

# Conflict Management in Algerian Companies: Private and Public Sector

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## Abstract :

The conflict exists in all the company , it is an unavoidably phenomena but it can be managed using different strategies to alleviate the conflict .If the company don't take into account the management of the conflict , it could lead to influence on their goals like enhancing the business performance , job satisfaction , efficiency.This research aimed to investigate the role of conflict's strategies on business performance in the Algerian companies (Private and Public sector ) , and highlight the role of the conflicts in reducing the achievement of the company using a field research in which we found that there is a difference in conflict management styles used by Private and Public sector .

**Keywords:** conflict management – business performance – Algerian companies.

## Introduction

Conflicts are impossible to avert, but it is possible to manage them in a way that the company recognize the conflict symptoms in time. It is necessary to continuously track the organizational signals, which point to their existence. In case we do not react in due time, this can lead to a situation where the conflict itself manages the organization

The conception of threat occurrence of conflict, is necessary for the initiation of conflict prevention or management measures, and hence it is essential to address the concept of conflict before exploring how to prevent and manage such occurrences.

The adaptation of appropriate conflict management lead to a positive effect like the improvement of communication process , increase the level of innovation among the employees ....

This article aimed to investigate the role of conflict's strategies on business performance in the Algerian companies (Private and Public sector ) , and highlight the role of the conflicts in reducing the achievement of the company.

### 1- Definition of conflict :

Turkalj.Ž et all define conflict as the contrast that happen between various individuals or groups when there is an incompatibility goals, interests or values, and those people block each other's efforts for accomplishing goals .It can be regarded as a source that enables the company constant new knowledge , the development of company .... A conflict has been defined as a situation in which two or more parties aim to obtain the same scarce resources at the same time.( N L.P. Swanström & MS. Weissmann,2005).

It arises from differences and occurs whenever people disagree over their values, motivations, perceptions, ideas, or desires . According to C.R. Mtchell the conflict is based on the interaction of three terms : situation , attitudes and behavior .for the example : the situation impacts attitudes (inconsistent goals increase the suspicion and distrust between the actors). A conflict exists when there is an interaction between two or more individuals, groups or organizations where at least one side sees their thinking, ideas, perceptions, feelings.( Kizito Tenthani)

Conflict in general is the result of disagreement interests involving goal divergence and defeat.

### 2- Types of conflict :

There is different ways to view the form of conflict , in this part we discuss about the more important in the company :

Robbin distinguishes about the functional and dysfunctional conflict , he considers functional conflicts as ones which tend to encourage accomplishing organization's goals and improvement of work performance, whereas conflicts which aggravate accomplishing goals are destructive or dysfunctional .( Turkalj.Ž et al )

However , Kurtzberg et al. (2005) mention three forms of conflict : Conflicts based on the work process, relationship-based conflict and the task-based conflict . The first one is about the perform of the work and the responsibilities . the second type formed from the relationships and interactions between the teams and the third form caused from the disagreements about the work task itself .

Ohbuchi *et al.* (2003) talk about three different perspective on conflicts. Conflict of interest concerns issues between people and their interests. Cognitive conflict arises through people having different views on things. And finally value conflict and occurs through disagreements concerning different values or expectations.

Other classifications of the conflict are :

- **Intra-personal conflicts:** Conflicts within a person, psychological conflict, decision making conflict in one person. Though these conflicts may play a part in social conflicts, they are not the subject matter of conflict transformation work but more of a concern of therapy or counselling .

- **Inter-personal conflict:** Conflicts between two or a small number of people without groups building up around one side.
- **Intra-group conflicts:** Conflicts within smaller (team, organization, family) or larger groups (religious community, within elites in a country). Here group dynamics add to the normal dynamics of inter-personal conflicts.
- **Inter-group conflicts:** Conflicts between groups, like organizations, ethnic groups, political parties
- **International, inter-state conflicts:** Conflicts between two or more countries, states

