

*Full Length Research Paper*

# **Managerial strategies to conflict management of not-for-profit organizations in Nigeria: A study**

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**This study is an investigation of the managerial strategies to conflict management in non-profit making organizations in Port Harcourt, Rivers State, Nigeria. The essences of this study are to devise effective strategies to conflict management and make appropriate recommendations for an effective conflict resolution, aimed at ensuring organizational development, productivity and societal growth. The study adopted the descriptive study pattern and used both the questionnaire method and personal interview in collecting data for the study, a total of 80 questionnaires were distributed to both the junior and senior staff of the 4 non-profit making organizations surveyed in Port Harcourt and the "Z" test was used to analyse the stated hypotheses. The research findings reveal among others, first, that the causes of conflicts in non-profit making includes poor communication gap, ethnic and religion differences, power tussle among staff, unequal distribution of rewards, competition over scarce resources etc, secondly, that conflicts in non-profit making organizations can be resolved were administrators indulge in collectives bargaining agreement, understanding of employees and acceptance of subordinate goals.**

**Key words:** Conflict, organization, management, unions.

## **INTRODUCTION**

This study aims at investigating managerial strategies to conflict management in the non-profit making organizations in Port Harcourt, Rivers State, Nigeria. Non-profit making organizations are government institutions set up by acts of parliament to provide welfare services for the citizenry, aimed at improving their standard of living. But these institutions have recently been plagued by incessant conflicts which have resulted in loss of manpower, wastage of resources and low productivity.

According to Baridam (2000), number of conditions has been shown to be correlated with the degree of conflicts. They are not necessarily causes of conflict but they have seen to be associated with higher rates of conflict and may well predispose a situation in that direction. More also, whatever decisions, policies and guideline are made, there is the possibility of diverse opinions among members of the institution and there is the need for

resolution of it. Significantly for any organization whether profit oriented or non-profit oriented to grow and operate effectively, it needs to ensure that conflicts are creative rather than destructive. Conflict being an essential creative element in human relationships, it is a means to change, the means by which our social values can be achieved, if suppressed, society becomes static. Conflicts in organizations should neither be ignored nor feared. Indeed, it should be enjoyed and seen as essentially social organization phenomena with creative and destructive manifestations.

Organizations need to operate in a peaceful environment, where there is a high level of compromise and understanding between administrators, unions and employees (civil servants). Where this exists, there is always high productivity, greater commitment, which in turn leads to organizational development and better provision of welfare services in the case of the non-profit making organizational unrest, especially among the non-profit making institution has become one of the recurring problems facing administrators and the society, where its staffers do not derive satisfaction from the jobs as there

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is no sense of commitment. Conflicts in organizations are disastrous and create unnecessary economic loss both to the organizations and the society. It sometimes results in strikes, stress and low productivity, loss of man hour and wastage of resources.

The incessant conflicts in non-profit making organizations have called for questioning whether conflict resolution techniques are ever adopted. Truly, even if the cost of conflict is not highlighted in an organization's yearly accounts, organizations administrators and managers are unaware of its causes. The awareness of the true cost of conflict will stimulate organizations administrators to take appropriate measures to reducing conflict in their organizations to ensure organizational development, efficiency and high productivity to the society.

## RESEARCH HYPOTHESIS

HO1. There is no significant relationship between accepting subordinate goals and conflict resolution.

## THEORETICAL FRAMEWORK

Not-for-profit organizations are set up to create monopoly of essential services and thus avoid wasteful and unhealthy competitions. Hunger (2000), posits that frustration that is, a blocking of a group's goal attempts, is a significant cause of conflict. In most cases such blocking of a group's or individuals goal could be as a result of regional or religious bias. Meheim (1960) showed that behavioural conflict can be induced merely by manipulating a group's perception of its social distance with another group. Molnars and Rogers (2001) maintained that similarities may serve as source of conflict as well as attraction. Simmel (1955), noted how similarity often leads to interaction on restricted basics, whereas the more that is shared in common and the potential grounds for conflict.

