

Role of Functional Conflict on Employee Engagement through Effective Negotiation in Banking Sector of Hyderabad Sindh, Pakistan

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Author's contribution

The sole author designed, analysed, interpreted and prepared the manuscript.

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ABSTRACT

Aims: Conflict is an inevitable part of human life; however, the functional conflict is considered positive in professional life as it encourages competition and enhances employee performance due to employee engagement. Conflict in the workplace can take place in any forms but the major conflict studied in this paper is task conflict and relationship conflict. This research aims to evaluate the role of task conflict and relationship conflict towards negotiation as an intervening variable, leading towards employee engagement in the banking sector of Hyderabad.

Study Design/ Methodology: This paper is based on quantitative research in which a deductive tactic is adopted. A structured questionnaire was used to gather data by using a single (mono-method) technique. 152 respondents participated in the survey from the banking sector of Hyderabad out of which 140 valid cases were taken for this research. To test and analyze the data; statistical tests and descriptive analyses were done using SPSS software.

Results: The outcome of the research revealed that task conflict is not the strong predictor of intervening variable i.e. negotiation whereas, relationship conflict is a strong predictor of negotiation and can influence employee engagement.

Conclusion: To test the relationship between independent variables (IV) i.e (task conflict and relationship conflict) and dependent variable (DV) (employee engagement) through intervening variable i.e negotiation. Although this research considered two independent variables one of the

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variables in this study is found to have negative relation i.e Task Conflict (TC) whereas, relationship conflict is considered positive and is a strong predictor of intervening variable i.e negotiation which has an effect on employee engagement. Finding from this research helps identify the relationship between variables and contributes well to the research objectives.

Keywords: Role conflict; interpersonal conflict; intrapersonal conflict negotiation intervention; employee engagement.

1. INTRODUCTION

Conflict is an inescapable event of any organization, a situation that arises when two completely different entities encounter to make the decision based on their perception, which is directly or indirectly unaccepted by the other party [1]. There are two schools of thought which support views on the conflict. One school of thought is considered as Traditional school of thought it believes that conflict has negative impact on the working atmosphere of an organization, it affects the communication between members which weaken the trust among departments and its members as result task and objective of individuals, groups and departmental level suffer which ultimately affect the goal of the organization whereas, another school of thought believes that conflict is a positive source which energizes and engages the conflicting parties in work due to which both parties put optimal level of efforts and contribute to the overall productivity. However, the most important aspect of interaction conflict is that it is kept under control by either the supervisor or manager [2]. The most common causes of conflicts are usually attached to personal i: e diversity and professional aspects of the job; because of variety of opinions among employees, different culture, perception, belief and values that employees hold therefore creating an opportunity for conflict. Whereas professional aspect would trigger personality and job misfit, task dependency, lack of information sharing, task incompatibility, lack of autonomy and constraint of resource [3].

Past research also highlights stress as a mediating factor between work and personal life. It is defined as the physical and mental imbalance at work which can cause stress. Therefore, more organizations are concerned about it because of it as fuels the conflicting situation. This research identified that the most vicious type of stress as psychological stress. As a person who is being the victim of stress leads to impact his/her perception which results in deviating his/her focus from given tasks or roles

and ultimately affecting his/her job performance [4]. Historical research reveals that negative connotation and influence of traditional view is given more focus, discussed and highlighted in research i.e conflict harms individual and organizational performance that is why not much is known about the functional aspects of conflicts and strategies to deal with it. The past publication was in support of conflict and believed that the social system gets benefits out of it [5]. Therefore this research will explain and highlight the functional aspect of conflicts in detail in the context of psychology, behavior and change because the conflict has been integrated with the work performed in terms of learning new skills, making a more rational decision, increase group effectiveness and organizational performance if vigilantly managed. This research will not only broaden the understanding but will also help the conflict parties to look at the problem from the positive aspect and realize the compromising and collaborating options [1].

One of the researches on turnover also highlights the undesirable consequence due to role conflict. When the employee perceives that the conflict with the boss or colleagues reduces their job satisfaction and playing part in creating an imbalance in work and life, leads to the decision of resignation [6]. Studying this aspect of conflict has a significant impact on the personal and professional lives of employees at all the level of hierarchy in the banking sector in Hyderabad. It is also important for an employer to pay serious attention to this topic as it affects the work process, task coordination creates communication gap, weaken the trust among various stakeholders including employer to employer, employee to employee, employer to employer and employee to [2].

Research Purpose: Functional conflict is the most effective practice to mould the energy of conflicting parties to excel the workplace performance. Therefore, the purpose of this research is to assess the impact of conflict on the personal and professional life of conflicting parties, highlight the elective behavioral

intervention in the conflict and identify the role of the manager during the conflicting situation.

