AN ASSESSMENT OF CONFLICT MANAGEMENT PRACTICE: THE CASE OF NATIONAL TOBACCO ENTERPRISE (ETHIOPIA) S.C

BY:
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JUNE 2014
SMU
ADDISE ABABA
ASSESSMENT OF CONFLICT MANAGEMENT PRACTICE: THE CASE OF NATIONAL TOBACCO ENTERPRISE (ETHIOPIA) S.C

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Approved by the Committee of Examiner

Department Head _______________________________ Signature _______________________________

Advisor _______________________________ Signature _______________________________

Internal Examiner _______________________________ Signature _______________________________

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The last but not the least appreciation and thanks will also be given for ATO TARIKU TADESSE, my family and friends in general for dedicating their time in making this research a reality.
CHAPTER ONE
INTRODUCTION

1.1 Background of the Study

Conflict is normal; resolving it in a positive way helps to promote a healthy relationship. (Windle and Warren, 1999:2). According to Rashid Conflict is pursuit by two different persons must inevitably come about the expense of other (Rashid, 1983; 317). Conflict when it is properly managed leads to positive source of competitiveness and collaboration in a work place, on the other hand when conflicts are unmanaged can create division, low morale, and chaos in the same environment. (MC Dowell etal, 2007; 2)

Conflict between people in an organization can have both positive and negative effect. Positive effects within each group, such as increased group cohesiveness, increased focus on task and increased loyalty where by each sees the other team as enemy, becomes more hostile and decrease it communication with the other group (Nelson and James 2000; 431).

Although conflict is a normal part of life, learning how to resolve conflicts effectively can be discouraging task, particularly in the work place. Managing conflict should be viewed as an important element in achieving organizational effectiveness and enhancing productivity. Many organizations, however, suffer chronic patterns of unresolved conflict that are costly and often asymptotic of series organizational dysfunction. In fact, some experts believe that unresolved conflict represents the largest reducible cost in many businesses, yet it remains largely unrecognized (Dana, 1999; Slaikev and Hasson, 1998).
Company Background

The National Tobacco Enterprise (Ethiopia) share company was established in 1942 as imperial Ethiopian tobacco monopoly by the tobacco Regie act No. 30, 2nd year Negarit Gazetta No. 2/1935. At that time the company was managed by a board of director under the chairman of the minister of finance. In 1981, the company was recognized as the ‘‘National tobacco and Matches Corporation’’ by proclamation No. 1971/1981 under the supervision of the ministry of industry. In 1992, the corporation was again recognized as national tobacco enterprise by proclamation No. 37/1992 with the exclusive right to produce, process, manufacture, distribute, import and export tobacco and tobacco products. During this period, the enterprise was managed by a management board under the direct supervision of the public enterprise supervising authority. Following the privatization policy of the government, the enterprise was transformed as of 1999 to a share company under the privatization of public enterprise proclamation No. 146/1998 as the national tobacco enterprise (Ethiopia) Share Company.

With the sale of share to private investor, the ownership structure of the company was changed and its memorandum of association and article of association were accordingly amended and adopted in accordance with the relevant provision of the commercial code of Ethiopia as of January 2001.

The share capital of the share company is birr 250,000,000.00 that was fully subscribed and paid up by the government at the time of formation. Following the share company participation of private investors, 77.85% of the total up share capital has been maintained by the government while the remaining 22.15 are owned by private foreign share holders. (Company profile)
1.2 **Statement of the Problem**

According to Reece and Rhonda (2002; 316) conflict can serve as opportunity for personal growth if we develop and use positive and constructive conflict management skill. According to Robbins (1989, 369) on the other hand the meaning attached with conflict and the perception of people have towards conflict is different. The attitude organizations and people have towards conflict ranges from traditional view that considers it as bad, disruptive and unnatural, and represents a form of deviant behavior, which should be controlled and change to the interaction perspective that assumes conflict as a positive force and necessary for effective performance.

Effective conflict and conflict management practice contribute a lot for achieving organizational objectives. Therefore, student researcher discussed with some group of employees and got from annual reports that there are conflict regarding to promotion and overtime work. This shows National Tobacco Enterprise S.C hasn’t been considering conflict management as one important role of management and conflicts are not resolved in the right time to the best interest of the organization and employees, too. This is leading to increase in conflict from time to time, slow down morale of employees and high rate of turnover for this reasons the student researcher interested to asses’ conflict management practice in National Tobacco enterprise S.C.

1.3 **Research Questions**

The research paper is intended to answer the following questions.

1) What are the main sources of conflict in the organization?

2) How do conflict are managed in the organization?

3) What are the problems in the process of conflict management?

4) To what extent the organization consider conflict management as integral part of management?
1.4 Objective of the Study

1.4.1 General Objectives

The general objective of the paper is to assess conflict management practices in National Tobacco Enterprise S.C.

1.4.2 Specific Objectives

In addition to the general objective stated above, the specific objectives of the study are the following:

1) To investigate the source of conflict in the organization.
2) To explore how conflict are managed in the organization.
3) To investigate the problems in the process of conflict management in the organization.
4) To investigate the degree of importance given to conflict management as integral part of management.

1.5 Significance of the Study

The study is important in many ways. Firstly it can be used as an input to train management and employees in conflict management mechanism. Secondly, it will provide relevant feedback to the organization about conflict management and to improve their future practice. In addition, it enable the researcher to acquire basic experience and knowledge about conflict and conflict management practice in National Tobacco Enterprise S.C. lastly, it will serve as a stepping stone for further researcher who would like to study related topic.

1.6 Scope of the Study

Among various human resource management activities in National Tobacco Enterprise the study was delimited to conflict management practices because the paper is limited by time and cost budget. Though National Tobacco Enterprise was established in 1942 the study assesses conflict management practice from the year 2007-2012G.c. for there is archival management
problem in the organization, it is impossible to get the necessary document before the mentioned time. The organization is located in Addis Ababa around Sarbet and the study assessed conflict management practices in the organization.

