of conflict as the existence of incompatible goals, thoughts or emotions, may portray at once that all conflicts are bad and therefore exert negative impact on organizational effectiveness. Conflict can be positive or negative.

Negative Effects: Even though it may be obvious that conflict often comes with a cost, what may not be known is the extent to which this cost can go. Experts in the field of conflict have, however, established that, it has a devastating impact on any given society.

Apreko (2002) identified the effects of conflicts as mutual suspicions and distrust, destruction of life and property, destruction of infrastructure, general insecurity, internal displacement and destruction of the economy. Apreko's point was buttressed by Mintah-Afari (2008) and Aketewah (2007) who contended that, conflict may lead to the destruction of lives and properties, displacement of people, dissipation of resources, poverty, slow pace of development and hatred. Afful-Broni (2007), in supporting the crusade of trumpeting the negative effects of conflict, came up with the following as negative results of conflict. These include: break in communication, suspicion and mistrust, weakening of family spirit, loss of valuables, divisiveness and bitterness, needless tension, apathy and development paralysis.

Further, Mankoe (2007), observes that, frequent and powerful conflicts can have a devastating impact upon the behaviour of people in organizations. He further explains that conflict often develops into hostility which also causes people to withdraw physically and psychologically. A further exposition on this assertion is that, in the case of financial institutions, physical withdrawal takes the form of absenteeism, tiredness and negative turnover which is often written off by administrators as laziness on the part of workers. Psychological withdrawal on the other hand, takes the form of alienation, apathy and indifference.

A critical examination of the above submissions portrays conflict as an unworthy course and should not be entertained by any serious minded human being. Even though its positive

characteristics have been well established, the repercussions far outweigh the positives and are so devastating, thus the first hypothesis of the study has been formulated:

H_A : *Conflict has a negative effect on job performance in rural banks in Ghana.*

H_o : *Conflict has no negative effect on job performance in rural banks in Ghana.*

Positive Effects: Hellriegel (1992), cited in Mankoe (2007:196) contend that, conflicts in organizations can be a positive force. They explained further that, the creation and/or resolution of conflicts often leads to constructive problem solving; the need to resolve conflict can cause people to search for ways of how to do things; the conflict-resolution process is often stimulus for positive change within an organization and the search for ways to resolve conflict may not only lead to innovation and change, but it may make changes more acceptable.

Afful-Broni (2007) exhibited some ways in which conflict impacts positively on organizations such as the bank. A unit, section or department which may have been overlooked over certain issues could use conflict to call attention to their plight. It also produces changes in the established ways of doing things thereby enhancing group restructuring. Conflict further presents opportunities for issues to be clarified, re-defined and sharpened. He further explained that, conflict improves the decision-making processes in financial institutions; as stakeholders who were not formerly involved in deliberations or in the taking of decisions that affect their lives may now be included.

In support of the positive elements of conflict, Zikmann (1992) writes that, "Effectively managed conflicts can help identify previously undetected problems and attitudes. They can also help clarify uncertainties and improve overall cooperation". Conflict can therefore be deemed to be a vehicle or tool by which an organization like the bank can effectively galvanize previously undetected human resource for its progress march. Based on this analysis the second hypothesis has been drawn:

H_A : *Conflict has a positive effect on job performance in rural banks in Ghana.*

H_o : *Conflict has no positive effect on job performance in rural banks in Ghana.*

Management of Conflict

Conflict as one of the unavoidable realities in life, its management becomes a necessity rather than an option. It is always necessary to manage conflicts to enhance development. The fact, however, is that, not all conflicts can be resolved completely. Afful-Broni (2007), declares that, it is true that some conflicts can only be managed to prevent them from escalating into greater

problem which will in turn interrupt productive activities. Indeed, some thinkers including Cross (1999), have argued that conflicts in themselves, to some degree are major determinants of change and thus, one should not move to avoid or dissolve them immediately. Conflicts affect productivity in general and make the accomplishment of organizational goals a mirage due to their attendant hostilities and other undesirable repercussions. It therefore becomes very paramount and empirical to examine the various literature on conflict management for the benefit of administrators especially those in financial institutions.

