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## **RELATIONSHIP BETWEEN CONFLICT MANAGEMENT STRATEGIES AND ECONOMIC GROWTH OF ORGANISATION**

**Abstract.** Conflicts are considered to be the most unpredictable issues in organisations. It is mainly associated with the opposing of ideas and actions which results in causing a hostile state among the members that affects the performance of the organization. Hence, it is imperative for the organization to develop conflict management strategies for avoiding conflicts that can support in its growth. The aim of the following study is to evaluate the relationship between the conflict management strategies and economic growth of the organisation. The research design that is selected for the following study is triangulation method where the researcher attempts to explain the association between the conflicting management strategies and economic growth through interview, questionnaire survey and literature. As per the questionnaire survey, 85 professionals has completely provided with the data. In this manner, the correlation technique is performed in which it was identified that the conflict management and economic growth has significant and positive association. Moreover, the types of strategies that are associated with the economic growth comprises of accommodation, collective bargaining, compromising and confrontation whereas avoidance is found to have insignificant association with economic growth. Moreover, the factors responsible for the conflicts are

poor communication and information gap. The adverse effect of not resolving conflict is that it leads to demotivation of employees and lower productivity.

**Key words:** Conflicts; economic growth; conflict management; conflict resolution; conflict management strategies; project management; workplace; productivity; growth.

### **Introduction**

Conflicts are considered to be the most unpredictable issues that are faced in organisations among the people are working as a group. It is imperative for the managers to spend their working time for dealing with the conflicts and fallouts among the people. The term conflict is defined as a form of disagreement, argument, and discord among the individuals within group which is either unacceptable or resisted. Conflict is mainly associated with the opposing of ideas and actions which results in causing a hostile state (McKibben, 2017, p. 100); (Caputo, Marzi, Pellegrini, & Rialti, 2018, p. 519). Several types of conflicts exist in organization which comprises of interpersonal, intrapersonal, intra-group and intergroup conflicts.

Unable to solve the conflicts would negatively affect the performance of the organisation. Hence, it is imperative for the organisation to develop conflict management strategies for avoiding conflicts or quickly dealing with conflicts. There are several types of approaches that are available to the management which consists of avoidance, collaboration, accommodation, compromise and confrontation. The management is required to adopt suitable approach for dealing with the conflicts (Madalinaa, 2016, p. 807). The conflicts faced in the organisations are considered to be problematic for the economic growth due to influencing on the productivity and survivability of the organisation. The rationale behind the reduction of productivity is due to increasing frustration and stress level caused by conflicts that often causes employees to leave the firm. Hence, most of the skilled employees leave the organisation which in result causes decline to the overall productivity. Conflicts in organisation also lead towards mental health concerns for the employees where they usually become frustrated and often tend to avoid meeting or engaging with other members. This results in causing adverse effect to the economic growth of the organisation which lowers its productivity and its survivability in the industry (Isa A. A., 2015, p. 54). In the competitive environment, every organisation is aimed towards achieving competitive advantage and economic growth through establishing decent environment at the workplace. The improvement to the workplace contributes to the improvement of job performance where it leads to enhancing the economic growth of the organisation (Das, 2015, p. 09).

### **Background**

The term conflict management is referred to the procedure of minimizing the negative influence caused by the conflicts in the organisation while also emphasizing in enhancing the positive aspects. Conflict management skills and strategies are critically required in the organisations as the internal fighting and misunderstanding between the members of the organisations results in causing disruptions on the normal activities. The conflict in the organisation leads to delay to the projects while

also leading to failure of the project (Maiti & Choi, 2018, p. 1). Conflicts in the organisations are becoming highly complex in nature due to the presence of diverse and multifunctional teams along with the uniqueness and complex nature of the project. Conflicts are inevitable in the organisation where it has excessive negative influence on the entire industry. There are mainly two types of conflicts that are involved within the project which comprises of internal conflicts and interface conflicts. Internal conflicts usually arise among the members inside the organisations whereas interfaced conflicts are usually occurred due to the conflicts among the outside stakeholders (Alazemi, Mohiuddin, & Al-Juboori, 2019, p. 59). Hence, the following research is mainly conducted to evaluate the association between the conflict management strategies and economic growth of the organisation. The rationale behind conducting the study is due to no particular studies that are mainly conducted for investigating the association between conflict management and economic growth of organisation. Organisation often tend to lose their competitive edge mainly due unresolved conflicts as it leads to turnover of employees along with adversely affecting their mental health which overall reduces their performance and productivity. In the competitive environment, it is imperative for organisation to have effective conflict management strategies that would support the firms in gaining the competitive edge among its competitors while also contributing towards their growth (Das, 2015, p. 9); (Isa, 2015, p. 54). Hence, the following study is mainly conducted to investigate the association between the conflict management strategies and economic growth.

