THE EFFECT OF CONFLICT MANAGEMENT IN THAI PUBLIC-SECTOR SPORT ORGANIZATIONS ON EMPLOYEE JOB SATISFACTION AND PERCEIVED ORGANIZATIONAL PERFORMANCE

Sid Terason, Kasetsart University

ABSTRACT

Undeniably, organizational conflict exists in every organization. A small amount of conflict management makes an organization prone to disagreement and poor performance. Excessive conflict management, however, debilitates an organization in a number of ways such as failing to make timely decisions, promoting hostility among members and creating an unproductive work environment. This study examined how conflict management in public-sector sport organizations affects employees’ job satisfaction and organizational performance from their perspective. Data were collected from 378 randomly selected employees working for Thai public organizations engaged in sport. The findings suggested that conflict management affects job satisfaction and organizational performance but excessive management is associated with diminishing job satisfaction and organizational performance. This paper offers insights to the relationship between conflict management practices and both employee job satisfaction and employee perceived organizational performance in Thai public-sector sport organizations. Practical recommendations are provided for management in Thai public-sector sport organizations.

Keywords: Sport Organization, Conflict Management, Job Satisfaction, Organizational Performance.

INTRODUCTION

In an organization—regardless of whether private or public-conflict is not only inevitable but also omnipresent. In light of this, an important managerial function is to recognize, detect, understand and handle or resolve various forms of conflict in such a way that would promote positive organizational outcomes and minimize the chances of negative organizational effects. Therefore, organizations in all sizes have conflict management systems in place to proactively manage internal and external conflict.

Organizations leaders need to evaluate organizational culture and to determine what conflict management process works (Burr, 2016). Management design dispute resolution systems such as grievance resolution, mediation, arbitration, ombudsman and peer review panels in such a way that it meets the internal dynamics within the organization. A system should be implemented and communicated to the employees effectively (Burr, 2016; Roche & Teague, 2012). A badly managed system could possibly be worse than no system at all. Moreover, consistent and continuous communication will help drive the new processes and create an environment in which the workforce feels comfortable in resolving disputes. In a nutshell,
designing and communicating organizational conflict management systems determines if a
conflict management system will work or fail.

In the context of public-sector sport organizations which are characterized by
bureaucracy and top-down hierarchical structure of command, conflict exists with varying
degrees of intensity since conflict management involves a great deal of interests, benefits and
resources (Mostahfezian, 2017). Failure of a sport organization can possibly be due to
insufficient conflict management skill. On the contrary, its success is contributable to
proportionate conflict resolution.

Scholars in management, organizational behavior and behavioral psychology are
interested in explaining conflict in terms of its positive and destructive attributes (Isaksen &
Ekvall, 2010; White & Kim, 2017). Conflict management as a managerial function important to
organizational performance has been covered in the public administration literature (Rainey,
2014). However, in the broad management and organizational behavior field, there is not much
literature discussing this topic.

In the light of the fact that management in Thai public-sector sport organizations
understands different strategies and techniques for managing conflict, this study seeks to
understand whether the way conflict is managed in those organizations affects employee job
satisfaction and organizational performance as perceived by their employees. Intrinsically, the
relationship between employees’ perceptions of their organization’s management of conflict and
job satisfaction and overall organizational performance is the focus of the study.

Literature Review

Nowadays, conflict is inevitable in organizations owing to their work complexity and
interdependent nature (De Wit, Greer & Jehn, 2012). Conflict occurs in organizations on various
subjects and in various forms (Carpenter & Kennedy, 2001; Darawong, 2017) and efforts aimed
at preventing or suppressing conflict do not work most of the time (Coggburn, Battaglio &
Bradbury, 2004). Rahim (2011) observes that a substantial amount of organizational resources
are wasted in the process of eliminating or suppressing conflict. The occurrence of conflict in the
workplace is not as problematic as how the conflict is managed in such a way as to avoid its
destructive potential. In other words, conflict by itself may not pose as much of a problem as the
way in which people in an organization deal with it.

The term conflict has acquired a variety of definitions over the years, but most
researchers agree that it is best defined as an interactive process “…manifested in
incompatibility, disagreement or dissonance within or between social entities…” (Rahim, 2011).
Conflict has been described as a “core tension” that naturally occurs wherever there are
interdependencies and constraints (e.g., structures, systems, norms, obligations) on behavior
(Isaksen & Ekvall, 2010). This concept is investigated in many research studies in various
disciplines, including public administration, management, communications, sociology,
organizational behavior, psychology and political science (De Dreu & Gelfand, 2008; Rahim,
2011). De Dreu (2008) associated task-related conflicts with the way the team is doing its job,
about the pros and cons of certain task-approaches and relation-related conflicts such as those
with people, including their values and humor.