1.7 Definition of Terms

**Conflict**: Processes that begins when one party perceives that another party has negatively affected or is about to negatively affect, something that the first party cares about. (Cook and Philp; 2001:220)

**Conflict management**: the practice of being able to identify and handle conflict in a sensible, fair and efficient manner. (Cook and Philp; 2001:220)

1.8 Research Design and Methodology

1.8.1 Research Design

To carry out the study the student researcher used descriptive research design method. Because in descriptive the researcher has no control over the variables. It describes the nature or affairs as it exists at present or he/she can report what has happened or what is happening, and also it is facts finding of the present. (Saiyadain, 2003:89).

1.8.2 Population and Sampling Technique

The target population of the study used both employees and managers in the National Tobacco Enterprise S.C. the total number of workers is 405. Out of this population, 5 are managers and the rest 400 are employees. Therefore the sampling technique used in the study is systematic random sampling which enable the research to have access to the entire population data. Thus 50% of the employees is considered as informants of the study hoping that the sample size enables to draw implication towards the general population. (Zelalem, 2011:21). This is o.5*400 = 200 workers and all 5 managers.
1.8.3 Types of Data Collected
In this research both primary and secondary data were used. The primary data was collected from the sample respondent’s employees and management by using suitable data collection tools which is questioners and interviews. To support the primary data secondary data such as company profile and reports were also be used.

1.8.4 Methods of Data Collection
The most relevant technique for gathering data in the research paper were questionnaire and interview. The major reasons to use questionnaires is to save time and get information easily. In addition a questionnaire is the best way to gain reliable and complete data.

1.8.5 Methods of Data Analysis
The researcher used descriptive analysis tool to analyze and interpret quantitative data. Thus, percentage and tabulation were used. This helps to compare and show how frequently each response will occur in relation to the problem. Qualitative analysis was used for quantitative data which were collected through interview and document analysis.

1.9 Limitation of the Study
There were some factors that affected the study not to be carried out as expected. Among these factors the majors are shortage of time and finance and also some employees did not filled and return the questionnaire properly. And if there was ample time and finance the student researcher could have used other analysis tool using inferential analysis like correlation and association.
1.10 Organization of the Paper

The study organized in to four chapters; the first chapter is deal with the problem and its approach, which contains background, objectives, statement of problem, significance, scope, methodology and organization of the paper. The second chapter concerned with presenting the review of related literature. The third chapter deals with presentation analysis and interpretation of the study. Summary of major finding, conclusion and recommendation of the study is forwarded in chapter four.
CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Definition of Conflict and Conflict Management

2.1.1 Definition of Conflict

Conflict is a disagreement between two or more people or it can be between groups. Departments, organization and countries etc who perceive that they have incompatible concern. Conflict exists whenever an action of one party is perceived by another party as preventing or interfering with their goal or action (Cook and Philip; 2001:384)

In addition, Dwivend (2004:242) defined conflict, as a process in which an individual purposefully makes a concerted to offset the efforts of another individual by some form of blockage that causes frustration to the latter in accomplishing his goals or furtherance of his interests. Likewise, it is important that there are people who understand conflict and know how to resolve them because conflict in a business is a natural part of the workplace.

2.1.2 Conflict Management

Conflict management involves implementing strategies to decrease the negative aspect of conflict and increasing the positive at a level equal to or higher than where a conflict is taking place.

Conflict management is the practice of being able to identify and handle conflict in a sensible, fair and efficient manner. It is important that there are people who understand conflict and know how to resolve them because conflict a business is a natural part of the workplace. (Cook and Philip; 2001:220)

2.2 Nature of Conflict

Different scholars try to describe the nature of conflict in many ways. According to Singh (2000; 207) conflict arises from disagreements over the goal
to attain or the methods used accomplish these goal. Conflict is invisible in the organization and in every were sometimes the amount of conflict is substantial.

Consequently, it may be even more difficult to resolve conflict, but managers must find away. They try to resolve conflict either by direct participants or mediators between two or more of their employees. In either case knowledge and understanding of conflict and the method for resolving it are important.

The reality of working in organization is that conflict will appear whether this happens positively or negatively it depended on the nature on one’s perspective on conflict.

Those who hold a pluralist view believe that conflict between sub-groups within an organization and inevitable and lead to useful discussion and innovation and those hold a unitary perspective believe organization’s should be an integrated harmonious whole, one happy team. (Jane, 2003:100).

2.3 Transition in Conflict Thought

According to Robbins (1998:368) conflict thought has passed through three stages.

The Traditional View Assumed conflict as bad that leads to dysfunctional outcome like aggression, violence and hostility resulting from poor communication, lack of openness and trust between people and the failure of manager to be responsive to the needs and aspiration of their employees. So that conflict must be avoided.

The Human Relation View argues that conflict is a natural and inevitable outcome in any group and that it need not be evil but rather has the potential to be a positive force in determining group performance.

The Interactionist View is the most recent perspective and proposes not only that conflict can be positive in performance but also explicitly argues that some conflict is necessary for performing effectively. Creation and effective
management of conflict can lead to constructive problem solving, encourage people to work out their difference and participate in developing an ethical and fair organization.

2.4 Constructive and Destructive of Conflict

Conflict has both positive as well as negative connotations and consequences. Conflict must be looked into and managed for organizational benefit. Management must survey the situation to decide whether to stimulate conflict or resolve it (Chandan, 2005; 386).

2.4.1 Positive Consequence of Conflict

Bennett and Hess (2004:380) demonstrated the importance of conflict stating that organizations with no conflict are dormant, static, unimaginative and unable to change and in danger of becoming obsolete.

**Major stimulant for change** Conflict spotlights the problems that demand attention for as clarification of their nature and channels organizational efforts towards finding better solutions. It initiates a search for ways to polish and refine objectives, methods, and activities.

**Group think is avoided** Without strong vocal disagreement; group think could overpower a highly cohesive group, preventing it from making rational decisions based on fact. Conflict also counteracts the lethargy that often overtakes organization.

**Conflict faster’s creativity and innovation** It prevents stagnation, it stimulates interest and curiosity. In an atmosphere of open confrontation people tend to put forward more imaginative solutions to problems. A climate of challenge compels individuals to think through their own ideas before airing them out. Conflict can help individuals to test their capacities to learn and develop.