### **Problem Statement**

Organisations are identified to play a vital role in the social economic development and national economy of the country and organisation (Iyiola & Rjoub, 2020, p. 1). Similarly, the development of economy for developed and developing countries is highly dependent upon the growth of the organisation where its expansion contributes to the improvement of the economy. There are several participants that are involved in the project which comprises of owners, project

managers, contractors, site engineers and others. These participants are required to interact among themselves for the effort in managing information, schedules and resources (Iyiola & Rjoub, 2020, p. 1). Thus, the failure of the projects or its completion on its poor quality can significantly affect the economic growth. The major problem that contributes to the failure of organisation is the conflict that is caused by the increasing complexities and fast-tracking projects. It is critical for the conflicts to be resolved immediately by developing conflict management strategies. Lack of conflict management strategies can result in causing delay in the schedule, delivering poor quality project or even lawsuit measures for resolving conflicts which causes loss of both money and time (Soni, Pandey, & Agrawal, 2017, p. 40). Moreover, the disruptions caused by the conflicts in organisations are also highly visible among the stakeholders in which it results in causing significant damage to the reputation of the company (Maiti & Choi, 2018, p. 1). Hence, the following study is mainly reflected to the development of conflict strategies that contributes to the economic growth of the organisation

#### **Rationale behind the selection of topic**

The rationale behind the selection of the topic is due to the organisation is considered to play a major role the social economic development along with the economic development. Organisation produces highly visible output that stimulates sizeable economy growth for both country and industry (Durdyev & Ismail, 2012, p. 60). However, the major concern for organisation is the failure of delivering the project in the identified schedule or compromising its quality. The most common rationale behind the failure is the conflicts that are usually occurred among the internal and external stakeholders. Hence, the development of conflict strategies is imminent as it plays an important role on resolving conflicts which can save both money and time (Soni, Pandey, & Agrawal, 2017, p. 40). Conflicts are identified to have destructive or constructive on performance as it normally leads to destructive effects. Conflicts are considered to cause obstacle in the collaboration along with straining the association between owner and contractors. Moreover, conflicts among the

members also leads to ineffective communication and overruns on costs and time (Wu, Wang, & Chang, 2018, p. 59). Therefore, the following research is mainly conducted to evaluate the relationship between the conflict management strategies and economic growth of the organisation

#### **Analysis of recent articles and publications**

There are several influential factors that are associated with the conflicts which consist of higher cost of project, delay in project, loss on profits, declining productivity, and damaging relationship in business and dispute among team (Aalazemi & Mohiuddin, 2019, p. 59). Thus, the conflict management strategies in the organisation are critically required for solving the issues of conflict which can support in avoiding the consequences. A study was mainly conducted to determine the factors responsible for causing conflict, consequences of conflict and methods for managing conflict particularly in the Kuwait International Airport Cargo City. Thus, the study was conducted through questionnaire survey that was distributed to the 163 participants where the results has revealed that the cause of conflict in the organisation is due to inadequate communication and contradicting guidance and instruction by the management. The effects of conflict in the organisation are that it leads to the delay in projects, reduced productivity and ineffective communication. The solutions as highlighted by the participants is that the collaboration and compromising style is critically required (Aalazemi & Mohiuddin, 2019, p. 59). Similarly, another related study conducted by Akhtar, Khan and Akhtar (2020) was mainly emphasized in identifying the major component that are leading to conflict along with determining the association between the conflict management strategies and organisational performance particular in the banking sector. The data has been collected through administering questionnaire survey which has been distributed to 100 respondents with the SPSS tool is applied for analysing data. The results revealed that the cause of the conflict in organisation were communication and ineffective collaboration. Moreover, it was also identified that the relationship conflict management

strategies and organisational performance were found to have positive association (Akhtar, Khan, & Akhtar, 2020, p. 1). Current study mainly seeks to investigate the conflict management strategies

association with the economic growth. Hence, empirical evidence has been investigated regarding the strategies influence on the growth of organisation for further determining their influence.

Table 1

**Definition and empirical evidence of conflict management strategies**

Strategies	Definition	Influence	Sources
Collective Bargaining	Establishment of negotiation and discussion on matters of mutual concern to employers	Resolving existing and projected disputes in the organisation Collective bargaining helps in resolving issues such as wages, layoffs, promotions and others	(Takupiwa & Shelfa, 2019, p. 1) (Olotuah & Olotuah, 2016, p. 512) (Momanyi & Juma, 2016, p. 130)
Accommodation	It involves in minimizing or suppressing the differences for achieving personal goal	Managing conflicts for short term	(Momanyi & Juma, 2016, p. 130)
Compromising	Management openly listening and understanding issues and problems of parties for resolving conflict	Reducing turnover of the employees	(Nissa, Nawaz, Jhatial, & Halepota, 2018, p. 187) (Momanyi & Juma, 2016, p. 130)
Confronting	Expressing anger and views of the conflict	Highly insulting and ending relationship	(Momanyi & Juma, 2016, p. 130) (Mangundjaya & Putri, 2018, p. 114)
Avoidance	Avoidance or withdrawing reflects on avoiding from conflicting situations	Leads to higher uncertainty in conflicts	(Momanyi & Juma, 2016, p. 130) (Mangundjaya & Putri, 2018, p. 114)

Conflicts tend to make the employees to be less satisfied and less productive in their jobs. Several strategies are available to the organisation for handling conflicts which consist of collaboration, avoidance and mindfulness. Avoidance mainly involves in withdrawing or sidestepping from conflicts whereas collaboration is an open exchange between both parties for reaching a mutual understanding. Mindfulness is reflected to self-regulated attention on present moment experience along with accepting attitude. Results of a study have revealed that mindfulness is an effective constructive conflict management process which enables in increasing collaboration (Kay & Skarlickib, 2020, p. 8). There are several methods available for the management of conflicts where it is crucial for the organisation to implementing the effective strategies. The choices available to the management comprises of accommodating, obliging, competitive, compromising and avoidance (Momanyi & Juma, 2016, p. 130).