Conflict is investigated in two broad streams-a conflict typology framework and an
information-processing perspective (De Dreu & Beersma, 2005). The conflict typology
framework assesses the effects of different types of conflict (task and relation) on organizational
outcomes. Findings consistently show relation-related conflict to be negatively related to
performance and organizational outcomes, while task-related conflict’s effects are inconsistent—they are positive in some instances and negative in others (De Dreu & Weingart, 2003; Heine & Kerk, 2017). Some evidence exists, too, that task-related conflict is curvilinear related to performance, where little-to-no task-related conflict impedes performance, moderate levels increase performance and high levels decrease performance (De Dreu, 2006).

The information-processing perspective proposes that conflict management and organizational performance have a curvilinear relation, taking the form of an inverted U (De Dreu & Beersma, 2005; Rahim, 2011). This perspective focuses less on the type of conflict and more on the consequences of conflict. Conflict at a low level facilitates thinking more creatively and freely and performing more productively. In contrast, when conflict is intense, employees tend to experience stress and tension with colleagues, to lose focus and miss out on problem-solving ideas (De Dreu & Beersma, 2005; De Dreu & Weingart, 2003).

Diversity in organizations is believed to bring energy, ideas and knowledge from various people, but at the same time it engenders conflict and effective leaders can promote open-minded discussion of contrasting views (Tjosvold, 2008). Actually, the key to realizing any positive effects from conflict stems from deliberate strategies to manage it (Isaksen & Ekvall, 2010). Furthermore Tjosvold (2008) concludes, “The kind or source of conflict is not the culprit; it is how people manage it that determines its course and outcomes (p. 25).”

How a manager manages conflict determines whether the outcomes will be positive or negative. The negative consequences of conflict that is ignored are well known. Carpenter & Kennedy (2001) mention “the spiral of unmanaged conflict (p. 16)” in their work; it is where conflict become more severe and the solution seems far from being realized, when conflict is ignored for long enough. In the classic work by some scholars from the previous century on organizational structure and behavior, it clearly stated that managers regard confrontation as the desired method for conflict resolution, but rarely apply the approach due to a lack of conflict management skills and knowledge (Todaro & Stirpe, 2017). They recognize that conflict is inevitable and that managing conflict is an indispensable skill.

There are two approaches available to managers to manage conflict. One, the managers can choose to leave the conflict unattended and hope that it will settle down, but it can unexpectedly get out of manageable control, resulting in damage that demands managerial intervention. Alternatively, managers can tackle it with the hope of decreasing its negative effect on organizational outcomes. But managerial involvement may affect the parties involved, putting the manager’s career at risk. However, managers tend toward the former option as Tjosvold (2008) asserted, “Conflict has great potential but we are far from fully realizing it (p.19).”

It is widely agreed that conflict is present within organizations. A public organization is no exception; it is embedded with competition over policy decisions (Rainey, 2014). Yet, the focus of conflict research has primarily been on interpersonal and small group levels of analysis (Gelfand, Leslie & Keller, 2008). We need to explore organizational features that either constrain or enable how conflict is managed and to what extent this affects such organizational outcomes as job satisfaction and performance (De Dreu & Gelfand, 2008; De Dreu et al., 2004). The extent to which conflict hinders or improves job satisfaction, productivity and performance are subjects frequently cited in the general management literature (Rainey, 2014). Drawing from this literature is an important organizing point for managers in public organizations in their considering alternatives for managing conflict in the workplace.

Conflict management has been assessed in relation to organizational outcomes including employee job satisfaction and perceived organizational performance (De Wit, Greer & Jehn,
Employee job satisfaction is linked with other important organizational outcomes such as commitment, absenteeism, turnover and work performance (Chen, Zhao, Liu & Wu, 2012). To be exact, conflict is found to be negatively related to employee job satisfaction (De Wit, Greer & Jehn, 2012). Moreover, how we manage conflict may affect employee perceived organizational performance. Specifically, conflict management is associated with better perceived organizational performance (Chen, Zhao, Liu & Wu, 2012; Trudel & Reio, 2011).