Silver (2002) maintained that communication gap often creates organizational conflict. According to him, one of the great problems of corporate life and a cause of frequent grievance is not the unfairness of management actions, but the inexplicability. Even in corporations where internal communications breakdown frequently occur, networks are the life-blood of their activity-decisions are sometimes made without adequate explanation. Often such decision appears to be arbitrary when in fact they are not. According to Williams (2000), the stage is set for conflict whenever there is overlapping or ambiguous responsibilities.

Another type of explanation of organizational conflict is drawn from a social facts tradition and from organizational theory Marsh (2004). This perspective states that the basic forces that impel people to act in certain ways are objective structural conditions of which they may not

verbalize as reason for their actions. This perspective assumes that certain characteristic of the organization are that the level of conflict in an organization over a period of time is a property of that organization in the same sense that its history, its facilities and its employees are properties of that organization or institution. Since organizations varied on this property (amount of conflict), it is reasonable to seek the cause of this amount of conflict and other properties of the organization, specifically, their variable structural characteristics with regard to size, age and structural differentiation.

Studies have suggested that the size of an institution has a significant influence on the behaviour of its members. According to Scott and El-Assal (2001) larger organizations have more conflicts because the larger the organization, the greater the absolute number of those with dispositions to political activity and the stronger their mutual support for the organization and resources. According to Baridam (2002), it is reasonable to hypothesize that larger body of workers will heighten the tendency toward the formation of autonomous employee culture resistant to the efforts of management to control it. We should perhaps add that the preponderance of worker's interest in larger organizations with bureaucratic tendencies cannot be dismissed as accidental; it must be considered a sign of the underlying stresses large size generates on a work community.

Organizational theory suggests that "the older the organization, the less it is inclined to accommodate change. The age of the organization is the limiting factor, to the extent to which relationships and structure have become frozen Burack, (2001). Our hypothesis is that conflict increases with the age of the organizations involved. New organizations possess few resources in terms of skill, experience and knowledge and this may make it more difficult to manage relationships with organizational members. According to them, an organization attempting to carryout a new set of responsibilities within an existing structure of activity may encounter resistance and opposition from the established orders. Age differences may generate structural conflicts between new groups attempting to establish or expand their domains and existing groups that seek to minimize threats and disruptions to their ongoing activities.

In many instances, labour unions have been able to achieve their objectives through collective bargaining. In orders they had to resort to strikes, lock-outs, boycotts picketing. According to Nwachukwu (2000), a strike is the cessation of work by union members. It is perhaps the most effective instrument that the union has to extract submission from employer. According to Baridam (2002), strikes involve the refusal of the union members to perform their jobs. It is the temporary withdrawal of all or some of the employees from the organizations service. The aim is to force management to accept employees' demands. The trade disputes (Emergency provision) decree 1968 provided for strikes and the trade union

**Table 1.** Questionnaire distribution and retrieval.

Respondents	Sent out	%	Returned	%	Accepted	%	Un-accepted	%	Not returned	%
Senior staff	30	100	28	93	25	89	3	11	2	7
Junior staff	50	100	44	88	41	93	3	7	6	12
Total	80	100	72	90	66	92	6	8	8	10

decree 197 recognized the employees' (members of the union) right to peaceful picketing. Union leaders' right to call for strikes: recognized all over the world and shall not be actionable in tort.

According to Nwachukwu (2000), collective bargaining and union recognition as a whole world have been useless if it had no right to give their demands to the point insistence. It is a fundamental human right of all employees have a right to withdraw his labour or he becomes a slave.

Labour unions in Nigeria have had many strikes in the last 2 decades that involved work stoppage. Irrespective of the impact of strikes on society, a typical union leader believes that his aims are not to disrupt the economy or to make a show of power. They tend to believe that they are responding to forces of circumstance largely beyond their control.