**Cohesion and satisfaction** Inter group conflict and completion drives groups closer together under conditions of mild intergroup conflict, group membership
can be very satisfying to members. The whole purpose and internal unity of athletic groups for example would disappear if there were no conflict. In the face of a common enemy group member’s choice ranks and put aside former disagreements.

A minimum level of conflict is optimal: Conflict is necessary to the organizational life. It is necessary for the internal stability of organizations. The occasional flare up to inter group conflict serves to balance power relationship between departments. It also helps individuals in reducing accumulated ill feelings and tensions between them. “A good fight clears the air”.

2.4.2 Negative Consequences of Conflict

When conflict disrupts, hinders job performances, and upsets personal psychological functioning, it is the negative consequence of conflict.

Conflict exacts its toll on the physical and mental health of the combatants: Intense conflicts generate feelings of anxiety, guilt, frustration and hostility. Winners try to injure the feelings of the defeated. Losers feel defeated and demeaned. The distance between people increases. A climate of mistrust and suspicion develops.

Diversion of energy: One of the most dreadful consequences of conflict is the diversion of the group’s time and effort toward winning the conflict rather than toward achieving organizational goals

Instability and chaos: Under intense conflicts collaboration across individuals, groups departments decrease or vanish. Tensions will continue to mount up and each new conflict will split organization subunits further a part leading to communication break downs. In the heat of such an internecine warfare, the disputants squander away energy and resources that could be developed to better use. The normal work flow is disrupted, the moral fabric of the group torn a part and the whole system is skewed out of balance (Amrik singh Sudan and Kumar 2003).
**Conflict creates stress in people:** Conflict exacts its toll on the physical and mental health of combatants. Intense conflicts generate feelings of anxiety, guilt, frustration and hostility; winners try to injure the feeling of the defeated. Lesser feel defeated and demanded.

The distance between people increases. A climate of mistrust and suspicion develops. Discussion replaces cohesion.

**2.5 Types of Conflict**

Conflict could be interpersonal, inter group, inter organizational, or between and among national and each of these could again be substantive or emotional in nature. Intrapersonal conflict a rises when tension is experienced within the individual when he or she has to choose from two or more unpleasant choices (a voidance-avoidance conflict) or two equally attractive options (approach - approach conflict). Example of the three are; (1) taking a cut in pay or resigning, both of which are unattractive choices that one would rather not be called upon make (2) Choosing between promotion in the same organization or taking a challenging new job elsewhere, both of which are attractive; (3) Working overtime to augment the income but in consequence having to expand less time with family. i.e the attractive extra earnings robbing one of time spent with the family.

Interpersonal conflict, which could be either substantive or emotional, or both, occurs because of incompatible goals or hurt feelings. (UK SEKARAN 1989) defines interpersonal conflict as a state in which the concerns of two or more parties appear to be incompatible and which originates when one party perceives the other as frustrating some concern of his or about to do so. Examples of interpersonal conflict on: (1) heads of two departments arguing about policies and procedures (substantive) and (2) a supervisor feeling bitter about the transfer of a valued staff member of his department to another fancying the other supervisor had “Snatched” him away (emotional).
Inter group conflict could occur between or among teams, groups or departments as when teams vie with one another for resources (substantive) or more recognition (emotional) cross functional teams and task forces act as buggers and resolve such conflicts.

Inter organizational conflict involves competition among firms in the same industry, operating in the same market, between suppliers and manufacturers, or between a company and a government regulatory agency. Union-management conflicts are more inter organizational in nature. (Sekaran;2004:182)

2.6 Sources of Conflict in Organizations

Hicks and gullet (1983:200) described the reason why conflict occurs as when organizational units are inter dependent, share resources and perceive their goal as incompatible and shown that conflict can be identified on three levels.

Mullins (2005:906) sum up the following points as the major causes of conflict.

Differences in perception: we all see things in different ways. We all have our own, unique picture or image of how we see the real world. Differences in perception result in different people attaching different meaning to the same stimuli. As perceptions become a person’s reality, vague judgments can be a potential major source of conflict.

Role conflict: Where the task of one person is dependent up on the work of others there is potential conflict. If reward and punishment systems and perceived to be based on keeping up with performance, levels, then the potential for conflict is even greater. If the work of a department is dependent up on the output of another department conflict could arise, especially if this situation is coupled with limited resources.

Limited Resource: Most organizational resources are limited, and individuals and groups have to fight for their share.

The Nature of work Activities. Most work organizations are divided in to departments with specialized functions.
Because of familiarity with the manner in which they undertake their activities, managers tend to turn in words and to concentrate on the achievement of their own particular goals when departments need to co-operate with each other this is a frequent source of conflict. Differing goals and internal environments of departments are also potential source of conflict.

**In equitable treatment:** A person’s perception of unjust treatment, such as in operation of personnel policies and practices or in a reward or punishment systems can lead to tension and conflict.

**Violation of territory:** people tend to become attached to their own “territory” within work organizations; for example to their own area of work, or kind of clients to be dealt with, or to their own room, chair or parking space, jealousy may arise over other people’s territory flora example, size of room, company car, allocation of a secretary or other perks, through access to information, or through membership groups.

Individual, such as attitudes, personality characteristics or particular personal needs, illness or stress.

**Group:** such as group skills, the informal organization and group norms.

**The age-gap:** how relationships between older employees and younger managers, where experience is on one side and power on the other, can lead to conflict.

### 2.7 Approaches to Conflict Management

Conflict management is the practice of being able to identify and handle conflict in sensible, fair and efficient manner. It is important that there are people who understand conflict and know how to resolve them because conflict in a business is a natural part of the work place.

Turkalj; (2008:509) staffed the success of the organization depends on the ability of conflict recognition and conflict management, conflict management
implies integration of all factors which can contribute to conflict resolution or its prevention.

There are five most typical approaches to conflict management explained by Turka’s

**Dominance (Competing)**

It occurs when the cooperation is extremely low, and the persistence in satisfying of personal interests high (when concern for one’s own group is high but concern for the other group is low) 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 (collaborating)**

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 (loss-loss)**

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 (withdrawal)**

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 withdrawal or repression of conflict.

