Effects of work place conflicts on employee performance in the air transport industry in Kenya

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One of the most outstanding aspects of work place conflict is that it is practically intrinsic to the life and dynamics of teams. Conflicts is ever present in interpersonal relations (Pruitt and Carneval, 2000), in intra-group and inter organizations relations (Jehn et al, 2001), in strategic decision making process of the business (Amason, 1996), and in other organizational episodes. Managers face difficult choices and how they choose conflict resolution options determine how well they win and motivate their employees to unleash their full potential to deliver organizational goals and objectives. The main purpose of this study was to examine how intra-group conflicts, and inter organizations conflicts as well as conflict resolutions approaches affect employee performance. These episodes are intertwined and inseparable when studying conflicts. The study used descriptive research design. Data was collected using close and open ended questionnaires while interviews were used to collect data specifically from Managers. Data collected was analyzed using percentages and frequencies and was presented using tables, graphs and charts with explanations. The findings of this study indicated that poor management of conflicts arising from inter organizations, intra group relations and individual employees as well as ineffective conflict resolution procedures significantly affect employee’s performance. The study recommended that Air Transport industry should improve its whole spectrum of human resource practices (organizational conflicts) by adopting sound and cost effective conflict management strategy. It should also have a clearly articulated corporate strategy and risk portfolio. Naturally reducing all forms of work place conflicts is a long term process which demands both attention from management side, employees and the Union side.

Key words: Conflict, resolution, intra-group and inter organizational conflict, performance.

INTRODUCTION

Today’s fast changing world is becoming increasingly characterized by conflicts of all types. Growing numbers of organizations in aviation, education, banking, transport and manufacturing among others are losing valuable resources including talent, time and revenue from work conflicts arising from within and without. So far this matter has not been accorded much attention from risk management perspective. As a result of the emphasis on performance, researchers in human resource management have stressed the need for effective human resource strategy in conflict management. Although conflicts differ in terms of sources and causes they all have destructive consequences if handled poorly. They produce chronic inefficiency in organizations, strife in communities and even turmoil in our lives (Gerzon, 2006). Efforts to measure human resource practices that influence the firm’s human resource performance have not significantly changed while forms of conflicts have mutated drastically.

Specifically, theorists examined methodologies and practices that are focused at the level of the individual employee, the individual job and the individual practices such as conflicts management, conflict resolutions and performance and so forth. The idea was that improvements in elimination of workplace conflicts would automatically enhance employee performance which would translate to increased business growth (Pondy, 2003). Although a number of researches attempted to extend the range of human resource influence on employee performance, little has been done to advance effective management of work place conflict as a new source of attracting top talent from the market or a source of labour productivity and competitive advantage. There is scant insight into the complexities of a strategic work place conflict.
management. And simply put, research conducted in the past have not encouraged researchers, scholars and even practitioners to think differently about the changing forms and aspect of work place conflicts in a business and how they affect employees performance.

Robins et al (2006) found that conflict management strategies are associated with higher work and life satisfaction. Increased changes in businesses orientations driven by strategic options such as mergers, privatization, downsizing and restructuring have rapidly increased work place conflicts. Major Airlines with massive resources and global network have not been spared from this challenge e.g. Delta Airline and Austrian Airlines are grappling with industrial unrest arising from collective bargaining agreements just like Air France and British Airways (Kenya Airways Limited, 2012).

In the last few couple of years the air transport industry in Kenya has been battling with increased work place conflicts emanating from its new business strategic options aimed at re-organizing its competitive edge. Initiatives related to reduction of the labour cost, reviewing and renegotiating third party contract and recruiting expatriates pilots have been met with stiff resistance from workers and Unions. This is despite the value proposition of these reforms to the industry's economic and financial position where large sums are lost during the industrial actions. Go slow have been witnessed in business sections like Air flight where the Union representing pilots is opposed to the recruitment of expatriate pilots, Technical departments where engineers are opposed to job evaluation and also in ground services where there is continued resistance from operators due to change in shift patterns. These episodes impact negatively on performance.