A conflict-positive organization is one where employees feel free to voice their concerns, challenge ideas and work collaboratively to develop creative solutions (Tjosvold, 2008). Management needs to apply strategic approaches to managing conflict. Organizations with appropriate approaches make strategic decisions in solving conflict amidst disagreement as well as debate, allowing employees to voice their opinions in an open-minded climate. Such an atmosphere in a workplace will surely lead to better decisions (Isaken & Ekvall, 2010) and greater satisfaction which lead to overall performance of an agency. Based on these characterizations and the above-cited research on the potential benefits of conflict to organizational outcomes, the first and second hypotheses are as below:

\( H_1: \) Conflict management in public-sector sport organizations affects employee job satisfaction.

\( H_2: \) Conflict management in public-sector sport organizations affects perceived organizational performance.

Nevertheless, proper conflict management leads to increased job satisfaction and better perceived organizational performance, some researchers advocate that the relationships could be of a curvilinear nature (De Dreu & Beersma, 2005; Rahim, 2011). That is, as the extent of conflict management in an organization is heightened in terms of time, energy and costs, resources are used more for negotiations, arbitrations and compromises than for performing work to meet organizational goals (De Dreu, 2008). This practice could even lead to information overload and resource exploitation; thus, it is likely that organizational performance deteriorates and its productivity wears off (Isaksen & Ekvall, 2010).

Consequently, it is hypothesized that conflict management are positively related to job satisfaction and perceived organizational performance up to an intensity level, beyond which higher levels of conflict management are associated with lower employee job satisfaction and lower perceived organizational performance, whose trends are characterized by a curvilinear relation as stated in the following hypotheses:

\( H_3: \) The relationship between conflict management in public-sector sport organizations and employee job satisfaction becomes negative after it reaches a particular level of intensity.

\( H_4: \) The relationship between conflict management in public-sector sport organizations and employee perceived organizational performance becomes negative after it reaches a particular level of intensity.

**METHOD**

**Participants**

Data were electronically collected from a population of 53,043 employees working full-time in various agencies and departments in public-sector sport organizations in Thailand. Based on the 95% confidence level and ±5% confidence interval, 378 participants were selected using
the multistage random sampling technique. The participants in randomly selected areas were contacted and asked if they would agree to voluntarily respond to the survey pro bono. The respondents were mostly females (n=200, 53%), with a smaller proportion of males (n=178, 47%). The mean age for all participants was 34.97 years (SD=2.43). Most of the participants (56%, n=199) were single; 44% (156) were married; merely 6% (n=23) were divorced. In addition, 18% (n=68) of the participants had an employment tenure of less than 5 years; 29% (n=109) had been on the job for 5-10 years; 41% (n=156) worked for 11-15 years and 12% (n=45) had over 15 years of tenure. Almost all of the participants (n=355, 94%) held a university degree, while only a small percentage of the participants (n=23, 6%) had only acquired high school diplomas.

Measures

Employee Job Satisfaction

Employee job satisfaction was measured using a summative rating scale composed of four 5-point items associated with the satisfaction of employees with their work place. Examples are “I consider my organization to be a desirable place to work for,” “I am happy to be at work,” and “In general, I am satisfied with my job.” Total scores can range from 4 to 20, with higher scores indicative of higher job satisfaction. Reliability was assessed using Cronbach’s alpha coefficient (α=0.78) which suggested a high degree of internal reliability (Nunnally & Bernstein, 1994). The validity coefficient value was found to be favorably high (S-CVI=0.78).

Perceived Organizational Performance

Perceived organizational performance was an additive index intended to capture employees’ overall perceived organizational performance. The index summed responses to three performance-related items such as “My organization delivers high quality services,” “My organization accomplishes its mission successfully,” and “My work unit meets the organizational goals.” The scale’s scores can range from 3 to 15, with scores at the lower end signifying lower perceived organizational performance and scores at the higher end representing higher organizational performance as perceived by employees. The estimated Cronbach’s alpha coefficient for the index (0.89) suggested a high degree of internal reliability (Nunnally & Bernstein, 1994). Content validity testing also yielded satisfactory results (S-CVI=0.89).

Conflict Management

Conflict management was measured using an index containing five items that reflect and evidence the extent of conflict management in public-sector sport organizations. Instances are “Employees have voice in policy making,” “Employees are allowed to challenge ideas,” “Employees are free to take risk,” “Employees contribute to program decisions,” “My organization responds appropriately to workplace conflicts.” These items represent distinct theoretical constructs, including empowerment, voice and efficacy. The scale’s scores range from 5 (lowest disagreement) to 25 (highest agreement). Both the internal consistency reliability and stability of the scale were established with satisfactory scores (α=0.76, r=0.88, respectively).
Analysis

The main analytical method used was polynomial regression with the ordinary least squares estimation method and because the errors or disturbances had the same variance across all observation points, Eicker-Huber-White standard errors were used to allow the fitting of basic forms of models that contained heteroscedastic residuals (Greene, 2012).