**Cooperativeness (Accommodating)**

The accommodative style is low in assertiveness and high on cooperativeness. Parties will be generous and self-sacrificing. The emphasis is on the common interests of the conflicting group and a de-emphasis on their differences. Implicit in this style is the belief by the individual or group that others will cut off their relationship if he or she expenses self-oriented concerns, so better go
along with whatever the other person requests, rather than get in to difficulties of direct confrontation.

Problem solving/Confrontation/collaboration/win-win style. Problem solving is said to be the opposite of conflict because it demands a complete rethinking of the conflict situation parties openly share information attempt to listen and develop empathy there is an attempt to depersonalize the issue. Parties debate the issue bringing together all relevant information, consider full range of alternatives and try to solve the problem rather than merely trying to accommodate different points of view. Through sharing and communicating, the problem is mutually defined. Questions of who is right or wrong; who wins or loses are avoided. All parties are seen as playing a constructive role.

Problem solving is characterized by the following

i) Conflict is viewed as non-zero sum game
ii) Other party is seen as a mutual problem solver
iii) Parties pursue joint outcomes
iv) Issues are looked at objectively
v) Open, honest share is of information
vi) Flexibility
vii) Tries (Narayana;1987)

2.8 Management Implications for Effective Conflict Handling

There are several indicatory as to how managers should handle conflict and should it become necessary. Below, a few suggestions are enumerated:

1. Be aware of destructive conflicts and take appropriate action to minimize.
2. Since workflow interdependences. Role ambiguity, resource scarcity and power and value differences are instrumental in creating conflicts, be aware of the potential problems and incorporate the necessary structures to prevent them.
3. Super ordinate goals are a good strategy to overcome conflict in some instances. Identify such situations and use it as a means to resolve conflict wherever necessary.

4. Appealing to common goals and value systems also reduces conflict.

5. Inter-group conflict could be dealt with by taking an integrative problem solving approach, making organization design change and through mediation.

6. Staff-line conflict could be minimized be clearly defining the functions of each letting staff know that their role is a advisory and the line personnel realize that it is useful and important to heed good suggestions.

7. Beware of surrounding yourself with “yes men”

8. Play the devil’s advocate when things area stagnant.

9. Take a situational approach to managing conflict use completion for quick decision making and immediate action, collaboration for integrative long term solution, accommodation of establishing reasonableness, compromise for temporary settlement of issues, or when collaboration or competing do not yield the expected results, and avoidance when the issues are trivial.

10. Display sensitivity in cross cultured negotiations and be aware of differences in the orientations of the contending parties. (Mc Shane and Llattimore: 1949)

2.9 Choosing the Best Conflict Management Style

Most people have a preferred conflict management style. But they will use different style under different conditions. The skill of conflict management is to apply the right style for the situating. In other word we need to recognize the contingency approach.

The collaborative style is usually the preferred approach to conflict management, but it is the most appropriate approach only under certain conditions. Specially, it is best when the parties do not have perfectly opposing
interests and when they have enough trust and openness to share information. Collaborating is usually desirable because organizational conflicts one rarely win-lose situations. There is usually some opportunity for mutual gain if the parties search for creative solutions.

Avoiding is the best approach when the issue is trivial or as a temporary tactic to cool down heated disputes. However, conflict avoidance should not be a long-term solution because it increases the other party’s frustration.

The competing style to conflict is usually in appropriate because organizational relationships rarely involve compete opposition.

However, competing may be necessary when you know you are correct and the dispute requires a quick solution.

It may also be necessary when the other party would take advantage of more cooperative strategies. For example, we tend to shift from the collaborating to the competing style when we see that the other party uses the information we provided to benefit them rather than to find a mutually agreeable solution.

The accommodating style is appropriate when the other party has substantially more power or the issue is not as important to you as to the other party. On the other hand, accommodating behaviors may give the other side unrealistically high expectations, thereby motivating them to seek more from you in the future. In the long run, accommodating may produce more conflict rather than resolve it.

The compromising style may be best when there is little hope for mutual gain through problem solving, both parties have equal, and both are under time pressure to settle their difference. However, compromise rarely produces the best solution because the parties overlook options for mutual gain (SEKARAN; 1989:210)
CHAPTER THREE
DATA PRESENTATION, ANALYSIS, AND INTERPRETATION

This chapter deals with presentation analysis and interpretation of data which were collected from employees and managers through questionnaire and interviews.

Questionnaires were distributed to 200 employees and the interviews were conducted to 5 managers which were found to be relevant with the study. However, among the total questionnaire which were distributed only 180 of it were properly filled and returned.
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<tr>
<td></td>
<td>1-8 grade</td>
<td>60</td>
<td>33</td>
<td></td>
</tr>
<tr>
<td></td>
<td>9-12 grade</td>
<td>70</td>
<td>39</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Certificate</td>
<td>30</td>
<td>17</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Diploma</td>
<td>10</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>First Degree</td>
<td>7</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Masters</td>
<td>3</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PHD</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>180</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>1.3</td>
<td>Age</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>18-25</td>
<td>52</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td></td>
<td>26-35</td>
<td>74</td>
<td>41</td>
<td></td>
</tr>
<tr>
<td></td>
<td>36-50</td>
<td>36</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Above 50</td>
<td>18</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>180</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>1.4</td>
<td>Service year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Below 1 year</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1-5 years</td>
<td>89</td>
<td>49</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6-10 years</td>
<td>53</td>
<td>29</td>
<td></td>
</tr>
<tr>
<td></td>
<td>11-15 years</td>
<td>28</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td></td>
<td>16-20 years</td>
<td>10</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Above 20 years</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>180</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>
Item 1 of table 1 indicates that about 138(77%) of the population are males the rest 42(23%) are females. This shows there is numerical dominance of a male over females in the organization but it doesn’t have any implication on the finding.

Concerning educational background of the employees from table 1 of item 2, 3(2%), 7(4%), 10(5%) and 30(17%) of the respondents are Masters, Degree, Diploma and Certificate holders respectively. And the rest 70(39%) have completed high school and 60(33%) are below high school education. This indicates most of the machine workers are in lower educational level. Masters and degree holders are in the higher managerial position. Diploma holders in medium office administrators and certificate holders are part of the technical staff of the company.