According to Mankoe (2007), managing conflict means finding appropriate strategies to resolve it. He explains further that, if the occurrence of conflict is an everyday matter, then its management should be a daily affair. Managing conflict is thus a common activity in organizations. He opined that, effective conflict management involves more than specific techniques. He claims that, the ability to understand and correctly diagnose conflict is the first step in managing it. In effect, Mankoe feels the best way to manage conflict is to first make a thorough assessment of the causes of the conflict in order to better understand the issues at stake.

To give Mankoe's submission a further boost, Hellriegel (1992), cited in Mankoe (2007), suggested that, conflict management consists of diagnostic processes, interpersonal styles, negotiation strategies, and structural interventions that are designed to avoid unnecessary conflicts, reduce or resolve excessive conflicts, or even increase insufficient conflict. To give more meaning and value to conflict management issues, it is important to bring to bear five interpersonal conflict-handling styles exhibited by Hellriegel (1992) and captured in Mankoe (2007) which serve as a basic model for understanding and managing conflicts. These styles include avoiding, accommodating, collaborating, compromising and forcing styles. The five styles lie between two dimensions, thus personal concern for oneself and concern for others.

A striking issue which takes a central stage throughout the review of literature on conflict and must be given utmost attention is the management component. No societal unit can exist without conflict. It is therefore important for leaders to be well informed on conflict management strategies in order to stay on top of issues whenever conflict emerges.

Job Performance

Job performance means how well employees perform on the job and assignments assigned them measured against the generally accepted measure of performance standards set by their companies. This means there are general expectations expected of employees in relation to their performance in every company. Employees can be said to have performed when they have

met the expectations and performed up to standard. Wright and Davies (2003) also stated that job performance can be defined as the functioning and presentation of employees. This means, how employees are able to effectively administer their task and assignments and also how they present their assignment to reflect the quality and good service desired by their companies.

It is noteworthy that performance measures should allow progress against objectives to be measured. It should indicate what is expected and how well people are doing in attaining their objectives. Performance measures should be clear, concise, easy to collect and interpret, and relevant in that they should provide information that tells you and the organizations how well you are performing (Wright and Davies, 2003). The measures are usually related to efficiency (how quickly you deliver) effectiveness (how good, accurate or relevant the service delivery was to the customer), cost efficiency and cost effectiveness. Performance measures usually cover information relating to finance, customers, market, resources and processes.

Performance measures should be agreed between job holder and his or her manager and should be reviewed regularly. There are a number of benefits to the organization and the individual in terms of personal development and corporate achievement (Collins and Holton, 2007).

The hypotheses of the study are summarized as follows:

H_A : *Conflict has a negative effect on job performance in rural banks in Ghana.*

H_o : *Conflict has no negative effect on job performance in rural banks in Ghana.*

H_A : *Conflict has a positive effect on job performance in rural banks in Ghana.*

H_o : *Conflict has no positive effect on job performance in rural banks in Ghana.*

METHODOLOGY

The focus of this paper is conflict diagnosis and management in rural banks in Ghana. The study employed quantitative research method approach to collect and analyze data for the study. Twenty-two (22) banks in the Eastern Region of Ghana appropriately constituted the study population with staff members and managers of the rural banks constituting the target population. The data base of the population was obtained from the Human Resources Department of the various banks.

In order to increase the precision of the results, a sample of 11 of rural banks were randomly selected using a random table to represent the sample of the study. Stratified sampling was used to select a proportional representation of 100 employees from each of the rural banks. A

total of 1100 employees thus constituted the sample frame. The data was collected from January to March 2013. Table 1 provides information on the breakdown of the population, sample size and response rate per each of the banks. Both primary and secondary data were used to collect data on the study.

