



Causes of Conflict and Organizational Productivity in Deposit Money Banks in Ekiti State, Nigeria

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ABSTRACT

The study examined causes of conflict and organizational productivity in all deposit money banks in Ekiti state. The study adopted a descriptive survey research design. The population of the study consists of 773 members of staff in all deposit money banks in Ekiti state; this was also used as sample. A well structure questionnaire was used to collect data for the study. The face and content validity of the instrument was ensured. The data collected from the pilot study was subjected to reliability test using Cronbach's Alpha techniques and reliability co-efficient 0.80 was obtained therefore the instrument was reliable to collect relevant information for the study. 58 of the questionnaire distributed were not returned as some were not properly filled. The research question was analysed descriptively. Analysis of covariance (ANCOVA) was used to test the hypothesis formulated at 0.05 level of significance. The study identified causes of conflict such as improper handling of conflict, when strategies or styles in handling conflict are faulty, slow response time to conflict in an organization, policies on compensation/rewards are anti-employees, instability of tenure of staffers could also result to conflict just to mention few, it is concluded that that gender, marital status and educational qualification of employees are significantly responsible for conflict in an organization. It therefore recommended that organizations should co-opt some salient opinions of their employees thereby making adequate room for participation in decision making in order words participatory, rather than autocratic style of management, should be encouraged by organization.

Keywords: Conflict, Productivity, Employees, Employers, Organisation

Journal Reference Format:

Adebowale, I.O. (2022) Causes of Conflict and Organizational Productivity in Deposit Money Banks in Ekiti State, Nigeria. Humanities, Management, Arts, Education & the Social Sciences Journal. Vol. 10. No. 1, Pp 47-55.
DOI: [dx.doi.org/10.22624/AIMS/HUMANITIES/V10N2P6](https://doi.org/10.22624/AIMS/HUMANITIES/V10N2P6)

1. INTRODUCTION

The issue of conflict ravaging organizations leading to lower productivity with eventual negative outcomes on gross national product cannot but be addressed. Organizations all over the world have been looking for both adoptive and adaptive ways to cure this enemy within the system and those external to the system i.e. both in the micro and macro forms. Conflict issues arise in all organizations no matter the level of the scale of operations-small, medium or large scale.



According to Mullins, (2005) Conflict is regarded as a behavior intended to obstruct the achievement of some other person's goals, whereby efforts are set in motion by A to offset the efforts of B from achieving its intended purpose. Jambrek and Penic, 2008 opined that it is a process of social interaction and social situation where activities and interests of participants (individuals or groups) actually or apparently confront, block and disable the realization of other party's objectives, a situation whereby conflict is based on incompatibility of goals arising from opposing behaviors which can be viewed at the individual, group or organizational level.

Conflict is conceptually dependent on major components such as expressed struggle, interdependence, perceived incompatibility of goals, perceived scarce rewards and interference.(Marquis and Houston,2009).While organizational conflict occurs, as actors engage in activities that are incompatible with those of colleagues within their network, members of other organizations or unaffiliated individuals who utilizes the services or products of the organization, workplace conflict is referred to as an organized expression of conflict articulated through a trade union or other workers representatively.(Ogunbameru,2004).

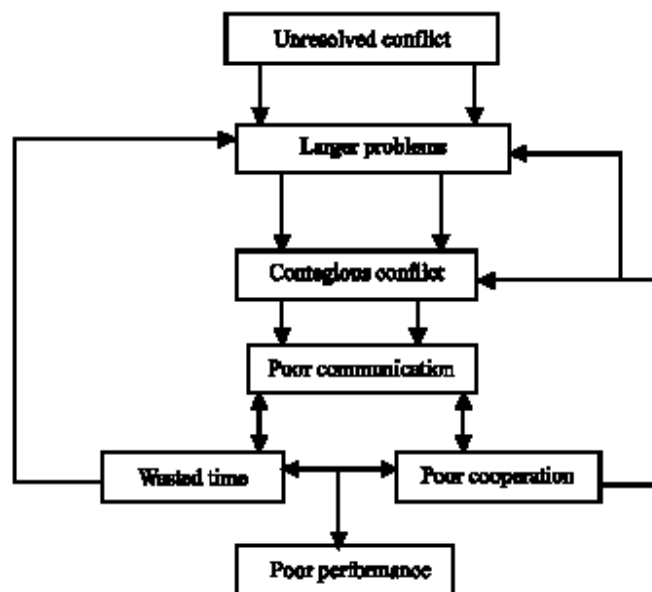


Fig 1: Organisational Conflict and its Effects on Organisational Performance

Source: <https://scialert.net/fulltext/?doi=rjbm.2009.16.24>

The mitigation of the adverse effects of conflict is crucial and should be proactive in nature by addressing the root causes of conflicts in organizations through conflict management strategies before the conflict escalates to high proportions that would have manifested in negative outcomes in productivity which will lead to huge losses expected in revenue/income to the organization. According to Darling & Walker (2007) conflict management involves designing effective strategies to minimize the dysfunctions of conflict and enhance its constructive functions in order to optimize learning and effectiveness of an organization.