As age of respondents are concerned 52(29%) are between 18-25, 74(41%) are between 26-35 of age, 36(20%) and 18(10%) are between 36-50 and above 50 of age respectively. From this, we can understand that majority of employees are between 26-35 which are young and active.

Also with regards to service year of respondents 89(49%) served for the company between 1-5 years, 53(29%) have experience between 6-10 years, 28(16%) and 10(6%) of the respondents served the company between 11-15 years and 16-20 years respectively. This shows that employees in the organization are more experienced and work for many years without developing their educational qualification and career.
### Table 2: Conflict with Coworker and Immediate Boss

<table>
<thead>
<tr>
<th>Item</th>
<th>Questions</th>
<th>Respondents</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Number</td>
<td>Percentage</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>How frequently you have been in conflict with your coworker?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Always</td>
<td>148</td>
<td>79</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sometimes</td>
<td>27</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Not all</td>
<td>11</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>180</strong></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>2</td>
<td>Have you ever been in conflict with your immediate boss?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>129</td>
<td>72</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>51</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>180</strong></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
<tr>
<td>3</td>
<td>If your response is yes to question No. 2.1 &amp; 2.2 were you satisfied with the conflict resolution?</td>
<td></td>
<td>5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>46</td>
<td>26</td>
<td></td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>134</td>
<td>74</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>180</strong></td>
<td><strong>100</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

In table 2 of item 1, 142(79%) of respondents said frequency of conflicts that they have been with their coworker is always. 27(15%) and 11(6%) of respondents said sometimes and Not at all respectively. And also 129(72%) of employees were in conflict with their immediate boss. 51(28%) of respondents did not enter in to conflict. This indicates that majority of employees get in to
conflict with their coworkers and immediate boss and this affects employee’s performance.

Among the respondents who entered to conflict while 134(74%) of respondents were not satisfied with conflict resolution 46(26%) of respondents were satisfied. This indicates the resolution system of the organization was not effective and this affects team work and employees will lose interest to work. As a result, this factor leads to decrease in productivity and increase in absenteeism.

**Problems in conflict management process of the organization**

Regarding to conflict management process of the organization about 129(72%) of respondents indicated that most of the problems faced during the current practical conflict management process are the rigidity of the managers in decisions making, unwillingness to understand the problems of lower level employees and unfair frequent illegal decisions only favoring to the managing body.

The managers in an interview stated that the employees have lesser understanding about the regulation used during conflict management process. This lead the employees to consider the conflict management process rigid.

The Managers also stated that whenever conflict arises among employees it has to be dealt with their specific immediate boss unless it is very difficult to solve. However, the employees considered this conflict management process as the managers unwillingness to understand the problems of lower - level employees.

From the two open ended questions related to problems in conflict management process of the organization, most of the respondents state that flexible management body, participatory decision making of managers and managers willingness to understand and urgently respond to problems raised
by employee are the possible solutions for the poor conflict management process of their company.

Generally from the above results, one can conclude that the conflict management process of the organization is poor and has problems in resolving conflicts arise in the company.

**Table 3: Potential Cause of Conflict in the Organization**

<table>
<thead>
<tr>
<th>Item</th>
<th>Potential cause of conflict in National Tobacco</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lack of transparency during promotion and salary increment</td>
<td>111 (62%)</td>
<td>54 (30%)</td>
<td>15 (8%)</td>
<td>180 (100%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Communication gap between employee and managerial staff</td>
<td>74 (41%)</td>
<td>46 (26%)</td>
<td>6 (3%)</td>
<td>32 (18%)</td>
<td>22 (12%)</td>
<td>180 (100%)</td>
</tr>
<tr>
<td>3</td>
<td>Lack of team spirit among employee</td>
<td>86 (48%)</td>
<td>59 (33%)</td>
<td>18 (10%)</td>
<td>12 (7%)</td>
<td>5 (3%)</td>
<td>180 (100%)</td>
</tr>
<tr>
<td>4</td>
<td>Inappropriate decision of managers</td>
<td>83 (46%)</td>
<td>54 (30%)</td>
<td>12 (7%)</td>
<td>26 (14%)</td>
<td>5 (3%)</td>
<td>180 (100%)</td>
</tr>
<tr>
<td>5</td>
<td>Perceptual difference on task or organizational value</td>
<td>54 (30%)</td>
<td>64 (36%)</td>
<td>13 (7%)</td>
<td>36 (20%)</td>
<td>13 (7%)</td>
<td>180 (100%)</td>
</tr>
<tr>
<td>6</td>
<td>Task overlapping</td>
<td>27 (15%)</td>
<td>32 (18%)</td>
<td>54 (30%)</td>
<td>27 (15%)</td>
<td>40 (22%)</td>
<td>180 (100%)</td>
</tr>
<tr>
<td>7</td>
<td>Task interdependency</td>
<td>18 (10%)</td>
<td>40 (22%)</td>
<td>54 (30%)</td>
<td>50 (28%)</td>
<td>18 (10%)</td>
<td>180 (100%)</td>
</tr>
<tr>
<td>8</td>
<td>Unfair resource distribution</td>
<td>36 (20%)</td>
<td>27 (15%)</td>
<td>50 (28%)</td>
<td>43 (24%)</td>
<td>24 (13%)</td>
<td>180 (100%)</td>
</tr>
</tbody>
</table>

In table 3 of item 1, 111(62%) of the respondents strongly agreed and 53(30%) have been agreed that lack of transparency as potential source of conflict in the
organization. The rest 15(8%) remain neutral. This shows that lack of transparency is indeed one of the major cause of conflict in the organization because 91% of respondents were agreed with this.

From the same table item 2, 74(41%) of respondents strongly agreed and 46(26%) agreed that communication gap between employee and managerial staff is a cause of conflict. Whereas 6(3%), 32(18%), 22(12%) of the respondents were neutral, strongly disagreed and disagreed respectively. This indicates that 67% of respondents agreed that communication gap is also a cause of conflict in the organization.

As indicated in table 3 of item 3, about the existence of lack of team sprit among employee, 86(48%) and 59(33%) respondents strongly agreed and agreed as it is a potential cause of conflict. Also 18(10%), 12(7%) and 5(3%) respondents neutral, strongly disagreed and disagreed respectively. From this one can generalize that lack of team sprit is one of the cause of conflict as 81% agreed with.