A structured questionnaire (containing open-ended, close-ended and scale response questions formats) was administered to the 1100 staff surveyed. The questionnaire was pre-tested on 50 participants to check the reliability and validity of the method used (Saunders et al., 2009). As presented in Table 1, out of the 1100 questionnaires distributed, a significant number of 1016 (92%) responses were retrieved for analysis.

The data collected were analyzed using Statistical Package for Social Science (SPSS), version 16.0. The SPSS was used to derive the descriptive statistical and relevant statistical measures such as chi-square, percentage and frequency tables.

Table 1: Population, Sample Size and Response Rate

S/N	Name of Bank	No. of Staff	Number Selected randomly	Responses	Percentage (%)
1	South Akim Rural Bank	150	100	98	98
2	Mumuadu Rural Bank	120	100	92	92
3	Akwapim Rural Bank Ltd, Odumase-Krobo	121	100	90	90
4	Akwapim Rural Bank Ltd Mamfe	100	100	93	93
5	Kwaebibirim Rural Bank, Asuom	100	100	86	86
6	Kwahu Rural Bank Ltd ,Pepease	131	100	96	96
7	Odwe-Anoma Rural Bank Ltd Hweehwee	130	100	92	92
8	Akim Bosome Rural Bank Ltd Swedru	115	100	90	90
9	Adoteng Community Bank Ltd New Tafo	105	100	97	97
10	Asuogyaman Rural Bank, Akosombo	100	100	97	97
11	Manya-Krobo Rural Bank Ltd Odumase-Krobo	110	100	95	95
TOTAL		1282	1100	1016	92

RESULTS

The results were analyzed based on the three main objectives of the study which are the nature of conflict, the causes of conflicts and effects of the conflicts on job performance. The results on hypotheses testing was also presented.

Nature of Conflicts

The findings relating to the nature of conflicts that occur in the rural banks as shown in Table 2 reveal that inter-personal conflict (35%); followed by inter-group conflict (20%) were the major types of conflicts identified. Role conflict (16%), vertical conflict (12%) and horizontal conflict (10%) were also prevalent in the rural banks. The conflict that occurs less is intra-group conflict (6.5%). Bekoe and Quartey (2013) study of conflicts in educational institutions in Ghana also revealed that inter-personal and inter-group conflicts were dominant. Also, Hotepo et al's (2010) studies of workplace conflicts in Nigeria corroborate some aspects of the results of this study. They found that vertical and horizontal conflicts were prevalent in Nigerian Organizations.

Table 2: Nature of conflicts in the Rural Banks

Categories	Frequency	Percentage
Inter-personal	356	35.0
Inter-group	212	20.8
Intra-group	66	6.5
Horizontal	105	10.3
Vertical	118	11.7
Role Conflict	158	15.6
Total	1016	100

Causes of Conflict

In an attempt to find out the causes of conflicts in the rural banks, questions were asked regarding the actual causes of conflict. The results as presented in Table 3 indicate that poor human relations (27 %) followed by inadequate welfare package (16%) and poor communication (14 %) are the frequent causes of conflicts in the rural banks. Other causes such as desire for autonomy (10%) and competition for scarce resources (8%) have also been identified. This result concurs with that of Obasin (2011) whose study revealed that the sources of conflict in the banking organization are diverse and cut across unacceptable employment terms, work conditions, perceived improper styles of management by the officers, ineffective means of grievance communication and inadequate welfare package.

Table 3: Causes of Conflict

Causes	Frequency	Percentage
Desire for Autonomy	106	10.4
Disagreement on issues	40	3.9
Poor Human Relation	276	27.3
Poor communication	145	14.3
Poor flow of information	118	11.6
Inadequate welfare package	158	15.6
Non-involvement of staff in decision-making	40	3.9
Administrative incompetence	54	5.3
Competition for scarce resources	79	7.7
Total	1016	100

The Effect of Conflict on Job Performance

Negative Effects of Conflicts

The findings on the effect of conflict on job performance are presented in Table 4. Majority of the respondents (28%) stated that the worst effect of conflict on Job performance is that it retards organizational development, while 241 respondents representing 24 percent are of the view that conflict in rural banks lowers productivity and 161 respondent representing 16 percent think that conflict impedes the attainment of the goals of organizations.