### Aim and Objectives

The aim of the following study is to evaluate the relationship between the conflict management strategies and economic growth of the organisation. In the manner of achieving the purpose of the study, the objectives are designed for providing a guiding hand to the researcher for completing the study in an effective way. The following are the objectives that are designed for the study:

- To evaluate the effects of conflicts on organisation which causes adverse effect on the growth
- To understand the importance of conflict management strategies while also determining the factors for handling conflict
- To evaluate the association between conflict management strategies and economic growth of the organisation
- To determine effective conflict management strategies for solving conflict issues in the organisation

### Research Questions

In the perspective of the objectives, the research questions for the following study are also devised which are aimed to be answered in the following study. The research questions are categorized into mainly two sections which consist of main and sub-research question. The main research question is the following:

Q1. "What is the association between the conflict management strategies and economic growth in an organisation?"

The following are the sub-research questions for the following study:

Q2. What are the factors that lead to conflicts in organisation?

Q3. What are the strategies for solving conflicts in organisation?

Q4. Does conflict affect the performance and productivity of an organisation?

### Methodology/Material

#### Research Strategy

The research strategy is aimed towards providing a plan for executing and monitoring the study. There are several types of research designs that are available for the research that can aid in completion of the study. With respect to the

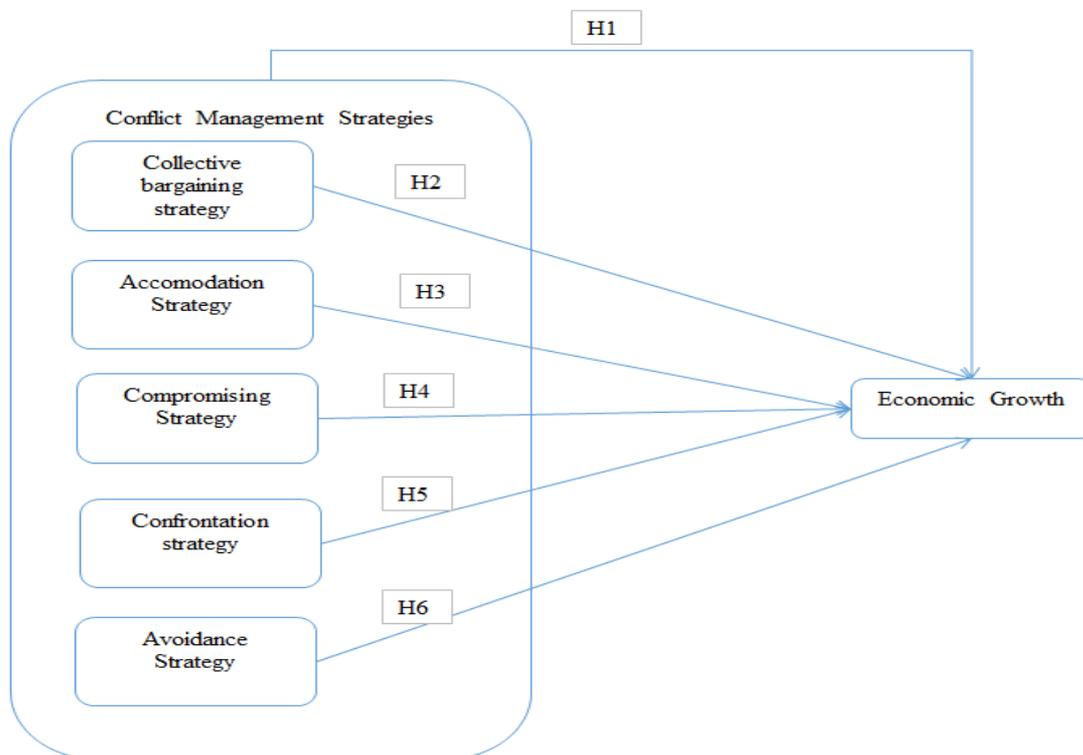
following study, the research strategy selected is qualitative interview and quantitative survey. The qualitative interview allows the researcher in gaining access to rich information regarding the importance of conflict management strategies from the perspective of management that leads the organisation to economic growth. The qualitative interview has been conducted through developing semi-structured questionnaire mainly aimed towards distributing it to the management of organisation. On the other hand, quantitative survey is distributed among participants where their responses are analysed through incorporating statistical tools for measuring validity of the responses along with revealing findings of the study

### Hypothesis

The main hypothesis that examines the correlation between economic growth and conflict management strategies are provided below:

H0: Conflict management strategies do not have a significant association with the economic growth of an organisation

H1: Conflict management strategies have a significant and positive association with the economic growth of an organisation



*Fig. 1. Hypotheses Model*

Moreover, the hypotheses pertaining to the association of different types of conflict management strategies with the economic growth are provided below:

H2: There is a significant association between the economic growth and collective bargaining strategy

H3: There is a significant association between the economic growth and accommodation strategy

H4: There is a significant association between the economic growth and compromising strategy

H5: There is an important association between confrontation and economic growth strategy

H6: There is an important association between avoidance and economic growth strategy

### Research Design

The methodology is considered to be an important portion of the research as it mainly illuminates the methods that are applicable with the study along with providing its justification for its suitability (Mohajan, 2018, p. 23). The first component is to identify the nature of the study which comprises of mainly three types that are qualitative, quantitative and mixed. The qualitative research design is reflected to subjective view of the study where the researcher attempts to draw data from the insights and opinion of the individual. The quantitative research design pertains with the analysis of the collected data through statistical techniques. Triangulation method on the other hand is the utilization of both qualitative and quantitative methods (Almalki, 2016, p. 288). Triangulation option is considered as a useful and effective tool for conducting study as more than one method is adopted for verifying the results that leads towards enhancing the quality of study (Gibson, 2017); (Turner, Cardinal, & Burton, 2017, p. 243). The research design that is selected for the following study is triangulation method where the researcher attempts to explain the association between the conflicting management strategies and economic growth through both objectives and subjective view. In general terms, the association between the two has been observed through facts along with the insights and opinion of the human.

### Data Collection and Analysis

With respect to collection of data, there are two sources available for the collection of data which are primary and secondary. Secondary data is referred to the data that is already available to the research whereas the primary data is referred to the gathering of newly data due to unavailability or out-dated data. In this manner, the following research has collected data through primary sources. The instrument used for the collection of new data is through questionnaire survey and interview.

The determination for the sample size for the closed-ended questionnaire survey has been conducted through the following equation which consist of the following

$$n = \frac{Z^2 * (p) * (1 - p)}{C^2}$$

With respect to the above equation, the component 'n' denotes the sample size,  $Z^2$  reflects on the z-value or confidence level,  $p$  is identified as the population while  $C^2$  is reflected to the confidence interval

$$n = \frac{1.96^2 * 100^2 * (1 - 100)}{4^2}$$
$$n = 86$$

Thus, the sample size that is selected for the questionnaire survey is 86 that have been distributed to the professionals through email. The total number of professional that has provided with the complete survey is 125. The questionnaire survey has been designed on the basis of demographics, general questions and conflict management related statements through the Likert scale. The total number of respondents that has completed filled the questionnaire consist of 85 participants. With respect to qualitative analysis, the sample size selected for interview is 5 participants. The targeted respondents for the questionnaire survey are the employees whereas the participants for interview are the management company. The technique of evaluating the data from the questionnaire survey is through statistical techniques.

### Data presentation and analysis

With respect to the analysis of the data, the statistical techniques are applied on the dataset that has been obtained through the questionnaire

survey. The first important tool that is applied on the data is a set of reliability and validity techniques which consist of factor loading, Cronbach's alpha, composite reliability and average variance extracted. The purpose behind applying the tools is to measure the reliability and validity of the data. The other techniques that are also incorporated in the study consist of correlation analysis which is mainly conducted for evaluating the association of the variable. The last tool is the regression analysis technique which is aimed towards the evaluation of cause-effect relationship.

**Results and Findings**

**Reliability and Validity Testing**

According to (Munir, 2018, p. 775); (Rivière, Widad, & Speyer, 2018, p. 339), it is imperative for the researcher to measure the reliability and validity of the constructs of the variables. Hence, the confirmatory factor analysis has been conducted along with the other reliability measures which comprises of Cronbach's alpha, composite reliability and average variance extracted. The results of the validity and reliability measures are provided in Table 2.

*Table 2*

**Reliability and Convergent Validity**

	Item	Factor Loading	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Accommodation	ACC1	0.911	0.907	0.942	0.843
	ACC2	0.937			
	ACC3	0.906			
Avoidance	AVD1	0.805	0.803	0.871	0.694
	AVD2	0.91			
	AVD3	0.779			
Collective Bargaining	CB1	0.889	0.863	0.916	0.785
	CB2	0.899			
	CB3	0.87			
Compromise	COM1	0.922	0.88	0.926	0.806
	COM2	0.929			
	COM3	0.84			
Confrontation	CON1	0.939	0.88	0.943	0.893
	CON2	0.95			
Economic Growth	EG1	0.894	0.885	0.929	0.813
	EG2	0.925			
	EG3	0.885			

As per the table 2, there are mainly six variables that are involved in the study which consist of accommodation, avoidance, collective bargaining, compromise, confrontation and economic growth. The second column 'item' is reflected to the constructs of the variables that represents the statements in the questionnaire survey. Moving towards the tests, the first test that is applied on the dataset is factor loading in which according to (Bhutta, Kausar, & Rehman, 2019, p. 57); (Khoshmaram, Zarafshani, & Alibaygi, 2017, p. 395),

it is mainly used for predicting the relationship of the variables which denotes the absolute contribution of the constructs on the variables. The threshold for determining that the constructs has significantly contributed to the variable is 0.6; hence, the constructs value must be 0.6 or above. As per the results in table 2, the factor loading value of the constructs is above 0.6; hence, the items have made significant contribution to the variables. The next tool for measuring the validity is Cronbach's alpha where study of (Kurhan, et al.,