As shown in table 3 of item 4, 83(46%) of respondents strongly agreed, 54(30%) agreed and 26(14%), 5(3%) strongly disagreed and disagreed respectively that inappropriate decisions of managers are cause of conflict. And 12(7%) have respond as neutral. Totally about 76% of the respondents indicate, inappropriate decision of managers is also cause of conflicts.

From table 3 of item 5, 54(30%), 64(36%) respondents strongly agreed and agreed that perceptional difference on task or organizational value is a cause of conflict. 49(27%) disagreed or do not accept and 13(7%) are neutral. This indicates that perceptional difference on task or organizational value is one of the causes of conflict.
Regarding task overlapping as a source of conflict item 6 of table 3, 27(15%) strongly agreed, 32(18%) agreed. And 27(15%), 40(22%) employees are strongly disagreed and disagreed respectively but 54(30%) were neutral.

According to the respondents in table 3 item 7, 18(10%), 40(22%) respondents strongly agreed and agreed respectively with that task interdependency is a cause of conflict. 50(28%) strongly disagreed and 18(10%) disagreed but 54(30%) respondents were neutral. This also indicates that task interdependency is not one of cause of conflict.

As shown in table 3 of item 8, 36(20%) and 27(15%) strongly agreed and agreed respectively with unfair resource distribution as a cause of conflict. 43(24%) strongly disagreed and 24(13%) disagreed but 50(28%) respondents were neutral. This indicates that unfair resource distribution is not the potential cause of conflict.

From the above data of table 3, we can understand that lack of transparency and communication gap between employee and the managerial staff are the major source of conflict in the organization which results in poor communication among the work force.

**Table 4: Conflict Management Practice**

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>No</td>
<td>%</td>
<td>No</td>
<td>%</td>
<td>No</td>
<td>%</td>
</tr>
<tr>
<td>1</td>
<td>The company has good practice in conflict management</td>
<td>12</td>
<td>7</td>
<td>7</td>
<td>4</td>
<td>18</td>
<td>10</td>
</tr>
<tr>
<td>2</td>
<td>The managers give attention on matters which may result in conflict</td>
<td>5</td>
<td>3</td>
<td>18</td>
<td>10</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>3</td>
<td>The employee has satisfied with conflict management practice of the company</td>
<td>6</td>
<td>3</td>
<td>14</td>
<td>8</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>4</td>
<td>There exist flexible behavior of managers on decision making</td>
<td>18</td>
<td>10</td>
<td>20</td>
<td>11</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>5</td>
<td>There is participatory conflict management practice</td>
<td>5</td>
<td>2</td>
<td>13</td>
<td>7</td>
<td>11</td>
<td>6</td>
</tr>
</tbody>
</table>
As indicated in table 4 of item 1, while 12(7%), 7(4%) have strongly agreed and agreed respectively, 44(24%) strongly disagreed and 99(55%) disagreed with that the organization has good practice in conflict management. This clearly shows that 79% of respondents have testified, the company has no good practice in conflict management.

From item 2 of the same table, 92(51%) has strongly disagreed and 54(30%) disagreed with the managers have given any attention for the matters which may result in conflict, but 5(3%) have strongly agreed and 18(10%) agreed the rest 11(6%) remains neutral. From this we can conclude that the managers in this organization didn’t give any attention for matters which may result in conflict.

In table 4 of item 3, 6(3%) strongly agreed and 14(8%) agreed that they are satisfied with the current conflict management practice of the company. But 95(53%) strongly disagreed and 54(30%) disagreed the remaining 11(6%) point out neutral. Regarding the satisfaction of respondents towards the current conflict management practice of the organization, 149(83%) of the respondents were not satisfied with it.

According to table 4 of item 4, 18(10%) strongly agreed and 20(11%) agreed with that the existence of behavioral flexibility of managers on decision making. But 36(20%) strongly disagreed, 93(52%) disagreed and 13(7%) remain neutral to this question. About 129(72%) of respondents indicate that the managers do not have behavioral flexibility in decision making.

In addition from table 4 of item 5, 3(2%) strongly agreed and 13(7%) agreed that the existence of participatory conflict management practice in the company. And 91(51%) strongly disagreed, 62(34%) disagreed the rest 11(6%) remain neutral. From this we can understand that there is no participatory conflict management practice in the company.
The general manager in an interview also stated that the managing staff tries to give responds for any questions arise from the employees before it is complicated.

From the above all results, we can conclude that the company has no good and participatory conflict management practice. In addition, managers do not give any attention for matters which may result in conflict and they do not have flexible behavior in decision making. Due to these reasons, most of the respondents are not satisfied with the current conflict management practice of the company. So, this highly affects the productivity of the organization.

**Table 5: Conflict Resolution Practice and Opinion about**

**Conflict Resolution Techniques.**

<table>
<thead>
<tr>
<th>Item</th>
<th>Question</th>
<th>Respondents</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Number</td>
<td>Percentage</td>
</tr>
<tr>
<td>1</td>
<td>Which type of techniques used in conflict resolution mostly?</td>
<td>180</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>Avoid conflict at all</td>
<td>9</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Dominating and exerting influence on the other party</td>
<td>130</td>
<td>72</td>
</tr>
<tr>
<td></td>
<td>Making both parties beneficiary from the conflict in one way or the other</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Compromising difference in views between the parties</td>
<td>30</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>180</td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>In your opinion are those techniques effective?</td>
<td>180</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>37</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>No</td>
<td>143</td>
<td>79</td>
</tr>
</tbody>
</table>

From table 5 item 1, the majority 130(72%) of respondents indicates that the managers use a technique that dominate and exert an influence on the other party (i.e. the employee). 9(5%) says the technique used is mostly by avoiding
conflict at all but 11 (6%) says that it is by making both parties beneficiary from the conflict in one way or the other. In addition, 30(17%) of the respondents say it is by compromising different views between parties. The result shows that managers mostly exert an influence forcedly on one party instead of arbitrate.