Table 4: Negative effects of conflict on Job Performance

	Frequency	Percent
Lead to Staff absenteeism	120	14.1
Leads to client Disaffection	187	18.4
Lower Productivity	241	23.7
Impedes the attainment of set of goals	161	15.8
Retards Organizational development	284	28.0
Total	1016	100.0

Positive Effects of Conflicts

From Table 5, a large percentage (28%) of the respondents stated that one of the positive effects of conflict on job performance in rural banks is that it leads to the better clarification of the goals of the organization. Some (24%) of the respondents also think that conflicts leads to equitable distribution of resources and some of the respondents are of the view that conflicts result in effective management of organization (22%); and it also lead to emergence of innovative ideas (15%). Research has also shown that task related conflict could be beneficial to the organization when ideas are exchanged among the members (Ford, 2007). Other benefits indentified in literature also include improved group learning and enhance accuracy in assessment situation (Jones et al 2000), development of new ideas (Adomi and Anie 2005) and better quality decisions (Simons 2008).

Table 5: Positive effects of conflict on Job Performance

	Frequency	Percent
Emergence of innovative ideas	153	15.1
Clarification of roles	123	12.1
Equitable to distribution of resources	241	23.7
Clarification of goals or objective	286	28.1
Effective management of organization	213	21.0
Total	1016	100

Testing of Hypothesis

In order to determine whether there is a negative or a positive effect of conflict on job performance a further statistical analysis was conduction to test the hypotheses of the study. Two set of hypotheses were drawn. The hypotheses are:

Hypothesis One

H_A : *Conflict has a negative effect on job performance in rural banks in Ghana.*

H_o : *Conflict has no negative effect on job performance in rural banks in Ghana.*

Hypothesis Two

H_A : *Conflict has a positive effect on job performance in rural banks in Ghana.*

H_o : *Conflict has no positive effect on job performance in rural banks in Ghana.*

Hypothesis One

Table 6: The negative effect of conflict on Job Performance

Test Value = 0						
t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference		
				Lower	Upper	
69.993	1015	.000	3.317	3.22	3.41	
	N	Mean	Std. Deviation	Std. Error Mean	Z- score	P-value
The negative effect						
of conflict	1016	33.2	15.11	4.70	255.31	0.0274
Performance						

From Table 6, the result displays the output of the analysis of One Sample Test with $t = 69.993$, degree of freedom (df) = 1015, Significance of the 2-tailed = 0.00, mean difference of 3.317 , and a z- score of 255.31 and p –values of 0.0274 at 95% confidence interval.

Analysis of the Test statistics

In order for as to reject or fail to reject the null hypothesis the will be interpreted. The P-value answer the question: What is the probability of the observed test statistics or the more extreme when H_0 is true? Converting z statistics to P-value:

For $H_A : \mu > \mu_0 \Rightarrow P = \Pr(Z > z_{stat}) = \text{right-tail beyond } Z_{stat}$

For $H_A : \mu < \mu_0 \Rightarrow P = \Pr(Z < z_{stat}) = \text{left-tail beyond } Z_{stat}$

For $H_A : \mu \neq \mu_0 \Rightarrow P = 2 \times \text{one-tailed P-value}$

Statistical Analysis of P-value

If $P > 0.10 \Rightarrow$ non-significant evidence against H_0

If $0.05 < P > 0.10 \Rightarrow$ marginal significant evidence

If $0.01 < P > 0.05 \Rightarrow$ significant evidence against H_0 and

If $P \leq 0.01 \Rightarrow$ highly significant evidence against H_0

From figure 1 the P-value is 0.0274, which implies that there is significant evidence against H_0 . This means that there is a negative effect of conflicts on employee performance in rural banks in Ghana. So we reject the Alternative hypothesis that there is no negative effect of conflict on employment performance in rural banks in Ghana.