This implies that managing conflict does not necessarily connote avoidance or termination but the decrease of the odds of non-productive escalation. As observed conflict is inevitable in organizations, its management determines whether it will generate positive or negative effect on the organizational productivity (Uchendu, Anijaobi, & Odigwe 2013). Conflict Management can help to resolve conflicts by encouraging active listening skills focusing on group benefits over individual recognition and working to create compromise that will guarantee organization productivity (Ongori, 2009). Organizational productivity is the boosting of organizational performance to become more efficient in specific areas such as finance, project management, supply chain which is done by applying specific method, tools, in order to give an outcome of organizational excellence (Favero, 2014). Different researches have been conducted on the effect of conflict management and organization performance, such as Emmanuel, Magaji and Olalekan (2015) conducted research on the effect of conflict management on the performance of financial service organisation in Nigeria: an empirical study of Access bank plc.

The researcher used descriptive survey research designed and the sample for this study consisted of four (4) branches of Access Bank Plc namely Adetokunbo Ademola branch, Damole/Idejo branch, Ligali Ayoride branch and Ikorodu branch, all in Lagos state. A sample size of 81 respondents was selected for the study. Using random/probability sampling method, the sample was drawn from all the departments in the bank and it also encompassed the top management, middle management and the junior management cadre in order to ensure adequate representation of view and generalizations. From the finding it was discovered that there was a significant relationship between conflict management and organizational performance of the respondents.

Obasan (2011) carried out another study on the impact of conflict management on employees performance in the banking sector, using first bank plc Lagos branch as a case study and using a student t distribution to test the significance of response. Purposive sampling technique was used select the bank of choice and a self-design questionnaire was administered to 50 respondents cutting across all cadres of staff of First Bank of Nigeria Plc (Lagos Branch). The study revealed that the main sources of conflict in the organization relate to perception and value problems and also that high employees' morale leads to improved employees' performance if conflict is managed effectively. That found that there was significant relationship between conflict management and employees' performance.

From the foregoing, the problem of this study was that despite the research conducted by researchers as all their work was based on conflict management and employees' performance in organization, the causes of conflict are yet to be identified and could this be Gender, marital status and educational qualification of employee. Therefore, this study examined the causes of conflict as it affects organizational productivity.



1.1 Purpose of the Study

The main purpose of this study was to examine the causes of conflict that affect organizational productivity in deposit money banks in Ekiti State. Specifically, the study examined.

1. The causes of conflicts in an organization and how it affects organizational productivity

1.2 Research Question

The understated research question was raised to guide the study

1. What are the causes of conflict that affect organizational productivity in deposit money banks in Ekiti State?

1.3 Research Hypothesis

The hypothesis below was formulated for the study.

H0₁: Gender, marital status and educational qualification of employee are not significantly responsible for conflicts in an organization.

2. LITERATURE REVIEW

2.1 Empirical Review

Mba (2013) Investigated conflict management and employees performance in Julius Berger Nigeria Plc, Bonny Island. A descriptive research design was used in executing the study using 50 purposively selected sample respondents consisting of 25 managerial employees and 25 non-managerial employees of Julius Berger Nigeria Plc. Bonny Island. The core aspect of the study is the use of cross sectional survey research design in generating the required primary data. Data collected were analyzed using descriptive and inferential statistics. Results from the data analysis indicated that significant relationship exists between conflict management strategies and employees' performance and no differences exist between managerial and non-managerial employees' perception of the effectiveness of conflict management strategies.

The study conducted by Henry (2009) who investigated conflict management and its effects on employees performance using convenience sample of one hundred and thirty managers (130) selected from government departments, parastatals and private companies. The analysis of data was made by using quantitative approach. The data was analyzed using descriptive method, one hundred and thirty (130) questionnaires were distributed to managers in government departments, parastatals and private companies in Gaborone. Only 85 questionnaires were returned by the respondents which accounts to 65.4%. The remaining was not returned or was misplaced by the respondents and accounted to 34.67%.The tabular method was used to analyze the data. The findings indicate that the major cause of organizational conflict is limited resources and that there is no significant relationship between conflict management and employees' performance.



