

The Modes of Conflicts and Managerial Leadership Styles of Managers

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Abstract

The study was conducted to examine leadership styles used by managers in different banking sectors when they face interpersonal conflicts within the organizational context. Leadership styles and induced conflicts are essential to an enterprise and its performance. Therefore, it is of paramount significance to study the impacting mechanism of leadership and conflicts on banking sector. The purpose of this study is to examine the choice of strategy in conflict management with relation to their leadership styles among managers in banking sector of Pakistan. Questionnaire was used to collect the data from the managers of the various banking sector. The result of this study finds out the positive correlation between leadership/managerial styles and modes of conflict management. It is also revealed that most of the managers belong to team manager category and most of the managers used the accommodating and collaborating conflict management modes to handle any issue in the organization. The team leader managerial style has positive effect on employee behavior and performance.

Keywords: Conflicts, Conflicts Management, Managerial Leadership styles, Banks

INTRODUCTION

The conflict varies, sometimes it is minimal, immense, hidden or open or sometimes it is destructive or constructive. Mostly individual or groups are so bound together that their actions affect one another and conflict is natural and inevitable. Conflicts happen between individuals, between groups and between nations. An organization without conflict is probably apathetic. Conflict signifies involvement, commitment and caring.

An organization without conflict is probably apathetic. Conflict signifies involvement, commitment and caring. If understood, recognized, it can stimulate renewed and improved human relations. Without conflict, people seldom face and resolve their problems (Hotepo, Asokere, Abdul-Azeez, & Ajemunigbohun, 2010). To understand the word 'conflict' requires a clear definition "Conflict is inherent to all social life, it happen when peoples come with different ideas, attitudes and behavior" (Wall & Callister, 1995). Conflict is also

defined as it is the internal uncertainty that result from different opinion (Murphy, 2005). Organizational conflict occurs between individuals, peoples, organizations, within small groups and work teams, or between groups (Amason & Schweiger, 1997). Who has been studying conflict for over 20 years, defined it as “the process that begins when one party perceives that the other party has negatively affected, or is about to negatively affects something that he or she cares about (Thomas, 1992; Valentine, 2001). Reasons of organizational conflicts are distribution of task, norm, values (Amason & Schweiger, 1997). A style is considered appropriate for a conflict situation, if it is used then leads to effective formulation and/or solution to a problem (Swinton, 2008). The ability to manage conflict situations, towards constructive outcomes is becoming a standard requirement with appropriate leadership styles (Nadler & Tushman, 1999). The process model is focused on internal dynamics of specific conflict events and is useful for managing an ongoing system and coping with crisis (Rahim, 2002). The objective of this paper is to identify conflict mode choices of head managers in banking sector and examine the correlation between leadership styles, choice of strategy in handling conflicts where managers deal with conflicts on daily basis. This paper is divided into five sections where the first section include introduction second section explain the literature. The third section is about methodology while fourth section is results and analysis. The final section of the paper is conclusion.