We therefore accept the Null hypothesis that there is significance negative effect of conflict on employment performance in rural banks in Ghana.

Hypothesis Two

H_A : Conflict has a positive effect on job performance in rural banks in Ghana.

H_0 : Conflict has no positive effect on job performance in rural banks in Ghana.

Table 7: Positive Effect of conflict on Job Performance						
Test Value = 0						
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Positive Effect of conflict on Job Performance	78.601	1015	.000	3.279	3.20	3.36
	N	Mean	Std. Deviation	Std. Error Mean	Z- score	P-value
Positive Effect of conflict on Job Performance	1016	3.28	1.330	.042	285.71	0.061

Table 7 displays the output of the analysis of One Sample Test with $t = 78.601$, degree of freedom (df) = 1015, Significance of the 2-tailed = 0.00, mean difference of 3.379 and a z- score of 285.71 and p –values of 0.061 at 95% confidence interval.

Statistical Analysis of P-value

The P-value of Z_{stat} is 0.061, which implies that there is a marginal significant evidence against H_0 . This means that there is positive effect of conflicts on job performance in rural banks in Ghana.

Thus, it can be inferred from the results of the hypotheses testing that conflict has both negative and positive effect on job performance, with the negative effect significantly higher than the positive effect though. This result corroborates Mankoe's (2007) findings that conflict is like a double-edged sword and it has both positive and negative implications. It is however, clear from these findings that the negative effect of conflicts in the rural banks in Ghana is devastating and it has negative impact on organizational effectiveness. In a similar research by Afzal et al (2009) it was established that conflicts impact job performance negatively.

CONFLICTS MANAGEMENT STRATEGIES

Scholars (Mankoe, 2007; Afzal et al, 2009; Hotepo et al 2010) have argued strongly that effective conflict management is fueled by finding appropriate strategies to resolve the nature and causes of conflicts diagnosed in an organization. The strategies to be adopted must vary according to the nature and causes of conflict. Based on the findings of the study the following appropriate conflict management strategies were proposed for implementation at rural banks.

It was clear from the results that inter-personal and inter-group conflicts were the dominant types of conflicts identified and caused mainly by poor human relations and inadequate welfare package. It is recommended that workshops on interpersonal skills development, different types of personality and perceptions should be organized for staff members to encourage better understanding of one's own behavior, other staff members' points of view, communication process and problem solving. It may help the staff to work through conflict situations in a constructive manner. It will also help to minimize the occurrence of inter-personal conflicts.

Compromising and accommodation conflict management strategies have been found out by Mankoe (2007) as very effective in solving inter-group conflict. It will be necessary for the banks to search for the acceptable means of solving each other's problem. There must be the consideration and implement of welfare packages to motivate staff members to work very well. This represents the satisfying approach to conflict resolution where an acceptable middle ground between the parties is reached so that no one completely wins or loses. The accommodating strategy proposes that the bank should be willing in some circumstances to sacrifice its goal so that the other party's goal can be attained. This strategy maintains unity and harmony in the organisations.

Importantly, in order to manage or reduce conflicts in the financial institutions and such similar establishments, it is recommended that managers or administrators in collaboration with major stakeholders should institute well defined welfare packages to reward result- oriented and hardworking employees. Conflict preclusion systems should be put in place to solve issues that can produce conflicts before they occur. When financial resources are limited, it may be

possible to pay greater attention to non-monetary rewards. Examples are job design, more interesting, challenging or responsible work, increased delegation and empowerment, flexible working hours and improved working tools.