Robins et al. (2006) found out that most supervisors spent more than 25% of their time on conflict management while managers spent more than 18% of their time on relational employee conflict. This has doubled since the year 2006 because of the growing complexity of organizations, modernization, work place demands eg work life balance, generational issues and the pressure of globalization. Most recently South African Airways (SAA) was forced to cancel dozens of flights due to labour conflicts arising from stalled CBA leading to one of the worst industrial strikes in the airline's history (Kenya Airways limited, 2012)

To ensure air transport industry in Kenya remains competitive, the industry has gradually embraced conflict resolution strategy to manage risk, improve its performance and achieve its corporate goals and objectives. These conflicts dynamics have had important implications on the process and methods of conflict management in the company. In this regard there is need for instance to re-examine conflict management processes and if possible modify them in line with this new reality.

**Objective of the Study**

Against this background, the purpose of this study was to examine the effect of work place conflict on employee performance. Specifically this research was to answer three key objectives namely; examine the effect of inter organizational conflict on employee performance, analyze the effect of intra group conflict on employee performance, and examine how conflict resolution approaches affect employee performance in the air transport industry.

**Conceptual framework**

The conceptual framework of this study consisted of the following variables; Inter organization conflicts, Intra group conflicts and conflict resolution approaches. These variables influence the performance of the organization in the air transport industry in Kenya (figure 1).

**Organizational conflict and organizational performance**

According to Esquevel and Kleiner (1997), organizational conflicts are disagreement regarding interests or ideas. Jones et al. (2000) found that conflicts are inevitable part of organizational life cycle since the goals of different stakeholders like managers, workers and unions are incompatible. Dodd (2003) found that organizations are operating in a turbulent business environment where they are searching for measures that will allow them to improve their performance and competitiveness. Others are striving to work more efficient human resource policies and practices to optimize returns and shareholder value (Armstrong, 2009). However new conflict forms demand for effective conflict management strategies that will spur employee performance.

**Intra group conflict**

In any organization, conflict is a fact of life. Conflict that occurs within a team, department, and branch is referred to as intra-group conflict. Jehn (1994) acquired distinction on the work of Guetzkow and Gyr (2006), which first identified these two dimensions of intra-group conflict. Task conflict is a one dimension of the intra-group conflict. It means disagreement within members of a team relating to a difference of opinion, ideas or content of decision. One of the most outstanding aspects of intra group conflict is that it is...
practically intrinsic to the life of dynamics teams. De Dreu (2003) pointed out that conflict is a phenomenon that gives rise to both beneficial dysfunctional effects on individual, groups and even organizations. It is widely acknowledged that organizations are the site of a good deal of conflict and contestation.

Scholars working in the organizations business framework frequently regard intra group conflict in organizations as endemic though there is conflicting interest between individuals and groups in organizations. It is however difficult to avoid by anyone familiar with them. The first management theorist was under no illusions here. Ekong (2000) made intra group conflicts basic to his policies. James and Jone (2005) observed that departmentalization in organizations creates an environment that has increased volatility due to stiff competition of scarce resource or due to lack of effective representation and recognition in terms of the value they add to the business. Ogbornna and Wilkson (1990) noted that poor leadership led to high level of apathy among employee. This is manifested in a variety of negative behaviour e.g. restlessness and disruption of service delivery. Gerzon (2006) recognized that team spirit incorporates group potency and group drive that undermine performance, while Wenner (2001) pointed out that the larger the organization the more differentiated and the more likely it is that negative conflicts will arise as different departments compete for unlimited resources. And these hamper employee’s effectiveness.

Inter-Organizational Conflicts
Conflict between organizations is labeled as inter-organizational conflict. This arose when there is high level of competition between two firms or organizations. In this study the focus is on the air transport industry and the Workers Unions. Swedburg (2003) was categorical that inter organization conflicts often occur between management and workers unions when they differ in the implementation of strategic policies and programmes of their respective organization. Gross and Guenerro (2000) discovered that these types of conflicts must be handled in a positive way in order to make it beneficial to the employees and the organization. Organizations must avoid adopting unethical practices to resolve such conflicts.

Robins (2003) pointed out that inter organizational conflicts occurs when members engage in activities that are incompatible with those of their colleagues within their network, members of other collectivities or unaffiliated individuals who utilize the services or products of the Organization. Lyon (2001) argued that some time ago, organizations of different types evolved very different patterns of motivation and modes of attachment by the groups that imposed them. Such organizations differ in the implementation of their policies and strategy. They are also dissimilar in terms of the aspirations that drive their owners and leaders, the policies they conceive and the objectives they seek. According to Pferfer and Salanak (2006) organizations have to obtain what they need to continue in business which itself generates more conflicts.