2018, p. 811); (Zinan & Sai, 2017, p. 53) has indicated that it is mainly used for measuring the internal consistency of the responses. The higher the consistency in Cronbach's alpha represents better reliability of the data. The threshold for Cronbach's Alpha is 0.6 or above in which from the results it is identified that Cronbach's alpha value is above 0.6 for each variable. Hence, this shows internal consistency of the variables which

leads to providing reliable results. Composite reliability is the third test which is similar to Cronbach's alpha that measures the internal consistency of the variables in which its threshold is 0.5 (Padilla & Divers, 2016, p. 436); (Teh, Lai, & Cheng, 2018, p. 6). The results of composite reliability as shown in table 2 have values above 0.5 which thus indicates that the data is reliable.

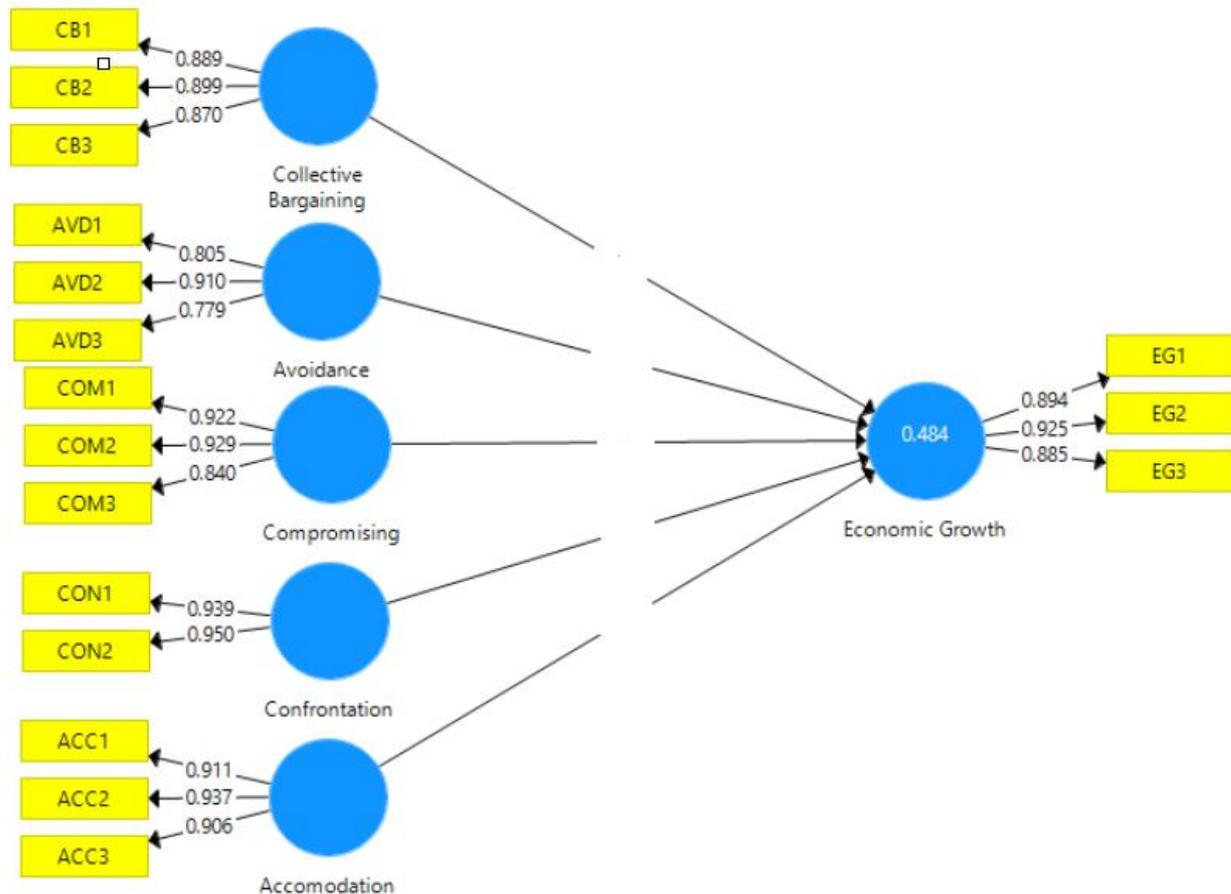


Fig. 2. Confirmatory Factor Analysis

### Correlation Analysis Hypothesis testing H1

Table 3 is associated with evaluating the association between conflict management and economic growth where the Pearson's correlation technique is applied on the data set for testing hypothesis 1.

As per the results in Table 3, it has been identified that conflict management and economic growth has significant association with each other as the p-value is computed as 0.000 and is below 0.10 significance value. Moreover, the correlation coefficient is computed as 0.563 which indicates

that the association between conflict management and economic growth is moderately positive. Hence, this leads to the acceptance of H1 and rejection of H0.

### Hypothesis testing H2 to H6

Table 4 below investigates the association between the economic growth and the different types of conflict management strategies that are available to the project management. The correlation test also supports in investigating the Hypotheses (H2 till H6).