Another high cause of conflict diagnosed in the study was poor communication and poor flow of information. Managers should be open-minded and communicate effectively with their subordinates by allowing free flow of information and also giving immediate feedback on issues as soon as they arise. Managers should welcome suggestions from staff. Managers should hold management meetings regularly to communicate new initiatives and status of current programs to their subordinates to prevent communication gap, so that bank staff will have a clear understanding and correct interpretation of all information and instructions

Competition for scarce resources was also identified as one of the causes of conflict. Managers should find innovative ways to increase or expand their resource base. They should also share available resources fairly and equitably to all departments and sectors of their outfit.

Role, vertical and horizontal conflicts were also found to be prevalent in the rural banks. These conflict situations may be reduced by paying attention to such important features of organizational process such as the nature of the authority structure, work organization, patterns of communication, democratic functioning of the organization and unnecessary adherence to bureaucratic procedures. Managers should regularly review job descriptions of what is expected of their subordinates to them and make sure that their roles do not conflict. Also, the clarification and continual refinement of goals and objectives, role definitions and performance standards will help to avoid misunderstanding and conflict.

A more participative and supportive style of leadership and managerial behavior is likely to assist in conflict management. For example, showing an attitude of respect and trust, encouraging personal self development, creating a work environment in which staff can work co-operatively. It is very important that regular refresher courses and workshops on the management of conflict be organized for managers and workers of financial institutions.

CONCLUSION

Upon the assessment of the findings, it can be concluded that members of organizations are aware of the types and nature of conflicts. The major causes of conflict revealed in the study are the desire for autonomy, disagreements on issues, poor communication, poor flow of information and competition for scarce resources. The result is supported by an earlier study by

Babyegeya (2002), who argues that an inadequate financial resource is one of the causes of conflict in financial institutions. Babyegeya states the scarcer the supply of resources relative to the amount needed by rival parties and the more important the resources are to them, the greater the likelihood of a conflict developing and for its intensity to increase. Conflict is indeed inevitable in organizations. Its causes are not far-fetched and have both positive and negative effects even though the negatives outweigh the positives and are very devastating. Managers must ensure that conflict is managed properly in order to make sure that it generates positive effects in the institutions.

It is thus established that conflicts negative effects do not help the smooth administration of organizations. Strategies like open administration, effective communication, holding of regular meetings, giving of prompt feedback, dealing fairly with all classes of personnel, involving staff in decision-making and sharing resources fairly can be adopted to manage or resolve conflicts in all organizations. It is therefore important for managers to be well informed on conflict management strategies in order to stay on top of issues whenever conflict emerges.

REFERENCES

- Adomi E. E., & Anie S. O. (2005). Conflict Management in Nigerian University, *Journal of Library Management* vol. 2, 520-530.
- Afful-Broni, A. (2007). *The Theory and Practice of Educational Leadership In Ghana*. Accra Ghana: Yamens Press Ltd.
- Afzal, H., Khan, M. A. and Ali, I. (2009). Linkage between Employee's Performance and Relationship Conflict in Banking Scenario. *International Journal of Business and Management*. Vol 4(7), 19 – 25.
- Aketewah, M. (2008). *Social Studies for Senior High Schools*. 4th printing press, Pankrono Kumasi.
- Apreko, K. (2002). *Conflict and Conflicts Resolution Strategies in Africa*. (Unpublished Pamphlet) UEW.
- Awedoba, A. K. (2009). *An Ethnographic Study of Northern Ghanaian Conflicts: Towards Sustainable Peace*. Accra-Ghana: Yamens Press Ltd.
- Bekoe, R. & Quartey, E. F. (2013). The Effect of Conflicts among Executives of Identifiable Students Groups on the Performance of Executives and Achievement of Goals: A Case Study of Koforidua Polytechnic – Ghana. *European Journal of Business and Management*. Vol.5(9), 105 – 113.
- Babyegeya, E. (2002). *Educational Planning and Administration*, Dar es Salam, Open University of Tanzania.
- Collins, D.B. & Holton, E.F. (2007). The Effectiveness of Managerial Leadership Development Programmes: A Meta-Analysis of Studies. *Human Resource Development* 15 (2) p.217-248.
- Cross, L. J. (1999). *Management and Organisational Behaviours*. Harlow: Prentice Hall.
- DeCenzo, D. A. (1997). *Human Relations, Personal and Professional Development*. New Jersey: Prentice-hall, Inc.
- Ford, J. (2007). *Organisational Conflict Management*. www.mediate.com/pfriendly/cfm?Id=1250.
- Garner, E. (2012). *Team Building. How to Turn Uncohesive Groups into Productive Teams*. Ventus Publishing ApS.