Conflict resolution approaches
Inside the business world the ability to resolve conflicts is an invaluable resource. The need for effective conflict resolution practices is present in all areas of any society. Businesses, governments, family life all require a certain level of cooperation in order to function effectively. Conflict management strategies should be designed to enhance peaceful coexistence, promote stability, organizational learning and performance. Lathan (1994) agreed that conflict resolution implies reduction, elimination or termination of conflict.

A large number of studies in negotiation, bargaining, mediation and arbitration fall into the conflict resolution mechanism. Prevention of conflict is essentially a long term process. It needs long term strategies and policies whose impact will prevent the emergency of conditions that give rise to conflict in an organization which in effect impacts negatively on employees’ performance. Those strategies and policies are fundamental to all organizations and in the society. It is vital to recognize that carefully designed and coordinated actions to address the root causes of conflict should always be based on reliable and accurate early warnings.

According to Lyon (2001) there are disagreement on how to define the scope of preventive diplomacy and utility of various tools and strategies that may be employed to manage conflicts. However he insisted that preventive diplomacy, arbitration, negotiations and mediation are timely preventive measures that should be utilized to moderate conflicts. Jhn (1994) indicated that conflict emergence should be addressed and vigilance maintained to forestall adverse effect on the business at an early stage. Indeed Dodd (2003) was categorical that when this is not done work operations is adversely affected.

According to Wenner (2001) dominant and avoidance conflict approaches creates more conflict among managers specifically during corporate meetings and general discussions on organizational objectives and goals. The phenomenon also takes place whereby useful and important decisions are at offing stage. For example, during organizational restructuring, downsizing and reorganization of business operations. Gavin (2005) and Gerzon (2006) concurred that conflict management strategy has gained its strategic relevance in modern organizations than ever before due to its value proposition. Armstrong (2006) affirmed that since people are the sources of strategic options, reservoirs of innovation and creates solutions for business problems and challenges unlike other organization resources; they should be supported by work place practices which will enable them to deliver their unique value.

Jones and George (2003) observed that there is no one source of organizational conflicts just like it is the case in social life where conflicts do occur. While conflicts in the society are managed by family members, friends and relatives, organizations should also have the capacity and capability to do the same. In corporate world, it needs to be resolved by management to ensure employees are not distracted.
from their work of creating value for the organization. Unfortunately conflicts are rarely resolved easily (Baker et al., 1987).

All these forms of conflicts and resolution approaches are intertwined and cannot be separated when studying work place conflicts. Indeed this is the reason why progressive organizations have changed their strategic approach from conflict management to conflict resolution (Brian et al., 2001). The idea is to strategically manage conflicts at all cost and create an organization to be a compelling place to work. Probably and arising from this understanding, Adomi and Annie (2005) agreed that dealing with conflict is a great challenge to management. Jones and George (2003) found out that work place conflicts have both negative and positive outcomes to the individual employee and the organization. It can occur within groups (intra-group conflict) or among organizations (inter-group conflict) and both largely affect employee performance levels. Hence the increasing strategic concern of the real impact of work place conflict resolutions approaches in employee performance.

Although theoretical and empirical research has largely increased knowledge of intra-group and inter-organizational conflict, there are three main areas where sufficient knowledge is sorely missing in solving workplace conflicts and its effects on employee performance: 1) There is lack of more theoretically driven empirical research that captures the increasingly dynamic and complex character of intra-group and inter-organizational conflict especially in an international context; 2) there is insufficient theoretical and empirical research examining organizational and work-related practices of governance and policy making and; 3) there is inadequate empirical research based on theory covering work-related differences resulting from organizational conflict across national boundaries and in multinational entities within national boundaries. In addition while great attention has been given to the destructive potential of conflict, little attention is given to the opportunities that emerge from intra-group and inter-organizational conflict. Consequently we have an incomplete picture of the way new work place conflicts resolution are to be developed.

RESEARCH METHODOLOGY
The study was a descriptive research. According to Babbie (1990), such research has its own advantage of identifying attributes of a large population from a small group of individual, the economy of the design and the rapid approach in data collection. In addition it greatly increase the knowledge about what happens in the study context and it’s a strategy perceived as authoritative by people in general and is both comparatively easy to explain and to understand (Saunders et al., 2007).