In evaluating of the effectiveness of the techniques item 2 of the same table, 143(79%) of respondents indicate that conflict management techniques used in the organization is not effective, but only 37(21%) agreed with the effectiveness of those techniques.

From this we can say that conflict resolution techniques used in the organization are not effective and conflicts may occurs again and again creating hostile behavior between individuals affects the moral of employees and leads to turnover.

**Table 6: Responsibility of Handling Conflict**

<table>
<thead>
<tr>
<th>Question</th>
<th>Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Who is responsible for conflict management (resolution) in your organization?</td>
<td></td>
</tr>
<tr>
<td>The manager or boss</td>
<td>75</td>
</tr>
<tr>
<td>Conflicting parties themselves</td>
<td>105</td>
</tr>
<tr>
<td>Committee</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>180</strong></td>
</tr>
</tbody>
</table>

75(42%) respondents indicates that the managers or boss are responsible for handling conflict in the organization the rest 105(58%) of respondents said that conflicting parties themselves are responsible for handling conflict. This implies
that the majority of employees responded that conflicts are handled by conflicting parties (i.e employees) themselves. However, a manager has to play an important role in managing conflict because if conflict goes out of hand it causes several negative consequences that will hinder the attainment of organizational goal.

Table 7: Skill of Managers to Solve Conflict

<table>
<thead>
<tr>
<th>Question</th>
<th>Alternative</th>
<th>Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Number</td>
</tr>
<tr>
<td>To what extent managers in your organization is skillful to resolve conflict?</td>
<td>Very high</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>High</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Average</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td>Poor</td>
<td>45</td>
</tr>
<tr>
<td></td>
<td>Very poor</td>
<td>97</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>180</td>
</tr>
</tbody>
</table>

As shown in table 7, 38(21%), 45(25%) of the respondents respectively point out that managers in their organization have high and average skill to manage conflict and 97(54%) of respondents also point out that managers in the organization does not have the skill require to solve conflict.

This shows that managers in the organization have less skill on manager’s conflict. Thus, conflicts in the organization are not managed positively to result in productivity but conflicts create bad working environment that hinders employees to work together and achieve their goal.
Table 8: Conflict Resolution to the Best Interest of Employees and Organization

<table>
<thead>
<tr>
<th>Question</th>
<th>Alternative</th>
<th>Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percentage</td>
</tr>
<tr>
<td>To what extent conflicts are resolved at the right time to the best interest of employees and the organization?</td>
<td>Very high</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>High</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Average</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Poor</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Very poor</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>124</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>180</td>
</tr>
</tbody>
</table>

Table 8 shows that 124(69%) of respondents point out conflicts are not resolved to the best interest of employees and the organization. On the other hand about 20(11%) of respondents indicate that conflicts are resolved to the best interest of employees and the organization.

This implies that conflicts are not resolved to the best interest of employees and the organization this will make the organization and the employees to be less creative and innovative.

From the two open ended questions related to conflict resolution to the best interest of employees and organization and conflict resolution practice of the organization, most respondents said there should be training about conflict resolution to create an understanding of both employees and managers. Some respondents also said there should be single body or unit who will be responsible for handling conflicts.

The managers in an interview stated that the managing tries to give response for any questions arise from any of the employees before it is complicated and major conflict arises. The managing staff tries to have meeting and discuss major issues and problems of our employees before it affects the productivity of the organization.
Chapter Four

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

This study assesses and analyzes the conflict management practice in NATIONAL TOBACCO ENTERPRISE (Ethiopia) S.C. Thus, to achieve this objective related literature were reviewed, questionnaires were distributed. And the raw data collected from respondents is presented and analyzed.

This chapter summarizes and concludes the finding of the research and forwards possible recommendations.

4.1 Summary

The major focus of this research paper is to assess the conflict management practice in NATIONAL TOBACCO ENTERPRISE (Ethiopia) S.C. Therefore, on the basis of the data collected, the assessment of conflict management practice in National Tobacco Enterprise (Ethiopia) S.C comes up with the following findings:

- Regarding to qualification and characteristics of respondents, 72% of the respondents are below college education. And most of the employees are male 77% but it doesn’t have any implication on the finding.
- About 142 (79%) and 129(72%) of respondents indicated that they have been in conflict with their coworker and immediate boss respectively.
- Out of 180 respondents who confirm they have been in conflict with their coworker and immediate boss 74% of questionnaire respondent’s points out they were not satisfied with the conflict resolution.
- Around 129 (72%) of respondents indicate that the rigidity of the managers in decisions making and unwillingness to understand the problems of lower level employees are the major current problems in conflict management process of the organization.
• Among the different causes of conflict in National Tobacco Enterprise (Ethiopia) S.C some of the potential causes of conflict indicated by majority of respondents are lack of transparency during promotion, salary increment and over time work lack of team spirit among employee and inappropriate decision of managers.

• Concerning the conflict management of the company, 143 (79%) of the respondents indicated that company has no good practice in conflict management.

• According to 146 (81%) of respondents, the managers didn’t give any attention on matters which may result in conflict.

• From the result found, 83% of respondents were not satisfied with conflict management practice of the company.

• As responded by 152 (85%) there is no participatory conflict management practice.

• Among the major conflict resolution techniques the managers use a conflict resolution method by dominating and exerting influence on the other party (i.e. Employee) as 129 (72%) of respondents indicate.

• Majority of respondents 143 (79%) indicated that conflict resolution practice in national Tobacco enterprise (Ethiopia) S.C is ineffective.

• Though the management was responsible as indicated by 75 (42%) of respondents, 58% of respondents point out that conflicting parties themselves were responsible in handling the conflict in National Tobacco Enterprise (Ethiopia) S.C.

• 97 (54%) of respondents indicated that managers in National Tobacco Enterprise (Ethiopia) S.C does not have the skills require to solve conflict.

• 160 (89%) of respondents also point out conflicts are not resolved at the right time and to the best interest of employee and organization.
4.2 Conclusions

The research finding from questionnaire and interview conducted with employees and managers shows the following conclusions:

The first point raised in this research study was about the major causes of conflict in the company. And from the research study, lack of transparency during overtime work, promotion and salary increment stage, lack of team spirit among employee and inappropriate decision of managers are the major cause of conflict.