*Table 3*

**Correlation between conflict management and economic growth**

Correlations	Conflict Management Strategies	Economic Growth
Conflict Management Strategies	1	0.563***
		0.000
Economic Growth	0.563***	1
	0.000	

\*\*\* Significance at 1 %; \*\* Significance at 5 %; Significance at 10 %

*Table 4*

**Correlation between strategies and economic growth**

	Accommodation	Avoidance	Collective Bargaining	Compromising	Confrontation	Economic Growth
Accommodation	1					
Avoidance	0.228	1				
	0.15					
Collective Bargaining	0.55	0.516	1			
	0.000	0.001				
Compromising	0.402	0.455	0.643	1	0.313	0.48
	0.001	0.002	0.000			
Confrontation	0.417	0.318	0.379	0.313	1	0.434
	0.000	0.035	0	0.001		
Economic Growth	0.55***	0.126	0.547***	0.48***	0.434***	1
	0.000	0.411	0.000	0.000	0.000	

\*\*\* Significance at 1 %; \*\* Significance at 5 %; Significance at 10 %

While reflecting to the results, economic growth of the organisation has been found to have significant association with accommodation, collective bargaining, compromising and confrontation. This is identified due to the p-value is computed as 0.000 which is below 0.10 threshold. On the other hand, economic growth is found to have insignificant association with avoidance strategy as the p-value is computed as 0.411. The correlation of economic growth with accommodation, collective bargaining, compromising and confrontation has been found moderately positive. Hence, in this manner, the H6 is rejected whereas H2, H3, H4 and H5 are accepted.

**Regression Analysis**

The regression analysis results are provided in table 5 in which it was mainly aimed

towards determining the most effective conflict management strategies for the economic growth of the organisation. The Path coefficient analysis has been performed, which is a type of regression that is commonly conducted in SmartPLS. The effects of economic growth have been evaluated through the conflict management strategies which consist of accommodation, avoidance, collective bargaining, compromising and confrontation.

The first important aspect that is assessed in the regression analysis is the p-value or the significant value. The p-value of all the variables is computed below 0.10; hence, all of the conflict management strategies have significant effect on the economic growth. Moreover, it was identified from the coefficient value that accommodation (0.252), avoidance (-0.271), collective bargaining

(0.316) and compromising (0.228) has positive effect to the economic growth whereas confrontation (0.223) has negative effect on the economic growth. The rationale behind avoidance having a positive effect to the economic growth as it was hypothesized to have adverse effect; however, due to the coefficient having negative value clearly shows that it has positive effect on economic growth. Hence, it can be determined from the regression analysis that accommodation, avoidance,

collective bargaining and compromising has positive effect to the economic growth whereas confrontation has negative effect on the economic growth.

The above table reflects on the model summary through evaluating the coefficient of determination or R-square. The value of R-square is computed as 0.484 which means that the variation of economic growth is predicted or explained by 48.4 % by the experimental variables.

Table 5

**Path coefficient regression**

	Coefficient	T-value	P-Values	Effect
Accommodation	0.252*	1.886	0.059	Positive
Avoidance	-0.271**	2.399	0.017	Positive
Collective Bargaining	0.316**	2.289	0.022	Positive
Compromising	0.228*	1.824	0.068	Positive
Confrontation	0.223*	1.793	0.073	Negative

\*\*\* Significance at 1 %; \*\* Significance at 5 %; Significance at 10 %

Table 6

**Model Summary**

	R Square	R Square Adjusted
Economic Growth	0.484	0.452

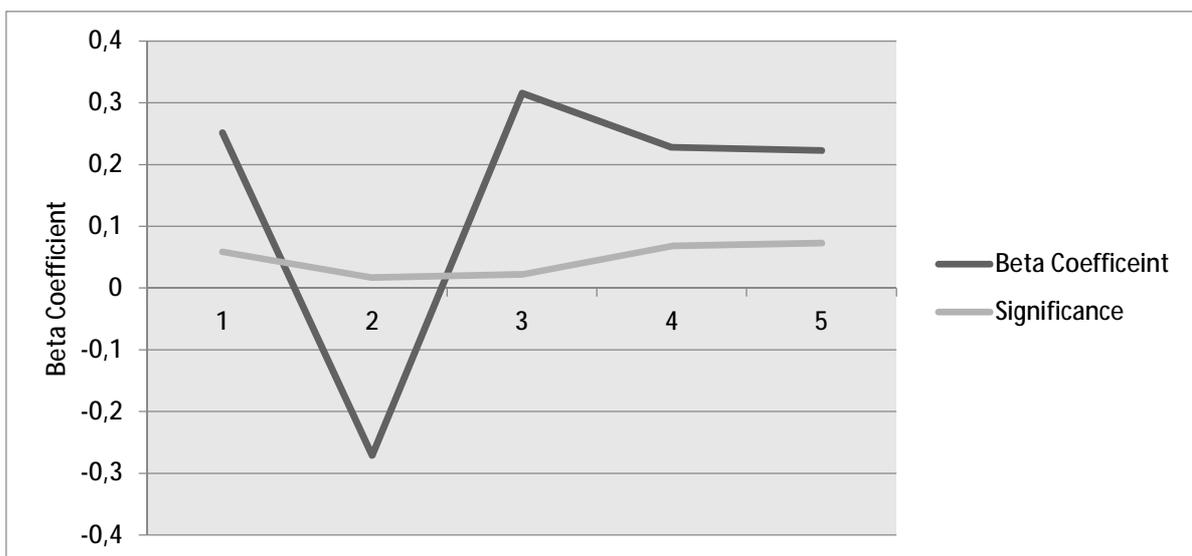


Fig. 3. Regression Graph

Fig. 4 reflects on the fishbone diagram that has been designed with the support on the responses of the interviews in which several important

themes were developed for determining the causes and conflicts that are faced in organisation along with its measuring its impact. The diagram is