- Gendron, R. & Hoffman, E. (2009). Resource Scarcity and the Prevention of Violent Conflicts. University for peace. www.review.upeace.org
- Hellriegel, D. (1992). Organisational Behaviour. Sixth edition. St Paul: West Publishing Company.
- Hotepo, O.M., Asokere, A.S.S., Abdul-Azeez¹, I.A. & Ajemunigbohun, S.S.A. (2010). Empirical Study of the Effect of Conflict on Organizational Performance in Nigeria. Business and Economics Journal: BEJ-15, 1 – 9.
- Hoy, W. K. & Miskel, C.G. (2005). Educational Administration: Theory, Research and Practice. Third edition. New York: Random House.
- Ikeda, A., Veludo-de-Oliveira, A. & Campomar, M.C. (2005). Organizational Conflicts Perceived by Marketing Executives. Electronic Journal of Business and Organization Studies, vol. 10(1), 22 – 28.
- Jones, G. R., George J. M. & Hill C. W. L (2000). Contemporary Management, McGraw-Hill, Boston.
- Kiglai. (2006). Training Manual on Conflict Management. The National Unity and Reconciliation Commission, Republic of Rumanda.
- Mankoe, J. O. (2007). Educational Administration and Management in Ghana. Kumasi: Progressive Stars Printing Press.
- McCarthy, B. (2007). Constructive Conflict. Leadership Excellence vol.24(2),6.
- Medina J. F., Munduate. L. M., Dorado, A., Martínez, I. & Guerra, M. J. (2005). Types of Intragroup Conflict and Affective Reactions. Journal of Managerial Psychology, Vol. 20(3/4), 219-230.
- Michael, F., DiPaola, Wayne, K., Hoy, W. (2001). Formalization, Conflict, and Change: Constructive and Destructive Consequences in Schools. International Journal of Educational Management, Vol.15, (5), 238-244.
- Mintah-Afari, E. (2008). Social Studies for Senior High Schools. Kumasi: Approaches Ghana Ltd.
- Obasin. (2011) Impact of Conflict Management on Corporate Productivity: An Evaluation Study, Australian Journal of Business Management Research, Vol. 1 (5), 44-49.
- Owens, R.G. (1987). Organisational Behaviour in Schools. New Jersey: Prentice-hall Inc.
- Runde, C.E. & Flanagan, T.A. (2010). Developing Your Conflict Competence: A Hands-on Guide for Leaders, Managers, Facilitators and Teams. Jossey-Bass Wailey Imprint, San Francisco.
- Saunders, M., Lewis, P. & Thornhill, A. (2009). Research Methods for Business Studies, (5th Edn). London: Prentice Hall.
- Simons, T. I. & Peterson, R. S. (2000), Task Conflict and Relationship Conflict on Top Management Teams: The Pivotal Role of Intra-group Trust. Journal of Applied Psychology. Vol 85 (14) 109-111.
- Ursing, T. (2003). The Coward's Guide to Conflict: Empowering Solutions for Those Who Would Rather Run than Fight. Sourcebooks, Inc. USA.
- Wright, B.E. & Davies, B.S. (2003), Job Satisfaction in the Job Sector: The Role of the Work Environment. American Review of Public Administration, 33 p.70-90.
- Zikmann, A. (1992) Successful Conflict Management. In: P. Fenn and R. Gameson (eds.), Construction Conflict Management and Resolution. London: E and FN Spon.