The second issue was concerning type of conflict resolution method used. And from result found, there exist mostly unfair arbitration and using weak method of conflict resolutions. Managers mostly exert an influence forcedly on one party (i.e. employee) instead of arbitrate. Besides, when evaluating the result from the conflict resolution technique used, as a whole most respondents agreed that it is weak.

Thirdly, the main problems in the process of conflict management practice of the company are arising from the rigidity of the managers in decisions making, unwillingness to understand the problems of lower level employees and unfair frequent illegal decisions only favoring to the managing body.

The fourth point was regarding to the extent that the organization consider conflict management as integrate part of management. And from the result found, managers give high concern for the task while forgetting conflict management as integral part of management.

To put it in a nut shell the organization did not consider conflict management as integral part of management.
4.3 Recommendations

The following recommendations are based on the conclusion drawn and the finding of the study hoping that they may contribute to a better and improved conflict management practice in the company.

The company should hire well experienced Human resource Manager. In the long-ran, the company should coach managers from the existing managing staff.

The company needs to be transparent while giving overtime work, salary increment and promotion. It should establish clear criteria. Besides, the managers should explain the manuals and regulations used while giving overtime work, salary increment and promotion regularly,

They have to communicate with all levels of employees frequently to make changes that are to happen in the company clear. This could avoid suspect and objection from the mind to the employees.

The company should also establish an inclusive and arbitrary decision making while resolving conflict. It has to resolve conflict after hearing both parties in the presence of third party as a witness. This could be made real by establishing a free and fair judicial system.

The company needs to establish check and balances system of controlling power. This could help avoid abuse of power. Managers need to be controlled by other checking body. Employees should be given the right to appeal to next authority after being hurt by managers. In this way managers will also be free of any kind of wrong doings.
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APPENDIX
Appendix A

ST. MARY'S UNIVERSITY
FACULTY OF BUSINESS
DEPARTMENT OF MANAGEMENT

Questionnaire to be filled out by National Tobacco Enterprise S.C Employees

The primary objective of the questionnaire is to obtain reliable information and opinion about conflict management practice in National Tobacco Enterprise S.C. For the study which is conducted as senior essay for a partial fulfillment of the requirement for award of Bachelor of Arts Degree in the field of Management. Thank you in advance for your valued time and cooperation. The researcher believes that your genuine response, opinion and views are only for academic purpose and also kept confidential.

NB: Please give your answer on the space provided and put tick mark in the box corresponding to your response.

1. Personal information

1.1. Sex

Male □ Female □

1.2. Educational

1 - 8 grade □ Diploma □ PHD □

9 - 12 grade □ 1st degree □

Certificate □ 2nd degree □

1.3. Age

Below 20 □ 32 - 45 □

20 - 31 □ Above 46 □
1.4. Service year in the organization

- Below 1 year □
- 1 - 5 years □
- 6 - 10 years □
- 11 - 15 years □
- 16 - 20 years □
- Above 20 □

2. General information

1. Have you ever been in conflict with your coworker?
   - Yes □
   - No □

2. Have you even been in conflict with your immediate boss?
   - Yes □
   - No □

3. If your response is yes to question no 1 and 2, were you satisfied with the conflict resolution?
   - Yes □
   - No □

   If your response is yes to question no 3 what is your reason?

3. The following table provides the potential cause of conflict. Identify the cause of conflict in the organization.

<table>
<thead>
<tr>
<th>Item</th>
<th>Potential cause of conflict in National Tobacco Enterprise</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Neutral</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lack of transparency during promotion and salary increment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Communication gap between employee and managerial staff</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Lack of team spirit among employee</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Inappropriate decision of managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Perceptional difference on task of organizational value</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Task overlapping</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Task interdependency</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Unfair resource distribution</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
3.1 Question regarding to conflict management practice of the organization

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Neutral</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>The company has good practice in conflict management.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>The managers give attention on matters which may result in conflict.</td>
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<td></td>
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<tr>
<td>3</td>
<td>The company has well defined conflict management practice.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>4</td>
<td>The employee has satisfied with conflict management practice of the company.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>5</td>
<td>There exists flexible behavior of managers on decision making.</td>
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<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>6</td>
<td>There is participatory conflict management practice.</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

7. What the techniques or style that have been used to resolve conflict?

   Forcing □   Smoothing □   Avoiding □
   Compromise —— Problem solving ^

8. In your opinion are those techniques effective?
   Yes | —— | No | —— |

9. Who is responsible for conflict management (resolution) in your organization?
   The manager or boss □  Committee □
   Conflicting parties themselves ——
   Other specify __________________________________________________________

10. Do the managers in your organization have skill to resolve conflict?
    Yes —— No □
11. Do conflicts resolve at the right item to the best interest of employees and the organization?

   Yes □                     No □

12. If your answer for question No. 11 is no state the reason
13. What do you think it should be done to improve the conflict resolution of the organization?

### 3.3 Question regarding to the organization conflict resolution process

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Neutral</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Face to face conflict resolution method is frequently used.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>2</td>
<td>The employee is satisfied with the conflict resolving techniques of the management body.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>The method used is moral flexible as the extent of the conflict.</td>
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<tr>
<td>4</td>
<td>The actions taken by the management to resolve conflicts coincide with the feelings of the employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Thank you!!
Appendix B

ST. MARY'S UNIVERSITY

FACULTY OF BUSINESS

DEPARTMENT OF MANAGEMENT

Interviewees with management of National Tobacco Enterprise S.C

1. Do you think conflict exist in National Tobacco Enterprise S.C

2. To what extent the organization consider conflict management as integral part of management?

3. What do you think is the basic cause of conflict?

4. What type of conflict do you often handle?

5. What are the problems in the process of conflict management in your organization?

6. What technique do you use in resolving the conflict?
DECLARATION
I, the undersigned, declare that this senior thesis is my original work, prepared under the guidance of ATO Yimer Adem. All sources of material used of the manuscript have been duly acknowledged.

Name...................................................
Signature.............................................
Place of Submission SMU
Date of submission___________________________

ADVISOR APPROVAL
This paper is submitted for examination with my approval as the university advisor.

Name...................................................
Signature.............................................
Place of Submission SMU
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