Management continues to see labour as a cost of production and fails to recognize the inter-dependence between management and union. To prevent the evil consequences of a prolonged industrial dispute the government promulgated the trade disputes (Emergency provisions) (Amendment) decrees of 1969. Under this decrees, the industrial arbitration tribunal is to help resolve any disputes referred to it by the commissioner for labour. It could make awards for the purpose of cases referred to it and has 21 days to make its recommendation. Failure to comply on the part of any of the parties in the disputes is an offence under the decree.

Management, sometimes enjoy public sympathy when there is a strike that affects public interest, like closure of vital services or tend to affect the economic welfare of the society as a whole. Strikes often resented for which management enjoys public sympathy include strikes by hospital employees and public utilities. Management maximizes on this by showing that the union is the culprit and is not sensitive to public welfare. Public opinion could induce the union to cave in and taper their demands. Besides strikes, another effective instrument that unions have to fight against management is boycotts.

## METHODOLOGY

This research work adopted the homothetic research design in which self administered questionnaire was used and hypotheses were formulated and tested at 5% level of significance. From a target population of 138 organizations, 80 companies were randomly selected. Our self administered questionnaire was admini-

stered on this sample. Port Harcourt is the heart of the oil and gas industry, an industry that account for more than 80% of GDP of Nigeria. The questionnaire and oral interview constituted our primary sources of data. This was so because the questionnaire is a very cheap mode of obtaining data from such category of employees as managers since meeting them face to face was somewhat difficult owing to their tasking schedules. It also placed the respondents at a liberty to answer our questions at their own convenience removing any form of pressure a waiting researcher could have caused. The oral interviews only made up for the inadequacies of the questionnaires. To properly investigate the problem, the sample was divided into 2 groups. One group consisting of senior staff (P1) of the parastatals and another consisting of the junior staff (P2) of the same organizations.

## RESULTS

Primary data for this study were collected from questionnaires distributed and returned. The use of tables and simple percentages are to summarize responses by respondents on the subject matter.

Their responses were summed of senior staff and junior staff and analysed from Table 1, it shows that out of the 80 questionnaires sent out, 30 were sent to senior staff and 50 were sent to junior staff of the 4 non-profit making organizations surveyed in Port Harcourt. The break-down from the table reveals that out of the 30 questionnaires sent out to the senior staff, 28 representing 93% were returned, 25 representing 89% were accepted, 3 representing 11% was not accepted while 2 representing 7% were not returned. The table also reveals that out of the 50 questionnaires sent out to junior staff, 44 representing 88% were returned, 41 representing 93% were accepted and 3 representing 7% were un-accepted while 16 representing 12% were not returned.

### Causes of conflicts in not-for-profit making organizations

In this sub-section, we present data on the various causes of conflicts in the organizations we studied. Respondents opinions are presented on the Table 2.

### The various methods used in reducing/curbing conflicts

This section seeks to find out the various methods used

**Table 2.** Causes of conflicts in non-profit organizations.

<b>Causes of conflicts</b>	<b>Senior staff frequency</b>	<b>Junior staff frequency</b>
Competition over scarce resources	3(12)	2(5)
Unequal distribution rewards	4( 16)	5(12)
Ethic and religious differences	4(16)	9(22)
Power tussle among staff	4( 16)	2(5)
Subordinates saddled with responsibilities	-(10)	6(15)
Communication gap	10(40)	17(41)
Total	25(100)	41(100)

Source: Survey data (2008).

**Table 3.** Conflict management methods.

<b>Methods used</b>	<b>Senior staff frequency %</b>	<b>Junior staff frequency %</b>
Agreement to issue between administrators and staff	9 (36)	9 (22)
Understanding to Issues between administrators and staff	4 (16)	8 (12)
The use of collective bargaining	10 (40)	17 (27)
Recognition of employees goals	2 (8)	14 (34)
Total	25 (100)	41(100)

Source: Survey data (2008)

by administrators in reducing/curbing conflicts in non-profit making organizations. The responses by respondents is displayed in Table 3.