LITERATURE REVIEW

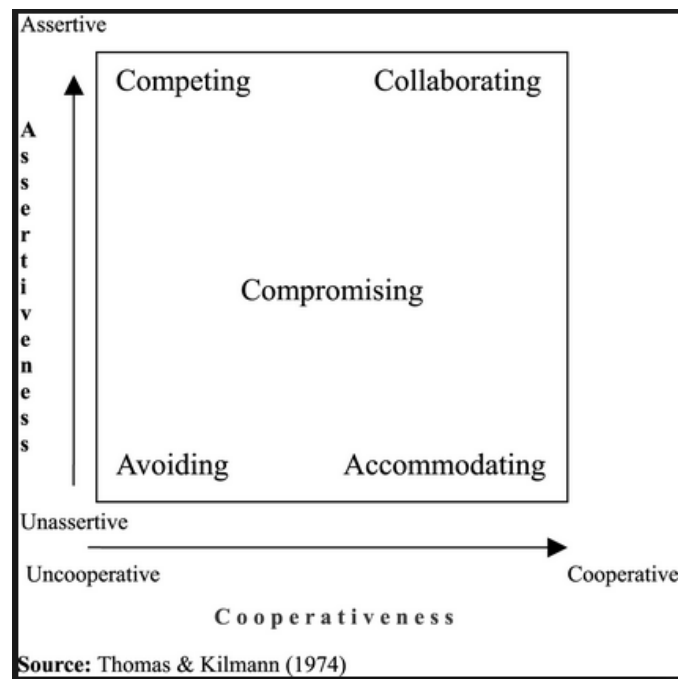
Defining Conflicts

Whether two people, two groups or two nations interact, their perceived needs and goals may conflict (McKenna, 2000) . It can involve incompatible differences between parties that result in interference or opposition, and violation of rules and procedures. How people perceives conflict depends upon their orientation. This is called the conflict frame, the lens through which the parties to a dispute, view the conflict situation (McKenna, 2000; Thomas, 1992; Wall & Callister, 1995). Conflict has been interpreted differently at different times. The current school of thoughts encourages the adoption of a minimum level of conflict that is; enough conflict to make sure the group is viable, self-critical, and creative (Pinkley & Northcraft, 1994). Conflict is as “the internal discord that results from differences in ideas, values, or feelings between two or more people”. Although a generally accepted definition of conflict does not exist (McKenna, 2000; Nadler & Tushman, 1999). who has been studying conflict for over 20 years, defined it as “the process that begins when one party perceives that the other party has negatively affected, or is about to negatively affect, something that he or she cares abou (Hendel, Fish, & Galon, 2005). Conflict is an infectious phenomenon that gets under the skin of those involved, with known effects such as feelings of hostility, anxiety, and stress. Conflict between coworkers can of course result in such issues, but more importantly conflict between employees and their supervisors may result in employees looking elsewhere for employment. It covers personality characteristics and value system in which people adhere, Individuals have within themselves the capacity to generate conflict(Thomas, 1992; Valentine, 2001).

STYLES OF CONFLICT MANAGEMENT

A successful workplace conflict management strategy will reduce hostility and aggressiveness at work. Conflict management and resolution must address everyone's needs and concerns, including your own, so in turn you will be more effective and have greater job satisfaction(Swinton, 2008). Identify five major styles or modes of conflict management that manager’s use. Using the Conflict Management Model, you can see how

behavior can be expressed in terms of co-operation and assertiveness, and how that approach works OR not. The process model is focused on internal dynamics of specific conflict events and is useful for managing an ongoing system and coping with crisis. (Barki & Hartwick, 2001; Beyerlein, 2007; Hendel et al., 2005; Rahim, 2002; Thomas, 1992; Valentine, 2001). Thomas places the five styles in a two dimensional framework comprising assertiveness the desire to satisfy one's own concerns, and cooperativeness the desire to satisfy another's concerns.



Two Dimensional Model of Conflict
Management by Thomas 1992

a) *Competition*

The use of this style in conflict resolution amounts to an attempt to overwhelm an opponent by utilizing formal authority, threats or the use of power. It is a win-lose struggle and is reflected in assertive and uncooperative behavior.

b) *Collaboration*

This style involves mutual problem solving, whereby all the parties to the conflict come face to face with each other and discuss the issues. When the collaborative style is used, participants attempt to clarify their differences and consider the full range of alternatives with a view to solving the problem. Collaboration is frequently viewed, as a win-win approach because the solution sought by the group is advantageous to all the participants. The collaborative style is reflected in both assertive and cooperative behavior.

c) *Avoidance*

One way in which parties to a conflict can deal with the situation is by avoiding the other person in order to prevent an overt demonstration of disagreement. Avoidance takes two forms-withdrawal and suppression. In withdrawal we may encounter a situation where for example, health and safety officials find it difficult to relate to key production executives.