### 3- Definition of Conflict Management

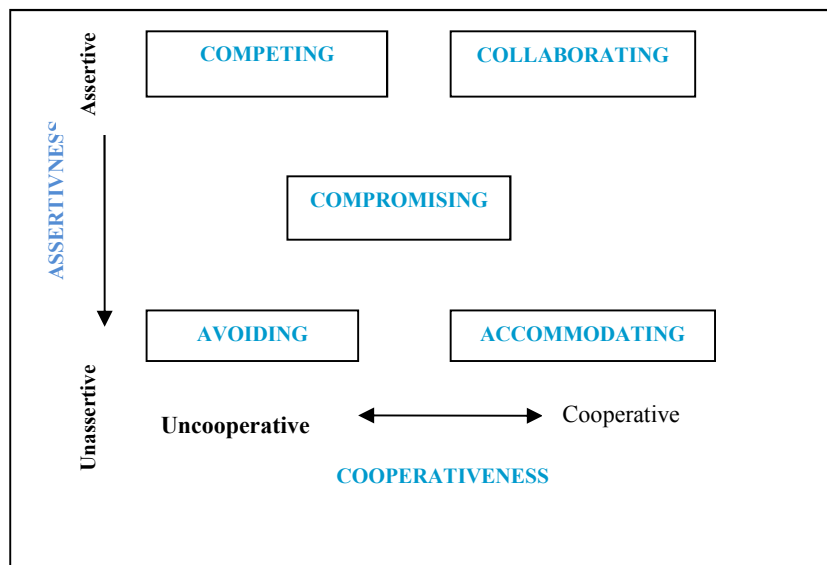
The American Management Association defines conflict management as recovering the potential value of conflict for driving change and innovation. This indicates knowing the way and the mean to confront and to avoid a conflict and comprehensive the issues around which conflict revolve" The conflict management attend to involve effective communication , the ability to solve problems and having a good negotiating skills to restore the goals of the company .

It is the way to be able in identifying and handling conflicts sensibly, fairly, and efficiently. Since conflicts in a business are a natural part of the workplace, it is important that there are people who understand conflicts and know how to resolve them. This is important in today's market more than ever. Everyone is striving to show how valuable they are to the company they work for and at times, this can lead to disputes with other members of the team.

Managing conflict requires sensitivity and empathy, in conjunction with objectivity and an ethical stance.

### 4- Conflict Management Styles :

When the company found the conflict, the behavior of employee can be described in terms of two independent dimensions—assertiveness and cooperativeness. *Assertiveness* is the degree to which you try to satisfy your own concerns, and *cooperativeness* is the degree to which you try to satisfy the other person's concerns. The figure below shows the main choices you have in a conflict—the conflict-handling modes.



Source : Kenneth W. Thomas.

Figure 1. the conflict management styles

*Competing* is assertive and uncooperative. You try to satisfy your own concerns at the other's expense—to win.

*Accommodating* is unassertive and cooperative—the opposite of competing. You sacrifice your own concerns to satisfy the other person's.

*Compromising* is partially assertive and partially cooperative. You look for an acceptable settlement that only partially satisfies both your own and the other person's concerns.

*Avoiding* is unassertive and uncooperative. You try to sidestep or postpone the conflict, satisfying neither person's concerns.

*Collaborating* is assertive and cooperative. You try to problem-solve to find a solution that completely satisfies both your concerns and the other's.

Moreover , the success of the company relates on the ability to recognize and manage the conflict , many authors

classify the conflict management styles as follows :

**Dominance** - it occurs when the cooperation is extremely low, and the persistence in satisfying of personal interests high. By this strategy conflict is resolved in a way to satisfy the needs of one party damaging the other party involved in the conflict.

**Integration** – cooperation is high, as well as the persistence in satisfying of one’s own needs, so there is to be sought for the appropriate solution for all parties involved in the conflict.

**Compromise** – there is an equal wish for medium level of cooperation and persistence in satisfying of one’s personal needs, so the conflict is resolved so that each party involved in conflict gives up the part of the value.

**Avoiding** – when the cooperation as well as persistence in satisfying of one’s personal needs is very low. In that case the conflict resolution will be solved by with-drawal or repression of conflict.

**Cooperativeness** – the readiness for cooperation is extremely high, and the conflict is resolved by putting the other party’s interests before its own.

Bodtker *et al.* (2001) presents the following three steps when managing conflicts: First , identifying the conflict elements: emotions, behaviours and contradictions. ( **Attitudes** : Cognitive ideas and emotions. **Behaviour** : Evident behaviour and potential aggressive actions **Contradiction** :Values and interests. )

Second , Changing the orientation of the conflict and making the different parties aware of the elements. And finally take the right solution : Changing the elements allows transformation of the conflict direction, which leads to the solution becoming apparent.