2. LITERATURE REVIEW

2.1 Role Conflict

Role conflict is considered favorable for team performance when employees are working on new tasks. Since new tasks can be compound and are perceived without regular solutions hence it requires group coordination and contribution in the non-routine task. One of the major conflicts that arise at the workplace is task conflict [7]. Task conflict can take place in any given form such as work overload, multitasking, task uncertainty and ambiguous job description etc. It normally rises at the workplace when the demand of work by colleagues and supervisors is more and employees performing the tasks feel that the resources (personal capability, goals, period, salary etc.) he has been given are not enough to complete the task which triggers the job stress and that results in role conflict. As per the research conducted in Hospital of Saudi Arabia managers spend 20% of their time dealing with conflicts that arise from the job and employees involved in the conflict usually take the position of avoidance instead of compromising or collaborating [8].

Role conflict can be described as the pressure experienced by an individual in one role is incompatible with the pressure experienced in the other role at the same time. Conflict in job role creates the gap between the allocated task and performance of employees due to job ambiguity as a result inconsistency and job differentiation take part in the workplace. For example, a salesperson unclear about the number of products to sell in a given territory. When considering this case, if any change takes place at the eleventh hour it would create the role conflict. Such a situation arises at the workplace quite commonly when roles of employees are not properly defined. As a result, it creates job displeasure; weakens trust between employer and employee and affects the relationship between stakeholders and damages company reputation by widening the gap between actual performance and standard performance [9].

Work and family roles have been taken into consideration in research to understand the different aspects of work triggers and family triggers which can create conflicting situations. The context of conflict arise from role theory due

to which employee performing different roles at the workplace takes the stress to perform both the goals (work and family) at an optimal level; past research highlighted this theory as the role conflict theory via Kahn and colleagues [10]. Moreover, role conflict based on gender highlights that males deal with the family conflict professionally by controlling their emotions. Therefore, the split of work based on gender also contributes to the job and family role based on inter-role conflict and work time-related conflict. Hence to evaluate the conflict level based on gender, gender role conflict scale is adopted which commonly used on basis of masculinity and single (male or female). Gender role conflict is based on four scales: Gender emotional dimension, Power and success, Men friendly behavior and clash based on work and family role [11].

2.2 Relationship Conflict

The profession of nursing is based on collaborative relationships with different stakeholders i.e. Supervisors, peers and customers. When one party perceives the situation based on their characteristics and the other party does not respect the view, it can affect the relationship between two parties. As discussed, the traditional school of thought view the conflict as the undesirable issues yet nursing experience of dealing with the conflicting situation at the workplace can lead to constructive effects [12]. Previous research reveals that conflict management interventions highlight the embedded problem at the workplace such as shortage of resources, absenteeism issues, high turnover rate and other culture-related issues. Past research also reveals the relationship between organizational climate and conflict resolution techniques which are adapted to help the nurses to acquire more information about conflicting issues and analyze the data about relationship conflict.

Research has also highlighted the individual employee difference towards the adoption of conflict strategy based on personal characteristics i.e attitude, personality, emotions, values and interest etc. The research paper also discussed the role of personality play in choosing resolution techniques (avoiding, competing, compromising, accommodating, and collaborating in conflicting situation. Research on personality also covers the aspect of internal and external locus of control of employees and attribution of conflict; to understand the impact of

conflict, five-factor model of personality was used in the research [13].

2.3 Negotiation

Negotiation is considered as an intervention to resolve the conflicting situation in the workplace. In this technique, both the conflict parties have the intention to resolve the conflict and both parties mutually figure out ways to compromise on their stance and collaborate in constructive ways through the conflicting situation. Therefore, with this intervention parties agree on the solution which is beneficial for both the parties. The option of Negotiation is not one-stop solution but it's a complete process in which every step serves certain purpose to bring both parties on one page; this process includes the following steps: groundwork of conflict on perception of conflict, outlining ground rules for conflict, clarifying and justification parties' demands, bargaining and problems solving stance of parties and finally implementation and closure of negotiated agreement [14]. As discussed, conflict is an inevitable part of organization and departments and even at an individual level; it can trigger even small things like borrowing something without permission, therefore, organization should give training and information about conflict situation at workplace and also share the techniques to resolve those conflict at individual, group and even organizational level [15].

Resolving the conflict at first hand is very important because it seriously affects the performance at the individual level and productivity at the organizational level [16]. Employees at an individual level feel emotionally dissatisfied and mentally disturbed which affects their output level. When a manager takes charge to control the conflicting situation they contribute in resolving the conflicting situation between the employees and even at the departmental level, which positively affects the trust level of employees and increases their confidence level and job satisfaction [17].