The first hypothesis that conflict management in public-sector sport organizations has a predictive effect on employee job satisfaction was tested by assessing conflict management’s relation to employee job satisfaction. To examine this hypothesis, the conflict management scores were first correlated with their employees’ job satisfaction. The second hypothesis that conflict management affects perceived organizational performance was tested in a manner similar to the first hypothesis. It was also correlated with perceived organizational performance.

For H₁ and H₂, a (first-order) linear relationship was specified for the conflict management variable, resulting in baseline values for subsequent testing. For H₃ and H₄, curvilinear or polynomial regression was performed by including a quadratic term (the square of the conflict management variable) to our baseline models. With the regression approach, a model is used to allow for the existence of a systematic dependence of the conflict management variable on the dependent variables, namely employee job satisfaction and perceived organizational performance and, when different from a linear dependence, it forms a (second-order) parabolic relationship (Cleophas & Zwinderman, 2006).

RESULTS

A two-stage hierarchical polynomial linear regression analysis by entering the linear and quadratic terms successively was applied to predict the estimated value of the outcome variables—job satisfaction and perceived organizational performance—separately as a function of conflict management. The results of each regression model are shown in Table 1.

<table>
<thead>
<tr>
<th>Block</th>
<th>R²</th>
<th>Model</th>
<th>b</th>
<th>SE</th>
<th>β</th>
<th>r</th>
<th>sr²</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>0.46</td>
<td>Constant</td>
<td>2.74</td>
<td>0.45</td>
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<td></td>
<td></td>
<td>Linear JS*</td>
<td>2.12</td>
<td>0.21</td>
<td>0.68</td>
<td>0.68</td>
<td>0.17</td>
</tr>
<tr>
<td>2</td>
<td>0.81</td>
<td>Constant</td>
<td>3.02</td>
<td>0.56</td>
<td></td>
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</tr>
<tr>
<td></td>
<td></td>
<td>Linear JS*</td>
<td>5.52</td>
<td>0.36</td>
<td>0.09</td>
<td>0.79</td>
<td>0.22</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Quadratic JS*</td>
<td>-4.78</td>
<td>0.23</td>
<td>-0.26</td>
<td>0.71</td>
<td>0.32</td>
</tr>
<tr>
<td>1</td>
<td>0.71</td>
<td>Constant</td>
<td>2.11</td>
<td>0.15</td>
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<tr>
<td></td>
<td></td>
<td>Linear POP*</td>
<td>2.33</td>
<td>0.23</td>
<td>0.84</td>
<td>0.84</td>
<td>0.98</td>
</tr>
<tr>
<td>2</td>
<td>0.97</td>
<td>Constant</td>
<td>1.99</td>
<td>0.22</td>
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<tr>
<td></td>
<td></td>
<td>Linear POP*</td>
<td>1.81</td>
<td>0.93</td>
<td>0.89</td>
<td>0.67</td>
<td>0.09</td>
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<tr>
<td></td>
<td></td>
<td>Quadratic POP*</td>
<td>-1.44</td>
<td>0.43</td>
<td>-0.09</td>
<td>0.76</td>
<td>0.55</td>
</tr>
</tbody>
</table>

Note: JS=Job Satisfaction; POP=Perceived Organizational Performance; sr²=semi partial correlation.*p<0.05.

There was linearity as assessed by partial regression plots and a plot of studentized residuals against the predicted values. There was independence of residuals, as assessed by a Durbin-Watson statistic of 1.78. There was homoscedasticity, as assessed by visual inspection of
a plot of studentized residuals versus unstandardized predicted values. There was no evidence of multicollinearity, as assessed by tolerance values greater than 0.1. There were no studentized deleted residuals greater than ±3 standard deviations, no leverage values greater than 0.2 and values for Cook's distance above 1. The assumption of normality was met, as assessed by Q-Q Plot. The correlation between conflict management and job satisfaction was significant, $r(2,376)=0.68$, $p<0.001$. The prediction model was statistically significant, $F(1,376)=22.33$, $p<0.05$. Conflict management accounted for approximately 46% of the variance of job satisfaction, $R^2=0.46$, Adjusted $R^2=0.45$. Job satisfaction was predicted by higher levels of conflict management. Conflict management had a direct, positive relation with job satisfaction, $\beta=0.68$, $b=2.12$, $SE=0.21$. Specifically, a one-unit change in conflict management was associated with an increase of 0.68 points in job satisfaction.