### 5- The relationship between conflict management and organizational performance :

To illustrate the relationship between the conflict management and business performance , we can consider the figure bellow :

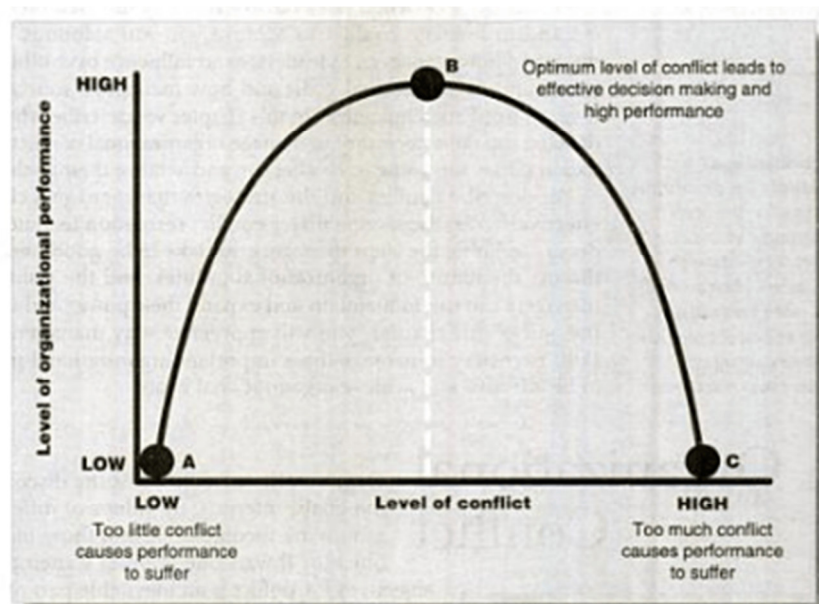


Figure 2. Relationship between Organizational conflict and Performance of organization

It is evident from the figure that there is three points explain this relation :

- 1- In point A : there is small conflict and weak performance this indicates that the managers put conformity at the new ideas' expense.
- 2- In point B : the level of conflict and business organizational increase , this indicates Managers are probable to be open and encourage different perspectives, Look for ways to improve the effectiveness and functioning of organization. And they view disagreements and debates as an important part for making effective decisions
- 3- In point C: the level of conflict increase and performance organizational decrease . this means that managers are likely to waste resources of the organization for personal gains .

So conflict organizational is important to the company to make the effective decision and increase the level of performance .( Priya Chitta , 2012) the conflict is essential for the life organization .The conflict will be positive when it is constructively discussed by the parties and amicable terms for settlement reached.

### 6- Methodology research :

This study aimed to test the impact of conflict management on business organizational . In this part we examine the research questions of the study ,sample selection procedures ,the sample size ,sources of data both primary and secondary and looks at how the data is presented and analyzed.

In this study , the researchers have distributed 100 questionnaire to employees in different

administration levels with return rate 100% . The Statistical Package for Social Sciences (SPSS) version 17.0 was used to analyze the data. The initial analysis was conducted by calculating descriptive statistic including frequencies, mean scores and standard deviation..

**6-1 Study Model :**

The variables of this research are composed into dependent variable and independent variable, in which the independent variable ( conflict management is divided into five indices: dominance , integration , compromise , avoiding and cooperativeness) (according to the model used by Turkalj. Ž, Ivana F and Davor D .

Quantitative research method using a questionnaire was adopted to examine the role of the conflict of management style in increasing the level of business performance .We use 100 questionnaire that is distributed to the employees worked in Algerian organizations (Private and public sector).

The questionnaire comprised 6 units which comprised the elements of business performance and one unit concerned the issues of conflict management in the company .

The questions in the questionnaire were scaled by “closed” . The results are analyzed by the program SPSS (*Statistical Package for Social Sciences*) for the collected data.

**6-2 Study Hypothesis**

This research aimed to test the following hypothesis :

**H<sub>a</sub>:** There is There is a no difference in conflict management strategies used by Private and Public sector.