*Relationship between conflict management strategies and economic growth of organisation*

mainly used for the management in identifying the reasons for imperfection, defects and failures. As per the diagram, it was revealed that the major factors that are responsible in causing conflicts are inefficient communication and different values among the members of organisation. These two major factors further lead to causing conflict where the type of

conflict that is commonly faced is interpersonal conflict or disagreement. As a result of these conflicts, it unfavourably effects the growth of organisation where it leads to demotivation of staff members while also reducing the overall productivity. As a result of these factors, it overall leads to lowering the economic growth of the organisation.

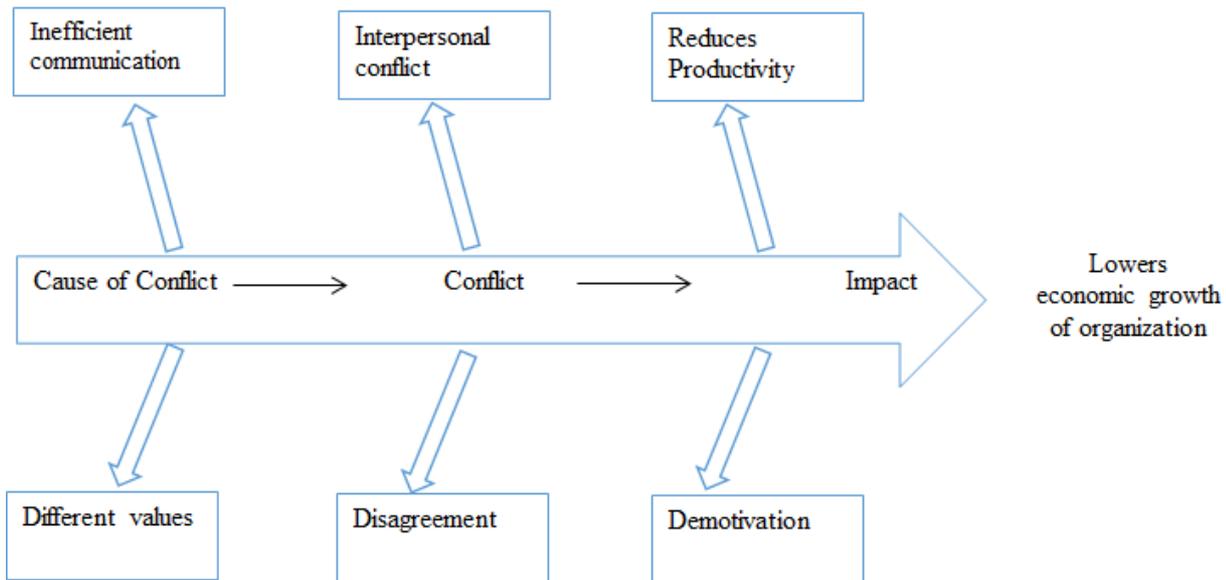


Fig. 4. Fishbone diagram

Table 7

**Hypotheses Testing**

	Significance Value	Acceptance or Rejection
H1: Conflict management strategies have a significant and positive association with the economic growth of an organisation	Coefficient = 0.563, p-value = 0.00	Accepted
H2: There is a significant association between the economic growth and collective bargaining	Coefficient = 0.547, p-value = 0.00	Accepted
H3: There is a significant association between the economic growth and accommodation	Coefficient = 0.55, p-value = 0.00	Accepted
H4: There is a significant association between the economic growth and compromising	Coefficient = 0.48, p-value = 0.00	Accepted
H5: There is an important association between confrontation and economic growth	Coefficient = 0.434, p-value = 0.00	Accepted
H6: There is an important association between avoidance and economic growth	Coefficient = 0.126, p-value = 0.411	Rejection