Furthermore, conflict management was found to be significantly correlated with perceived organizational performance, $r(2,376)=0.84$, $p<0.001$. The former linearly affected the latter, $F(1,376)=20.02$, $p<0.05$. Conflict management accounted for approximately 71% of the variance of perceived organizational performance, $R^2=0.71$, Adjusted $R^2=0.72$. Conflict management had a direct, positive relationship with perceived organizational performance, $\beta=0.84$, $b=2.33$, $SE=0.23$. Specifically, a one-unit change in conflict management was associated with an increase of 0.84 points in perceived organizational performance.

Nevertheless, the estimates of each dependent variable-job satisfaction and perceived organizational performance-as a function of the independent variable-conflict management-strongly suggested a curvilinear relation, which was confirmed by the results of the analysis. Although all four models were statistically significant, the linear and quadratic terms almost fully accounted for the shape of the function. The combined linear and quadratic components for job satisfaction were significant, $F(2,376)=22.33$, $p<0.05$, $\beta=-0.26$, $b=-4.78$, $SE=0.23$. The combined linear and quadratic components for perceived organizational performance were significant, $F(2,376)=41.01$, $p<0.05$, $\beta=-0.09$, $b=-1.44$, $SE=0.43$. A quadratic function almost fully accounted for the shape of the functions for both variables as shown in Table 1.

**DISCUSSION**

The initial results suggested a positive linear relationship between conflict management and employee job satisfaction and another relationship having the same form between conflict management and perceived organizational performance. These findings supported the first and second hypotheses. However, research advocated that conflict management can yield both positive and negative organizational outcomes (Chen, Zhao, Liu, & Wu, 2012; de Dreu, 2006). That is, excessive management may result in a reversal of conflict management’s positive organizational outcomes, resulting in nonlinear relations as in H3 and H4. A curvilinear relationship between conflict management and the dependent variables was evident when conflict management was at its peak and later diminished as is reflected in the parabolic graph.

Different organizations manage conflict differently. Their approaches are definitely associated with organizational outcomes. For example, when conflict is viewed as inherently negative, organizations may be inclined to either avoid or quickly resolve it (Coggburn, Battaglio, & Bradbury, 2004). This approach might work well in the short run, but, in the long run, organizations might lose creativity, empathy and better suggestions (Rahim, 2011; Tjosvold, 2008). In brief, conflict management is a managerial function that warrants both increased academic and practitioner attention in management.
The findings from the models also have practical implications for management in sport organizations. Management must manage dispute in the right proportion as pronounced by (Burr, 2016; Roche & Teague, 2012). The nature of conflict management should ensure positive performance outcomes and increasing perceived performance returns by keeping conflict management practices to a low level so that they do not result in diminishing returns such as information overload, delayed decisions (Lu & Wang, 2017) and forgone work (De Dreu, 2008; Isaksen & Ekvall, 2010). In serious conflict situations, conflict management has an effect on perceived organizational performance (Rahim, 2011) due to the fact that employees feel empowered to voice their feelings and to deal with conflict on their own.

Though it was apparent that conflict management practices significantly affected job satisfaction and organizational performance, it cannot be inferred that the two dependent variables were the result of the occurrence of the conflict management practices. In other words, since this study did not apply an experimental design, it was not intended by any means to draw a causal conclusion.

In future studies, an attempt can be made to assess the role and relationship of the various styles of conflict management to certain organizational constructs including employee commitment, leadership or other organizational outcomes such as employee well-being and satisfaction (De Dreu & Beersma, 2005). Future research can also measure the conflict levels and types by applying different existing measures in sport and non-sport organizations. Qualitative designs with a content analysis focus also are probable choices in terms of the research methodology for the sake of improving our understanding of organizational conflict and its effects on fulfilling the organization’s goal. Lastly, we can further explore whether or not private-sector sport enterprises are more likely to engage employees in conflict solving than public-sector organizations as claimed by Brewer & Lam (2009).

Conflict is prevalent in sport organizations; however, the sport context is rarely investigated scientifically. Therefore, there is still much to be explored herein. Although conflict exists in all organizations regardless of the nature of enterprises, sport organizations—considering its billions of dollars in revenues and investment—offer a particularly attractive setting for further analyzing both conflict and its management.

REFERENCES