**6-3 Samples and Sampling Technique:**

For this research , we chose a simple random sample to obtain 100 respondents working in different level administrative in five Algerian sectors (table 1) , a total of 100 responses were received, representing a response rate of 100%.

Table 1. Public and private sector

Public sector	Private sector
Algeria telecommunication	Ooredoo
The education sector	Djezzy
	Mobilis

**6-4 Sample Description**

The table(1) illustrates characteristic data which are categorized into several segments: sex, age group, the level of education, workplace, years of service and a kind of ownership structure in the organization .As it is mentioned in the table (2) , the majority of the respondents were female(73%) ,they have more than 30 years old , persuade a high education and less than five years of services .We have distributed the questionnaire evenly between the two sectors (Private and Government sector )

Table 2. Demographic Characteristics of Respondents.

	Demographic characteristics	Frequ ncy	%		Demographic characteristic	Frequ ncy	%
<b>Gender</b>	<b>Male</b>	27	27	<b>The level education</b>	<b>Without high education</b>	20	20
	<b>Female</b>	73	73		<b>With high education and mo</b>	80	80
<b>Age</b>	<b>25-30</b>	23	23	<b>Employment</b>	<b>First employment</b>	10	10
	<b>31-40</b>	54	54		<b>Second employment</b>	90	90
	<b>40-50</b>	15	15	<b>Years of service</b>	<b>Less than 5 years</b>	60	60
	<b>More than 50</b>	8	8		<b>More than 5 years</b>	40	40
				<b>Kind of ownership</b>	<b>Private sector</b>	50	50
					<b>Government sector</b>	50	50

Source: authors’ own research

**6-5 Data Analysis:**

The responses collected were processed to look for both direct and moderating effects using the Statistical Package for the Social Sciences (SPSS) for Windows Version 17.

**6-5-1 Reliability**

To measure the internal consistency or reliability of the items in each variable of the questionnaire , we use Cronbach’s alpha coefficient . We found that all the variables have a reliability (more than 40%) .(see table 3)

Table 3. Results of Validity and Reliability Analyses

Variables	Items	Cronbach’s alpha
Business Performance	6	0.75
Conflict Management Style	10	0.68

Source :from SPSS

### 7- The Results of Descriptive Statistics :

The table 4 clarify the obtained results of the total sample on the questions that have been asked on the sample , it is evident that there is a difference in the answers of the respondents between the private and public sector .

**In the private sector** , we found that the respondents are satisfied of the style utilized in their companies and they are agree about the influence they have on decision-making in the organization. Employees worked in the private sector consider that the conflicts have an impact on business performance.(98%)

About the question How often do you enter into conflicts with colleagues and superiors in your organization? The obtained answer is that 4% of the respondents never enter a conflict, while 42% of the respondents enter a conflict rarely. This sometimes happens by the 22% of the respondents, while 24 % of the respondents often enter the conflicts , and 8% of the respondents always enter the conflicts with their colleagues and superiors in their organization.

**In the public (government ) sector** , we found that the respondents are dissatisfied of the style utilized in their company but they can't estimate the influence on decision-making in the organization(80%) . Employees worked in the public sector consider that the conflicts have an impact on business performance.(64%)

About the question How often do you enter into conflicts with colleagues and superiors in your organization? The obtained answer is that 14% of the respondents rarely enter a conflict . This sometimes happens by the 8% of the respondents, while 22 % of the respondents often enter the conflicts , and 56 % of the respondents always enter the conflicts with their colleagues and superiors in their organization.

Table 4 . The Results of Descriptive Statistics

	<i>Private Sector</i>		<i>Governme Sector</i>	
	<i>Frequenci</i>	<i>Percenta</i>	<i>Frequencie</i>	<i>Percenta</i>
<b>Communication</b>	<b>50</b>	<b>100%</b>	<b>50</b>	<b>100%</b>
Dissatisfied by the communication	21	42%	35	70%
Satisfied by the communication	29	58%	15	30%
<b>Influence on decision-making</b>	<b>50</b>	<b>100%</b>	<b>50</b>	<b>100%</b>
With influence	20	40%	10	20%
Without influence	1	2%	0	0
Cannot estimate the influence	29	58%	40	80%
<b>Do the conflicts have an impact on business performance of Your organization?</b>	<b>50</b>	<b>100%</b>	<b>50</b>	<b>100%</b>
Yes	49	98%	32	64%
Partially	0	0	10	20%
No	1	2%	8	16%
<b>How often do you enter into conflicts with colleagues and superiors in your organization?</b>	<b>50</b>	<b>100%</b>	<b>50</b>	<b>100%</b>
Never	2	4%	0	0
Rarely	21	42%	7	14%
Sometimes	11	22%	4	8%
Very often	12	24%	11	22%
Always	4	8%	28	56%
<b>Conflict Management Styles :</b>				
Integration	21	42%	0	0
Cooperativeness	15	30%	1	2%
Domination	7	14%	22	44%
Avoiding	4	8%	14	28%
Compromise	7	14%	13	26%