Oji, Eme, and Nwoba (2014) Study communal conflicts in Nigeria: an examination of Ezillo and Ezza-Ezillo conflict of Ebonyi State, (1982-2012). They looked into the wide range of issues involved in the protracted character of the fifty-two (52) year Ezillo-Ezza-Ezillo Communal conflict. The study implored secondary sources of information and data.

The study concluded that issues such as indigenship, land ownership, cultural denigration, competition for resources and measures taken by the government managing the conflicts were responsible for the conflict in Ebonyi state, Nigeria. The study recommends that people driven management resolution mechanism (hybrid model) should be adopted.

This should involve an integrated conflict management model - inclusive of broad spectrum of stakeholders- (the church, women, the youth and Elder councils) as against the 30 Peace man committee of persons made up of mainly traditional rulers and leaders of thought without regard to gender.

3. METHODOLOGY

This study adopted a descriptive survey research design. The study covered conflict management and organizational productivity in all deposit money banks in Ekiti state. The population size for this study consists of 773 members of staff in all deposit money banks in Ekiti state. The sample size for the study consists of 773 total populations since it was not cumbersome to cover. A well structure questionnaire was used to collect data for the study.

The face and content validity of the instrument was ensured by experts. The data collected from the pilot study was calculated using Cronbach's Alpha techniques and Reliability co-efficient 0.80 was obtained and the co-efficient were considered high enough for reliability. From the 773 total questionnaire distributed, 58 were not returned as some were not properly filled. The research question was analysed with Descriptive statistics such as frequency count, mean and standard deviation. Analysis of covariance (ANCOVA) was used to test the hypothesis formulated at 0.05 level of significance.



4. RESULTS

4.1 Descriptive Analysis

Table 1: Gender, Marital Status, Educational Qualification, Work Experience and Nature of Staff

Variables	Categories	Frequency	Percentage
Gender	Male	266	37.2%
	Female	449	62.8%
Marital Status	Single	382	53.4%
	Married	333	46.6%
Educational Qualification	MBA	77	10.8%
	OND	228	31.9%
	HND	188	26.3%
	B.Sc	136	19%
	M.Sc.	17	2.4%
	Ph.D	4	0.6%
	Others	65	9.1%
Work Experience	1- 5 years	373	52.2%
	6 – 10 years	211	29.5%
	11 - 15 years	37	5.2%
	16 – 30years	84	11.7%
	31years & above	10	1.4%
Natures of staff	Permanent	254	35.5%
	Contract/casual	461	64.5%

Source: Author's computation

The gender distribution of the respondents as revealed in table 1 shows that female respondents constitute larger percentage (62.8%) of the population while male account for (37.2%). This means that, females are fully involved in the study than male as they are the major staff available at the point of carrying out this study. The marital status of respondents from the table revealed that majority (53.4%) of the respondents is single while (46.6%) are married. The majority of staff investigated in the study had OND (31.9%), HND (26.3%), B.Sc (19%), MBA (10.8%), M.Sc. (2.4%) others (9.1%), and (0.6%) of the respondents had Ph.D as their educational qualification.

This indicated that qualified staff/ bankers are employed in Ekiti State banks. These staffers, working experience span in the range of and percentages indicated: 1 – 5 years (52.2%), 6 -10 years (29.5%), between 11 - 15 years (5.2%), 16 – 30 years (11.7%) and (1.4%) have been working for more than 31 years. This implies that the staffers are highly experienced on the job. The nature of the employment engagement of the staffers are revealed in table 1 which shows that casual/contract workers accounted for (64.5%) while (35.5%) are permanent staff in the respective banks.



Research Question: What are the causes of conflicts in an organization that affects organizational productivity?

Table 2: Causes of conflicts in an organization that affects organizational productivity