The former withdraws from interaction with the latter by sending safety reports up the hierarchical line for downward action. Where withdrawal is not acceptable the parties may suppress their differences by withholding information or not airing their feelings so as not to upset the other party. By removing the conditions for overt disagreement, a win-lose struggle is avoided. Probably suppression is more widely practiced than appears to be. This style is reflected in unassertive and uncooperative behavior.

d) *Accommodation*

This style is similar to appeasement, where one party in a conflict situation places his/her interest below the opponent's interest. It amounts to self-sacrificing behavior, and can be found in personal relationships, where one party puts the other party's interest first. This style is reflected in unassertive but at the same time cooperative behavior.

e) *Compromise*

A compromise situation is created when each party to the conflict gives up something, and there is no winner or loser. In the field of industrial relations, compromise is evident in discussion between management and trade unions. In order to arrive at a settlement to, for example, an industrial dispute, compromise is required. This style is reflected in intermediate amounts of assertiveness and cooperativeness (Thoms, 1992).

LEADERSHIP STYLES

Leadership processes did not reside solely in the person, but could be cultivated as distinctive patterns of behavior. The behavioral style approaches become popular from the 1930s to now. The Blake and Mouton developed a managerial grid in 1985 that depicted five leadership styles, concern for people and concern for production/task. The ideal of managerial grid is 9.9 style (team management) where there is an integrative maximum concern for both production and people. The 9.1 style (task management) focuses wholly on production/task and the managers in this category have problems in dealing with people/subordinates. The superior makes the decisions and subordinates carry it without question. The 1.9 style (country club management) emphasizes people/employees. Direct disagreement or criticism of one another avoided and as a consequence production problems are not followed up. The Managerial Grid is based on two behavioral dimensions.

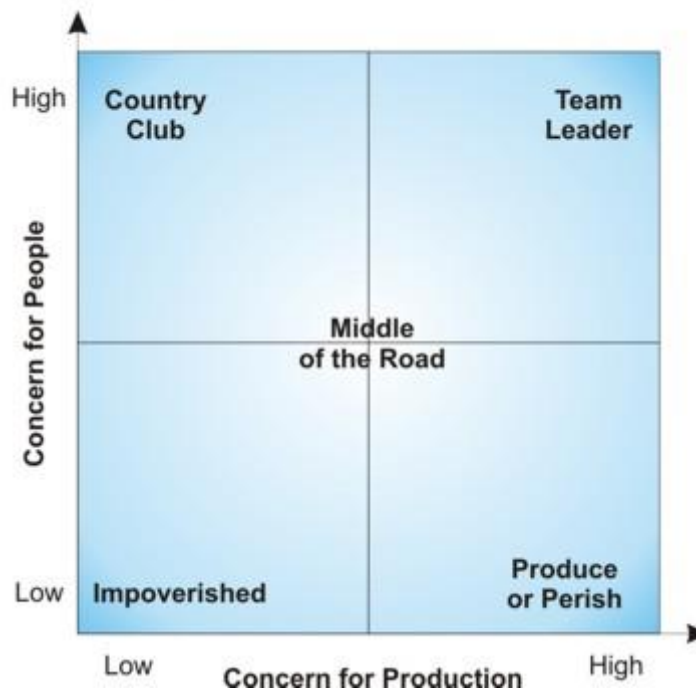
A. *Concern for People*

This is the degree to which a leader considers the needs of team members, their interests, and areas of personal development when deciding how best to accomplish a task.

B. *Concern for Production*

This is the degree to which a leader emphasizes concrete objectives, organizational efficiency and high productivity when deciding how best to accomplish a task. Using the axis to plot leadership 'concerns for production' versus 'concerns for people', Blake and Mouton defined the following five leadership styles:

Figure 1: The Blake Mouton Grid



C. Country Club Leadership

a) High People/Low Production

This style of leader is most concerned about the needs and feelings of members of his/her team. These people operate under the assumption that as long as team members are happy and secure then they will work hard. What tends to result is a work environment that is very relaxed and fun but where production suffers due to lack of direction and control.