Source: authors' own research

About the conflict management style in the organization , the results show that the majority of the employees worked in the private sector by resolving conflicts use cooperation and integration as a conflict management style, which is characterized by high level of cooperation and integration , and the conflict is resolved by putting the other party's interests before its own or by integrate them to solve the conflict.

But in the public sector, the employees show that the administration use the domination style in a way to satisfy the needs of one party damaging the other party involved in the conflict.

### 8- Testing hypothesis :

Hypothesis's study is :

**H<sub>a</sub>: There is There is a no difference in conflict management styles used by Private and Public sector**

Table 5 shows the difference among the conflict management styles in both the public and private sector companies .

The sequence of strategies used by both the public and private sector were different that is, integrating, cooperating, dominating ,avoiding and compromising as the last method to resolve the conflict in the private sector ,but in the public sector the more style used in this sector is the dominating tool . So there was a difference in the sequence of strategies they use. The difference between conflict management strategies in both the public and private sector was significant. Hence the hypothesis is rejected .

Table 5. Testing hypothesis .

Conflict Management Styles	Groups	N	Mean	Df	t-value	p-value	Results
Integration	Public	50	2,32	98	1.032	0.002	Hypothesis is rejected
	Private	50	3,43				
Cooperativeness	Public	50	2.33	98	0.090	0.001	Hypothesis is rejected
	Private	50	3.03				
Domination	Public	50	4.32	98	0.234	0.000	Hypothesis is rejected
	Private	50	2.22				
Avoiding	Public	50	3.33	98	1.056	0.001	Hypothesis is rejected
	Private	50	4.66				
Compromise	Public	50	3,44	98	0.678	0.000	Hypothesis is rejected
	Private	50	3.21				

**Significant level 0.05**

**9- Discussion :**

The present study found that the conflict management styles have an impact on business performance in both public and private sector based on the frequencies mentioned bellow, The study also demonstrate during the interview with the employees working in the public and private sectors that the company's initiative in resolving conflicts leads to increase the productivity and thereby increase the performance level.

About the conflict management styles used by the public sector is the dominance style . This is what can be seen in the education sector, for example, by the trying to resolve the conflict and repeated strikes by taking control of the situation and find solutions that satisfy the second party.

In the private sector , we found that this sector like Ooredoo , Djezzy prefer the cooperation style to resolve the conflict more than the other form of the conflict management styles.

**Conclusion**

The conflict exist any time in the company and the effective use of conflict requires knowledge and understanding of the full nature of the conflict and obtaining the skills to manage and control it which is the one of the most important management skills. Since conflict may have functional as well as dysfunctional consequences, it is essential that administrators explore various methods and techniques of conflict management . Although very few people go looking for conflict, more often than not, conflict results because of miscommunication between people with regard to their needs, ideas, beliefs, goals, or values. Conflict management is the principle that all conflicts cannot necessarily be resolved, but learning how to manage conflicts can decrease the odds of nonproductive escalation. Due to the difficulty of measuring the impact of conflict on the performance of employees it has become necessary to the organizations to take into consideration and with continuity to their employees and to meet their needs and desires in order to avoid any problems.

Some studies have proven that managers spend at least 24% of their time managing conflict, according to a survey by the American Management Association. So Algerian manager in the public and private companies must acquire skills to deal with conflicts and acquire the skills to deal with conflict and replace the negative effects of the positive effects of the conflict.

We suggest for the future research studying the effect of the strategies used to raising the level of the conflict on the different dimensions related to the worker like : motivation .

**Acknowledge:**

I would like to thank the EJBM editors who accept to review the article.

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