2.4 Employee Engagement

Saks and Gruman [18] define employee engagement as the commitment of an employee with work/job and organization. Research of Kahn reveals that employee is more engaged in tasks in which there is an occurrence of cognitive, affective and behavioral relationship. Such expression of engagement is quite visible

in open communication, employee emotional involvement and mindfulness. Emotionally engaged employees are completely absorbed in the work with a clear sense of purpose and consistency directed towards the achievement of personal and professional goals [19]. Similarly, other research highlights this notion as the employee being emotionally engaged in the work with commitment, vigor and passion [20]. Here other authors define the same situation as the effective and efficient for the employees as employees absorbed in the job with a sense of determination. This result in positive statements such as "I love doing my work". Seijts and Crim [21] Label Employee engagement as Ten C's for the world leaders to engage the employee at the workplace. Ten C's consist of Clarity, Control, Connect, Convey, Contribute, Collaborate, Career, Confidence, Credibility, and Congratulate. Authors also ensure that engagement leads employees at work to avoid any negative aspect of jobs such as employee burnout and stress by using responsibility analysis technique, job autonomy, distribution of rewards and promoting the culture of respect and integrity [22].

2.5 Conceptual Framework

The conceptual framework highlights different variables which are key areas in this research study. Independent variable is split into two area variable such as task conflict or role conflict and relationship conflict. Then as mediating variable negotiation technique is considered from past research which leads the impact towards final dependent variable i.e. Employee engagement [23]. Bashir and Ramay [24] Discussed the role theory that conflict can arise when there is a situation of employee discrepancy based on task distribution which results in the stress, burnout and lack of effectiveness and efficiency. However, the role of job insecurity is studied in previous research as a mediating variable between relationship conflict and job satisfaction [25].

2.6 Research Methodology

This is quantitative research with the deductive approach. A structured questionnaire was used to collect the data through a survey by adopting the mono method quantitative technique. The population of this research belongs to Banks of Hyderabad. Employees from different departments (Marketing, HR, Finance, and Administration) of the banking sector participated

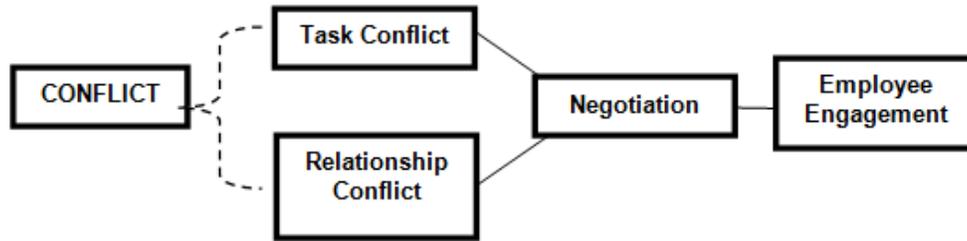


Fig. 1. Flow diagram for the conceptual framework

in the research and they all were middle-level employees with practical job experience. The questionnaire for this study is adopted from the research by Kahn [26] and further questions related to demographics, psychographic and geographic are added in this study. Furthermore, the Statistical Product and Service Solutions – SPSS software was used to conduct all the statistical analysis.

3. RESULTS - DATA ANALYSIS AND FINDING

To check the reliability of the construct, Cronbach’s alpha is used. Table 1 shows that Cronbach’s alpha is 0.838 > 0.7, which indicates very good internal consistency among variables. According to Hejase & Hejase (2013, p. 570), the generally agreed-upon lower limit for Cronbach’s alpha is 0.70, although it may decrease to 0.60 in exploratory research.

Table 2 shows that the value of Pearson’s correlation test for task conflict (TC) is 0.426 which is statistically significant at 1% (Sig.= 0.000). It shows the positive and marginal relationship between employee engagement and task conflict. Hypothesis (H1) is therefore accepted. Also, the Pearson’s correlation value for the relationship conflict (RC) is 0.373 which is statistically significant at 1% (Sig. =0.000). It shows a positive relationship between employee engagement and relationship conflict. Hypothesis (H2) is therefore accepted. Finally, Pearson’s correlation value for negotiation (N) is 0.298 which is also statistically significant at 1% (Sig. = 0.000). It shows a positive relationship between

employee engagement and negotiation. Hypothesis (H3) is therefore accepted.

3.1 Dependable Variable: Negotiation

In this study, multiple regression analysis was carried out between the independent variables (task conflict and relationship task) and the Intervening variable i:e Negotiation. Table 4 indicates that F=120.192 (ANOVA F-test value) which is substantial and statistically significant at 1% (Sig.=0.000). On the other hand, Table 3 shows that Pearson’s R=0.786 which means that the strength of the relationship between the dependent variable and the intervening variables is 78.6%. Adjusted R Square=0.612 shows that 61.20% of the intervening variable’s variance is explained by the variances in the independent variables.