Population and sampling technique
In this study the target population was 18 airlines which operate at Jomo Kenyatta International Airport Nairobi and the Wilson Airport Nairobi. These are either public or private airlines and directly employs about 7,000 employees in areas like ground operators, engineers, pilots, cabin crew, administrative and clerical staff. Stratified random sampling was undertaken to ensure representation of the different airlines and four categories of employees as designed by the researcher which includes: administration, technical, ground services and cabin crew. The sample size in this study was comprised of 100 respondents following recommendations of Schewarz and Sudman (1995) on a big population.

Data collection instrument
Data was collected using structured questionnaires because it enabled the researcher to easily collect the required information within a shorter period of time. Questionnaires were easy to administer and easy to obtain information from key people while giving respondents greater freedom in their anonymity.

Data analysis
The results were tabulated and analyzed using Excel, statistical methods and descriptive statistics such as frequencies and percentages. The researcher applied correlation analysis to measure the degree of relationship between the independent variable and the dependant variables. Frequencies, percentage mean scores were used in analyzing the data with mean scores ranging on a 5 Likert scale (1 strongly disagree, 2 disagree, 3 neutral, 4 agree, 5 strongly--agree)

FINDINGS AND DISCUSSIONS
The response rate of the questionnaires was 90%. This was attributed to the initial pilot test that enabled the researcher to make proper logistical plans for questionnaire distribution and collection.

Respondents’ characteristics
The gender of the respondents was 38% male and 62% female. This reflects that the industry have more female employees than men. The imbalance of gender could be a hindrance for industrial relations as emotions could be enjoined to the conflict resolutions management.

The level of education of the respondents was: 1% PhD, 4% masters degree, 44% first degree, 33% diploma, 11% certificate and 5% high school certificate. From this it can be concluded that the air transport industry is keen in recruitment of educated employees which makes them well informed.

Amongst the respondents, 33% are between 20-30 yrs, 28% between 31-40 years like those who are 41-50 years old. Those who are 51 years old constitute a mere 11%. From the analysis, the air transport industry in Kenya has a relatively young people in its establishment. This may be the reason why the industry experiences frequent instances of intra and inter conflicts which have direct impact on employee performance.

Among the respondents, 33% have served in their airlines for 0.5 - 5 years, 11% for 6-10 years, 28% for
Intra group conflicts and their effect on employee performance

From table 1, intra-group conflicts were found to affect employee’s performance by majority of the respondents where the mean of 45.2 strongly agree, 25 agree 9.4 were neutral 10.8 disagree and 9.4 strongly disagree. From the specific factors reviewed, their mode was strongly agree which is confirmed by the mean score. Wage differential conflict was found to the main factor of conflict which affect employees’ performance with 55% of the respondents ranking it strongly agree. Other factors analysed were also ranked majorly strongly agree. These are poor role definition, ineffective application of human resource policies and change management which were all rated by 44% strongly agree. Group conflict was rated by 39% strongly agree. These factors greatly contribute to development of intra conflict in the organization which according to the respondents strongly affects their performance.

Inter organizational conflicts and their effect on employee performance

According to the findings on table 2, majority of the respondents agreed that key factors causing inter organizational conflicts affect their performance. Disciplinary management was ranked at 50% which indicate it was the most dissatisfying factor and the highest contributor to poor employee performance. This was followed by frosty Management and Union relations, and intransigent Union where an equal share of 44% strongly agree. The findings further indicated that 44% of the respondents agreed that poor negotiation procedure affect employee performance while a mere 22% were of the view that it does not affect performance. This probably represented management staffs who are not members of the union. The mean of 34.2 shows that inter-organizational conflicts are affecting performance of the employees.

Conflict resolution approaches and employee performance

On the issue of the effect of conflict resolution approaches on employee’s performance variable as tabulated on table 3, 58% of the respondents strongly agreed that failure by Management and the Union to follow the Recognition Agreement in solving labor issues greatly affects their performance. Another 49% strongly agreed that lack of effective conflict handling policy adversely affect their performance. Poor staff engagement policy factor was ranked at 38% while poor grievance procedure at 40%. It’s quite interesting to note that 27% of the respondents were of the view that dialogue policy has little significance on employee performance while 10% were undecided.