We also sought to find out the extent to which administrators and employees agreed to conflict control in non-profit making organization. Their responses are given on Table 4.

Respondents were also asked the extent that understanding exists between administrators and employees on a particular conflict situation. Their responses are given on Table 5.

### Test of hypothesis

In this section we tested the hypothesis we have formulated earlier for this study.

### Statement of hypothesis

There is no significant difference between senior and junior staff beliefs in the use of collective bargaining between administrators and employees in conflicts resolutions.

### Decision

Since the calculated value of the test statistic (0.33) is less than the critical value (1.96), we accept the null hypothesis and conclude that no significant difference

exists between senior and junior staff in their beliefs in the use of collective bargaining.

### Discussion of findings

The testing of our hypotheses is of utmost significance in order not to make our study a mere assumption, so from our result, we have seen that, there is a relationship between collective bargaining and trade dispute. Not-for-profit organizations that resolve their conflict by compromising will accomplish their objectives or goals. The researchers also found out that organizations that bargain with their workers experience fewer problems.

The not-for-profit sector of any economy is important for several reasons. First, countries desire certain goods and services that profit-making companies cannot or will not provide. A knowledge of not-for-profit organizations is important if only for the sole reason that they account for an average of 1 in every 20 jobs in countries throughout the world. However, this type of business does not exist without problems, especially in a country like Nigeria, west Africa. It is unrealistic to think that conflict would not arise in not-for-profit organizations. Man is by nature competitive and this easily becomes conflict if not properly harnessed and channeled. Since people generally want different things and must compete for scarce resources, conflict is inevitable whether the conflict is over price, wages, working conditions, layoffs, grievances, procedures or budget. It is important to learn to deal with it constructively. This means learning how to develop effective negotiating skills. In management, parlance,

**Table 4.** Responses to conflict control by administrators and employees in non-profit making organizations.

Question	Extent	Senior staff		Junior staff	
		Frequency	Percent	Frequency	Percent
To what extent do administrators and employee agree to conflict control in the organization?	Great extent	13	(52)	21	(51)
	Moderate extent	9	(36)	14	(34)
	Less extent	3	(12)	6	(15)
	Total	25	(100)	41	(100)

**Table 5.** Responses on the extent of understanding between administrators and employees.

Question	Extent	Senior staff		Junior staff	
		Frequency	Percent	Frequency	Percent
To what extent does understanding exist between administrators and employees on a particular conflict situation.	Great extent	8	(32)	15	(37)
	Moderate extent	9	(36)	16	(39)
	Less extent	8	(32)	10	(24)
	Total	25	(100)	41	(100)

**Table 6.** Computation of test statistics.

Respondents	Very significant	Significant	Not significant	Total
Senior staff	13	10	2	25
Junior staff	20	18	3	41

$$P_1 \text{ (Proportion of Senior Staff)} = \frac{13}{25} = 0.52$$

$$P_2 \text{ (Proportion of Junior Staff)} = \frac{20}{41} = 0.49$$

$$Z_{\text{cal}} = \frac{P_1 - P_2}{x \sqrt{\frac{P(1-P_1) + \bar{P}(1-P_2)}{n_1 + n_2}}} = \frac{0.52 - 0.49}{\sqrt{\frac{0.51(1-0.52) + 0.51(1-0.49)}{21 + 41}}}$$

$$Z_{\text{cal}} = 0.33$$

it can be said that man sometimes needs motivation. He also needs incentives as well as recognition from his superiors to spur him to better activity where these things are lacking in the organization, "man" feels dismayed, dissatisfied and starts to descend and starts asking for his rights. The result is conflict between senior and junior employees. It is not enough for management to always ask junior staff to increase his productivity, but management should endeavour to reward the workers who have put in their best by promoting them or by giving them adequate fringe benefits.