D) Produce or Perish Leadership

a) High Production/Low People

Also known as Authoritarian or Compliance Leaders, people in this category believe that employees are simply a means to an end. Employee needs are always secondary to the need for efficient and productive workplaces. This type of leader is very autocratic, has strict work rules, policies, and procedures, and views punishment as the most effective means to motivate employees.

E) Impoverished Leadership

a) Low Production/Low People

This leader is mostly ineffective. He/she has neither a high regard for creating systems for getting the job done, nor for creating a work environment that is satisfying and motivating. The result is a place of disorganization, dissatisfaction and disharmony.

F) Middle of the Road Leadership

a) Medium Production/Medium People

This style seems to be a balance of the two competing concerns. It may at first appear to be an ideal compromise. Therein lies the problem, though: When you compromise, you necessarily give away a bit of each concern so that neither production nor people needs are fully met. Leaders who use this style settle for average performance and often believe that this is the most anyone can expect.

G) Team Leadership**a) High Production/High People**

According to the Blake Mouton model, this is the pinnacle of managerial style. These leaders stress production needs and the needs of the people equally highly. The premise here is that employees are involved in understanding organizational purpose and determining production needs. When employees are committed to, and have a stake in the organization's success, their needs and production needs coincide. This creates a team environment based on trust and respect, which leads to high satisfaction and motivation and, as a result, high production.

METHODOLOGY

The sample of this study was drawn from banking sector of KPK Pakistan. Population of this study includes managers of banks in Pakistan. This sector was selected for the sample because during last five years growth and change rate is higher as compared to other sectors in KPK Pakistan. Study participants included branch managers of banks. 120 questionnaires were distributed in different branches of banks in KPK Pakistan and only 75 responded back, which become the sample of this study and the response rate was 60 % which is quite enough to analyze the result. The size of sample was small due to limitation of time and resources. The instrument used for data collection was questionnaire for the study. The scale for the questionnaire was likert scale. For modes 1 to 5 likert scale was used whereas for styles used by the managers 1 to 9 likert scale was used.

RESULTS AND ANALYSIS**a) Descriptive Statistics**

The mean varies from 8.52 to 6.38 and standard deviation varies from 0.9 to 2.4 for conflict management modes where as people and task oriented leadership/managerial style has mean values 7.5 and 9.3, which reflects that the data collected is with a little variation. The low values of standard deviation depicted that the values are clustered around the means. The concept of correlation was employed to decide whether a significance relationship existed between the paired data.

Table 1: Descriptive statistics

N-75	Mean	Median	Mode	variance	SD
People	7.548	6.8	6.4	0.3	0.5
Task	9.347	7.4	7.8	0.3	0.5
Competing	9.143	9	8.0	2.4	1.6
Collaborating	7.714	8	8.0	1.0	1.0
Avoiding	8.095	8	8.0	1.3	1.1
Accommodating	6.381	7	7.0	0.9	1.0
Compromising	8.524	10	10.0	1.8	1.3

There were two tools used for the data analysis in this independent study. One was mean and standard deviations for variables. While using likert scale questions it is appropriate to

use means that give us insight for which direction the average answer is. The scale for conflict management mode is as follows: 1=Always, 2=Very often, 3=Sometimes, 4= Not very often, 5= rarely, if ever. The standard deviation gives us an indication of average distance from the mean. A low standard deviation would mean that the most observations cluster around the mean. Whereas a high standard deviation would mean that there was a lot of variation in the answers.

b) Correlation Analysis

Correlation is a measure of the relationship between two or more variables. Correlation coefficients can range from -1.00 to $+1.00$. The value of -1.00 reflects a perfect negative correlation while $+1.00$ represents a perfect positive correlation and also depicted the strength of relationship. The Pearson correlation coefficient was most widely used in research studies. It assumes that two variables are measured on interval scale. We used Pearson correlation technique to measure the strength of correlation between variables. At $p < 0.01$ level the result of correlation supported the hypothesis that there is a significant relationship between variables (leadership style and modes of conflict management). Represent the outcomes of the correlations for variables (leadership style and modes of conflict management).