CONCLUSION

According to the results it is clear that work place conflicts exist in the air transport industry and have adverse effects on employee performance. Again it is notable that there exist adversarial nature of relationship between Management and the Unions. According to the research objectives, it was found that poor management of factors leading to intra and inter conflicts as well as poor conflict resolution approaches greatly affect the performance of majority of employees. In this case it is the responsibility of the management to ensure that the company has effective policy framework

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Table 1: Intra group conflicts and employee performance

<table>
<thead>
<tr>
<th>Categories</th>
<th>strongly disagree</th>
<th>Disagree</th>
<th>neutral</th>
<th>Agree</th>
<th>strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Role definitions</td>
<td>17</td>
<td>11</td>
<td>6</td>
<td>22</td>
<td>44</td>
</tr>
<tr>
<td>Wage differentials</td>
<td>6</td>
<td>11</td>
<td>6</td>
<td>22</td>
<td>55</td>
</tr>
<tr>
<td>Group conflicts</td>
<td>11</td>
<td>6</td>
<td>11</td>
<td>33</td>
<td>39</td>
</tr>
<tr>
<td>Application of HR policies</td>
<td>2</td>
<td>9</td>
<td>13</td>
<td>31</td>
<td>44</td>
</tr>
<tr>
<td>Change management</td>
<td>11</td>
<td>17</td>
<td>11</td>
<td>17</td>
<td>44</td>
</tr>
<tr>
<td>Mean</td>
<td>9.4</td>
<td>10.8</td>
<td>9.4</td>
<td>25</td>
<td>45.2</td>
</tr>
<tr>
<td>Standard Deviation</td>
<td>5.68</td>
<td>4.02</td>
<td>3.21</td>
<td>6.75</td>
<td>5.89</td>
</tr>
</tbody>
</table>

Table 2: Inter-organizational conflict and employees’ performance

<table>
<thead>
<tr>
<th>Categories</th>
<th>strongly disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Management union relations</td>
<td>6</td>
<td>11</td>
<td>17</td>
<td>22</td>
<td>44</td>
</tr>
<tr>
<td>Disciplinary management</td>
<td>11</td>
<td>6</td>
<td>2</td>
<td>31</td>
<td>50</td>
</tr>
<tr>
<td>Parties negotiation procedure</td>
<td>11</td>
<td>17</td>
<td>6</td>
<td>44</td>
<td>22</td>
</tr>
<tr>
<td>Intransigent unions</td>
<td>6</td>
<td>11</td>
<td>6</td>
<td>33</td>
<td>44</td>
</tr>
<tr>
<td>Relationship between KCA and the Airlines</td>
<td>44</td>
<td>22</td>
<td>6</td>
<td>17</td>
<td>11</td>
</tr>
<tr>
<td>Mean</td>
<td>15.6</td>
<td>13.4</td>
<td>7.4</td>
<td>29.4</td>
<td>34.2</td>
</tr>
<tr>
<td>Standard Deviation</td>
<td>16.07</td>
<td>6.19</td>
<td>5.64</td>
<td>10.45</td>
<td>16.80</td>
</tr>
</tbody>
</table>
to address conflicts and to create harmonious relationship with stakeholders specifically the Unions. This strategic option may to a certain extent minimize work place conflicts in the organization and spur labor motivation and performance.

To minimize the inconsistencies in application of the human resource policies and strategies, management should also set standards that are specific, measurable, achievable, and realistic and should indeed have time limit. The same should be communicated to all. Further to the foregoing empirical findings, it is clear that employees are adversely affected by work place conflicts in terms of their performance hence they could increase their productivity in conflict free environment. This is an opportunity for growth. It is however observed that work place conflicts do have positive effect to both employee and organization especially in increasing organizational innovativeness and improving the quality of decision making. However Managers, Employee and the Union should work together towards achieving the positive effects rather than the negative.

**Recommendations**

The study recommended that the air transport industry should improve its whole spectrum of this human resource practices (organizational conflicts and management) by adopting sound and cost effective conflict management strategy. It should also put in place a clear articulated corporate strategy and risk portfolio. The need for investment in developing organization capability and human resource technical knowhow is also critical. Naturally reducing all forms of work place conflicts is a long term process which demands both attention from Management side, employees and the Union side.

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