The study finding reveals that there are various causes of conflicts in not-profit making organizations in Port Harcourt, Rivers State, Nigeria. These causes include among others poor communication gap, ethnic and religion differences, power tussle among staff, unequal distribution of rewards and competition over scarce

resources. Our study also reveals that, those conflicts in non-profit making organizations can be resolved when administrators indulge in bargaining, accepting subordinate goals and understanding of employees' wishes and desires in the institutions. Our analyses further revealed that well implemented strategies on conflicts management will ensure operational performances and the provision of better services to the society.

From the analysis, it is revealed that the effects of industrial harmony in the workplace are considered vital and necessary for improved workers efficiency. To all intents and purposes, not-for-profit organizations must take into cognizance several important factors at play in the labour management systems, such as management policy which has been described as one of the major factors of conflict in labor management relations, where the management evolve and normally imposes policies

on labor without consultation and mainly where such a policy is detrimental to the welfare, then it is possible that they can react to the policy.

Another issue that must be discussed is in the area of communication net work, which is seen as another determinant of conflicts in not-for-profit organizations, breakdown in communication disrupts effective communication among individuals in the organization and eventually this disrupt industrial harmony. Communication is a very useful tool for effective management and administration. The more effective the channel of communication there are, the more cohesive members of a group becomes. Therefore, it is pertinent for management to always allow a 2 communication for easy resolution of differences. When a union goes on strike, it is the general practice for the union to pick the employer by placing persons at the plant enhances to advertise the dispute and to discourage persons from entering or leaving the premises. During picketing, placards are carried by the office building to inform other workers or the public that the employer is unfair to their union. Although the strikes are usually accompanied by picketing, picketing may take place without a strike. Glueck (2000) defined conflict management as all actions and mechanisms used by executives (or parties in conflict or independent third parties) to keep conflict from interfering with achievement of the enterprise's objective. Kochan, Huber and Cummings (2005) maintained that conflicts with organizations arise as a result of goal incompatibility. The first step, therefore, in developing an effective strategy for conflict resolution in any context lies in recognizing the underlying goals that the parties are seeking in the process and accepting the legitimacy of their efforts to pursue their goals. Studies have indicated that the presence of a super-ordinate goal may serve to reduce dysfunctional conflict. Super ordinate goal "those ends greatly desired by all those caught in dispute or conflict which cannot be attained by the resources and energies of each of the parties separately but *which* require the concerned efforts of all parties involve" leaf, (2000) Craig (2001) contended that a super ordinate goal causes conflicting organizations to resist an external threat to the survival or growth of an inter-organizational set by reducing ethnocentric attitudes, negative stereotypes and opponent - cantered behaviour.

## Conclusion

In concluding, it is pertinent to say that a rigorous use of questionnaire method, helped in gaining a deeper understanding of the research problem under investigation. Suffice it to say that, the search of foreign and local literature was quite revealing as it exposed the problems common with conflicts to non-profit organizations. Primary data were collected to substantial the researcher's beliefs which underlined the key research questions and

hypotheses posed. Accompanying questions revealed the need for an effective need for conflict resolution. This must be well managed, if non-profit making organizations are to be result oriented. The conclusion made from the investigations shows that there is an understanding between senior and junior staffs of non-profit making organization on accepting subordinate goals within the organization and the rise of collective bargaining between administrators and employees are avenues for resolving conflict situations.

## Recommendations

- i.) Organizations administrators should device effective means for avoiding future conflicts in their organizations, this they can achieve by engaging effective communication between staffers and administrators.
- ii.) Organizations administrators should ensure to property handle conflict situations by involving in bargaining between employees and administrators representatives.
- iii.) Organizations administrators should ensure to entrench employees goals and expectation in policy making.
- iv.) Organizations administrators should distribute rewards to employees evenly; this should be based on performances, contributions and on productivity of the employees.
- v.) The issue of power tussle among staff should be checked by the administrators. This can be achieved through an effective reward systems based on merit and productivity.

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