Table 2: Pearson Correlation

Conflicts Management Situation	People	Task
Competing	0.26	0.01
Collaborating	0.10	-0.36
Avoiding	-0.08	-0.31
Accommodating	0.36	-0.03
Compromising	0.20	-0.02

We can observe that there is a high correlation among the dependent variables modes of conflict management and independent variable leadership style. Specially, between the people oriented style of leadership of manager of bank and accommodating style of conflict management, correlation is **(0.36)**. Bank managers accommodate their employees by considering the requirements of team members, their interests, and areas of personal development by placing and rotating their jobs to accomplish task and organizational objectives. The correlation between people oriented managerial leadership and competing is **0.26**. That reflects that managers are more concern to meet their targets but have also concern for the wellbeing of their employees. Similarly, the people oriented managers' compromise some times and give space to employees to achieve targets by their own way. People oriented managerial style has negative **(-0.08)** correlation with the avoidance modes of conflict management. Currently, competition is high among banks to attract good employees from competitor banks, therefore manager cannot avoid resolving issues among or between employees or between manager and subordinate. Whereas the task oriented managerial style has negative correlation between four modes of conflict management excluding competing mode, which is **(0.01)** almost some or no correlation. Task oriented

managerial/leadership style is significantly and negatively correlated with collaborating mode of conflict management **(-0.36)**. This is the degree to which a manager emphasizes organizational objectives and concern with the employee/subordinate's efficiency and not collaborates with them to achieve the target. In the same way, the task-oriented managers are more concerned with high productivity. There is a negative correlation **(-0.31)** with task managerial/leadership style and avoidance mode of conflict management. Manager avoids himself to indulge in resolving issues between manager-subordinates or between employees. Individuals are indifferent to each other's needs, and issues are evaded or ignored completely and concerned only toward task. The other three competing, compromising and accommodating modes have little correlation with task oriented managerial leadership style in banks. In avoidance mode of conflict management, Manager avoids himself to indulge in resolving issues between manager-subordinates or between employees. Individuals are indifferent to each other's needs, and issues are evaded or ignored completely and concerned only toward task. The other three competing, compromising and accommodating modes have little correlation with task oriented managerial leadership style in banks.

IMPLICATIONS

The implications of this study are that manager can adopt the team leader style to manage his/her subordinates and keep both task and employee concern at his/her priority approach.

LIMITATIONS

The limitations of this study are that researcher has time and financial constraints in the collection of data. There is only two variables leadership style and conflict management modes are used. There is no demographic variables are used.

FUTURE RECOMMENDATIONS

Sample needs to be increased to represent more population of managers. The gender and other demographic variables can be used for further analysis. Further research need to check the relationship between servant leadership and conflicts modes. If the future researchers include other business sectors for study then result can be generalized to all population of managers and it will give true picture about the topic.

CONCLUSION

The results of this study are derived from the banking sector of Pakistan. It provides support for the existence of a relationship between the leadership/managerial style and modes of conflict management. Basically the research study was carried out to examine the leadership styles of managers in banks and which leadership style is common among managers. After data analysis it is also revealed that most of the managers belong to team manager category and most of the managers used the accommodating and collaborating conflict management mode to handle any issue in the organization. The team leader managerial style has positive effect on employee behavior and performance. This style help manager to achieve his/her target on time and compete in the market. After data analysis it is also revealed that most of the managers belong to team manager category and most of the managers used the accommodating and collaborating conflict management mode to handle any issue in the organization. The team leader managerial style has positive effect on employee behavior and performance. This style help manager to achieve his/her target on time and compete in the market. The implications of this study are that manager can adopt the team leader style to manage his/her subordinate and keep both task

and employee concern at his/her priority approach. The limitations of this study are that researcher has time and financial constraints in the collection of data. There is only two variables leadership style and conflict management modes are used. There is no demographic variables are used. The researcher has no prior experience. Sample needs to be increased to represent more population of managers. The gender and other demographic variables can be used for further analysis. If the future researchers include other business sectors for study then result can be generalized to all population of managers and it will give true picture about the topic.

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