Table 5 depicts that the Standardized coefficient beta value of task conflict (TC) is -0.075 which is extremely weak and not important. In addition, TC is not statistically significant since its p-value is 0.194 > 5% (standard error). Therefore, H1 is rejected here. Whereas the beta value of relationship conflict (RC) is 0.819 which shows statistical significance with p-value is 0.000 < 5%, therefore, H2 is accepted. Thus, Table 5 indicates that TC is not the predictor of variation in negotiation.

3.2 Dependent Variable: Employee Engagement

Linear regression was carried again this time between intervening variable i.e. Negotiation and

Table 1. Reliability analysis (Cronbach Alpha)

Case Processing Summary					
		N	%	Reliability statistics	
Cases	Valid	140	92.1	Cronbach's Alpha	.838
	Excluded	12	7.9	No. Items	24
	Total	152	100.0		

Table 2. Correlations coefficients of variables

		TC	RC	NEG (N)	EE
TC	Pearson Correlation	1	.476**	.315**	.426**
	Sig. (2-tailed)		.000	.000	.000
	N	152	152	152	152
RC	Pearson Correlation	.476**	1	.783**	.373**
	Sig. (2-tailed)	.000		.000	.000
	N	152	152	152	152
NEG (N)	Pearson Correlation	.315**	.783**	1	.298**
	Sig. (2-tailed)	.000	.000		.000
	N	152	152	152	152
EE	Pearson Correlation	.426**	.373**	.298**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	152	152	152	152

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

Table 3. Regression analysis: Model summary

Model	R	R Square	Adjusted R Square	Std. error of the estimate
1	.786 ^a	.617	.612	2.18784

a. Predictors: (Constant), RC, TC

Table 4. ANOVA^a for model analysis

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1150.627	2	575.313	120.192	.000 ^b
	Residual	713.209	149	4.787		
	Total	1863.836	151			

a. Dependent Variable: Neg; b. Predictors: (Constant), RC, TC

Table 5. Coefficients for model analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.935	1.349		3.657	.000
	TC	-.083	.064	-.075	-1.306	.194
	RC	.801	.056	.819	14.206	.000

a. Dependent Variable: Neg

Table 6. Model Summary for dependent variable

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.298 ^a	.089	.083	2.68869

a. Predictors: (Constant), Neg

Table 7. Results of ANOVA^a

Model		Sum of squares	df	Mean square	F	Sig.
1	Regression	105.634	1	105.634	14.612	.000 ^b
	Residual	1084.359	150	7.229		
	Total	1189.993	151			

a. Dependent Variable: EE; b. Predictors: (Constant), Neg

the dependent variable i.e Employee engagement. Table 7 shows that the F-test under ANOVA resulted in F=14.612 with Sig.=.000< 5% (standard error) which is statistically significant.

Whereas, Pearson's R is 0.298 which shows that the strength of the relationship between the tested variables is 29.8% considered weak but positive and statistically significant. It means that

Table 8. Results of coefficients^a

Model		Unstandardized coefficients		Standardized coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	16.085	1.109		14.498	.000
	Neg	.238	.062	.298	3.823	.000

a. Dependent Variable: EE

29.8% of the dependent variable being employee engagement is explained by the intervening variable i.e negotiation. Furthermore, Adjusted R square=0.089 is extremely weak though statistically significant showing that 8.90% of the intervening variable's variance is explained by the variance in the independent variables. Here, H4 is accepted.

4. DISCUSSION

In this study Table 5, indicates the negative and weak relationship between task conflict and negotiation. However, in the same table relationship conflict (RC) can be considered as a strong indicator of negotiation and has a significant effect on employee engagement. A similar case was studied by Quarat [27] i.e. task conflict can increase job stress which results in employees' lack of engagement. If task conflict is detached, it can increase employee involvement due to job satisfaction. Regarding the relationship conflict, [28] obtained similar results whereby the relation indicates the feeling of care and compassion which improves the organizational knowledge so if the conflict is due to relation it affects the whole work atmosphere which can be mediated by effective negotiation to reconstruct employee engagement. Moreover, this study also established a considerable and significant relation between negotiation and employees' engagement.

5. CONCLUSION

This research aimed to test the relationship between independent variables (IV) that is, tasks conflict and relationship conflict and the dependent variable (DV) (employee engagement) through intervening variable (negotiation). Although this research considered two independent variables, one of the variables is found to have a negative relation i.e. Task Conflict (TC) whereas, relationship conflict is considered positive and is a strong predictor of the intervening variable i.e. negotiation which has a direct effect on employee engagement. Findings from this research help identify the

relationship between variables and contribute well to the research objectives.

6. RECOMMENDATIONS

- The same variables should be tested in other industries like food, manufacturing, telecom etc.
- The same research should be conducted with greater sample extent to get more accurate results.
- Different variables should be tested on conflict and employee performance.

COMPETING INTERESTS

Author has declared that no competing interests exist.

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