**Analysis**

The study incorporates the triangulation method for determining the correlation between the conflict management strategies and economic

growth of an organisation. The questionnaire survey has been distributed among 85 respondents particularly the employees of an organisation. The first tool that is incorporated in the analysis is the

testing of reliability and validity of the responses. Several reliability testing tools are applied on the data which comprises of factor loading, Cronbach's Alpha and composite reliability. The results of the reliability and validity testing has revealing that the responses on the questionnaire are internally consistent which indicates that it is reliable and valid; thus, the other statistical techniques are applicable on the dataset. The second tool that is highly important for the study is the correlation analysis which was mainly utilized for assessing the conflict management strategies association with the economic growth. Moreover, the correlation technique is also applied on the identified strategies of conflict management individually for assessing their relationship with economic growth. The results of correlation analysis have indicated that the conflict management strategies have a positive and moderate level of association with economic growth. Furthermore, the strategies that are found to have significant and positive association are accommodation, collective bargaining, compromising and confrontation strategies. Avoidance was found to have insignificant correlation with the economic growth. Lastly, the regression analysis has been conducted for evaluating the effect of the strategies on the economic growth. The results as per table 5 has indicated that all the strategies i.e. accommodation, avoidance, collective bargaining, compromising and confrontation has significant effect on economic growth. The hypotheses of confrontation and avoidance were established on the basis of causing adverse effect on economic growth whereas accommodation, avoidance and collective bargaining were established with respect to positive effect. The results revealed that accommodation, avoidance and collective bargaining had significant and positive influence over the economic growth of an organisation whereas confrontation has been indicated to have negative influence. In term of Avoidance, its coefficient has been computed in negative which rejects the hypothesis and thus shows that it has positive influence on economic growth.

### **Discussion**

The fundamental aim of the study is to investigate the relationship between conflict management strategies and economic growth of

an organisation. The triangulation method is conducted for revealing the findings of the study where both qualitative and quantitative methods are adopted in the following research. The results from the quantitative analysis have indicated that the conflict management strategies have a positive association on the economic growth of the companies. Similarly, it was also revealed that the causes of conflicts among the employees are poor communication, lack of soft skills and misunderstanding among the employees (Deep, Mohd, & Hussain, 2016). The first objective was related to evaluating the effects of conflicts on organisation that leads to negative effect towards their growth. The most common conflicts that are faced in the organisation consist of interpersonal conflicts where the factors that are responsible for leading to the conflict comprise of information gap and inefficient communication. If left unresolved can result in causing reduction to the productivity which thus adversely affecting the economic growth of the organisation. Due to unresolved conflicts in organisation, many of the employees are observed to face mental health problems that either lead to demotivation towards their work or can even result in causing turnover. This causes the company to lose their competitive edge amongst the competitors while also losing their greatest asset (Das, 2015, p. 09). In addition, conflicts leads to several other internal problems that negatively influences on the organisation. The internal problems consist of delays in project, declining productivity, and loss on profits, higher cost and damaging relationship in business (Alazemi, Mohiuddin, & Al-Juboori, 2019, p. 59). The second objective pertained with understanding the importance of conflict management strategies where it was identified that the conflict management skills and strategies are crucially required by the organisation for handling he disputes and arguments among the employees along with saving time and money. It also lead to presenting strategies for avoiding destructive effects of conflicts that can lead to damaging the relationship of the employees (Soni, Pandey, & Agrawal, 2017, p. 42). The last to objectives of the study pertained with determining the correlations between conflict management strategies and economic growth. This was referred to conducting the study where the researcher has

gathered data through questionnaire and applying the statistical tools for evaluating the association among the both. With respect to the correlation analysis, it was determined that the conflict management strategies and economic growth has positive correlation with each other. Furthermore, it was also determined that the most effective conflict management strategies that contributes to the economic growth of organisation are collective bargaining, accommodation, compromising and confrontation.

### **Conclusion**

Conflicts in organisations are highly common where it has been significantly increasing due to the complex nature of the project in the current environment. If unsolved, the conflict in an organisation can lead to disastrous effect which can cause delays in the project, high cost, lower productivity and damaging relationship. Hence, it is vital for the organisation to have conflict management strategies which can support in handling the conflicts and further avoiding the consequences. The following research is aimed to evaluate the association between the conflict management strategies and economic growth of the organisation. The rationale behind the topic selection is due to conflicts leading to a destructive effect on the performance.

The statistical techniques are performed in the questionnaire survey where the validity and reliability testing is conducting which revealed that the data is valid and reliable. In this manner, the correlation technique is performed in which it was identified that conflict management and economic growth has a significant and positive association. Thus, this indicates that organisations that have developed strong conflict management strategies are able to enhance their overall economic growth in the organisation. Moreover, the types of strategies that are associated with the economic growth comprise of accommodation, collective bargaining, compromising and confrontation whereas avoidance is found to have an insignificant association with economic growth. In addition, the fishbone diagram has revealed that the types of conflicts that are commonly faced among the employees consist of interpersonal conflicts and disagreement. The factors responsible for the

conflicts are poor communication and information gap. The adverse effect of not resolving conflict is that it leads to demotivation of employees and lower productivity. Thus, the main contribution of the study is that it assists the organisation in developing conflict management strategies which can support its economic growth. With respect to the results, it is imperative for the management of organisations to utilize accommodation, collective bargaining and compromising strategies that can lead in establishing a decent environment in the workplace that results in the improvement of job performance. Hence, the leader/management should openly listen to its employees while also minimize the differences in the achievement of goals.

### **Recommendation**

The following study was mainly aimed towards the investigation of the association between conflict management and economic growth where it was revealed that the strategies such as accommodation, collective bargaining and compromising are found to have a significant association. However, the following study did not mainly investigate the factors of conflict that particularly causes a negative influence on economic growth. Thus, it is recommended for future researchers to investigate the factors of conflict that are responsible for causing a negative effect on economic growth.

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