S/N	Items	SA	A	D	SD	Mean	St.D	Decision
1	Improper handling of conflict	544 (76.1%)	141 (19.7%)	14 (2%)	16 (2.2%)	3.69	0.62	Agreed
2	Strategies or styles in handling conflict are faulty	325 (45.5%)	334 (46.7%)	53 (7.4%)	3 (0.4%)	3.37	0.64	Agreed
3	Response time to conflict is slow	245 (34.3%)	259 (50.2%)	103 (14.4%)	8 (1.1%)	3.17	0.70	Agreed
4	Policies on compensation/rewards are anti-employees	203 (28.4%)	422 (59%)	57 (8%)	33 (4.6%)	3.11	0.73	Agreed
5	Contract arrangement of staff has replaced collective agreement	279 (39%)	325 (45.5%)	83 (11.6%)	28 (3.9%)	3.19	0.79	Agreed
6	Violation of management/staff agreement	223 (31.2%)	420 (58.7%)	59 (8.3%)	13 (1.8%)	3.19	0.66	Agreed
7	Instability of tenure of staffers	137 (19.2%)	478 (66.9%)	77 (10.8%)	23 (3.2%)	3.01	0.65	Agreed
8	Environment of operations not conducive	172 (24.1%)	298 (41.7%)	120 (16.8%)	125 (17.5%)	2.72	1.01	Agreed
9	Professional Malpractices	186 (26%)	359 (50.2%)	138 (19.3%)	32 (4.5%)	2.97	0.79	Agreed
10	Disagreements on goals	130 (18.2%)	418 (58.5%)	154 (21.5%)	13 (1.8%)	2.93	0.68	Agreed

Mean greater than 2.50 "Agreed" otherwise "Disagreed"

Source: Author's computation

The causes of conflicts in an organization as presented in table 2 revealed that 95.8% of the respondents indicated that improper handling of conflict resulted to another conflict, 92.2% agreed that strategies or styles in handling conflict are faulty, 84.5% agreed that response time to conflict in an organization is too slow, 87.4% indicated policies on compensation/rewards are anti-employees, 84.5% of the respondents shows that contract arrangement of staff has replaced collective agreement, 89.9% of the respondents agreed that violation of management/staff agreement can also cause conflict in an organization, 86.1% agreed that instability of tenure of staffers could also result to conflict, 65.8% shows that not conducive environment of operations cause conflict in an organization, 86.2% agreed that professional malpractices within an organization can also be a source of conflict and 76.7% of the respondents agreed that disagreement on goal is also one of the causes/source of conflict in an organization.



This implies that all the causes of conflict presented in the above table are regarded as sources of organizational conflicts as the mean values of respondents in the table are greater than 2.50. This further confirmed the level of agreement of the respondents on the causes of conflicts in an organization that affects organizational productivity.

4.2 Test of Hypothesis

H0₁: Gender, marital status and educational qualification of employee are not significantly responsible for conflicts in an organization.

Table 3: Analysis of covariance (ANCOVA) for conflict management and gender, marital status and educational qualification of employee

Source	Type III Sum of Squares	Df	Mean Square	F	Sig.	Partial Eta Squared
Corrected Model	27.150 ^a	3	9.050	9.063	.000	.037
Intercept	81.376	1	81.376	81.489	.000	.103
Gender	25.492	1	25.492	25.527	.000	.035
Marital Status	.068	1	.068	.068	.794	.000
Qualifications	2.291	1	2.291	2.295	.130	.003
Error	710.019	711	.999			
Total	6039.000	715				
Corrected Total	737.169	714				

P < 0.05 (Significant)

Source: Author's computation

The result presented in table 3 revealed that gender is one of the causes responsible for conflict in an organization as F-cal (1, 711) = 25.527, df = (1,711) and P-value (0.000) < 0.05 level of significance. Also, marital status was found fairly responsible as one of the causes of conflict in organization as F-cal (1, 711) = 0.068, P-value > 0.05 level of significance and employee qualification was fairly responsible for conflict in organization as F-cal (1, 711) = 2.295, P-value > 0.05 level of significance.

There is interactive effect of variables (gender, marital status and educational qualification) on causes of conflict in an organization as F-cal (1, 711) = 81.489, P-value < 0.05. Thus the null hypothesis is rejected. This means that gender, marital status and educational qualification of employees are significantly responsible for conflict in an organization.



5. DISCUSSION OF FINDINGS

The findings of study revealed some causes of conflict that have effect on organization productivity in deposit money bank, the identified causes are improper handling of conflict, strategies or styles in handling conflict are faulty, low response time to conflict in an organization, policies on compensation/rewards are anti-employees, contract arrangement of staff has replaced collective agreement, violation of management/staff agreement, instability of tenure of staffers , not conducive environment of operations, professional malpractices as well as disagreement on goal causes conflict.

This slightly supported Oji, Eme, and Nwoba (2014) who' concluded that issues such as indigenship, land ownership, cultural denigration, competition for resources and measures taken by the government managing the conflicts were responsible for the conflict in Ebonyi state, Nigeria.

6. CONCLUSION

The study concluded that gender, marital status and educational qualification of employee are significantly responsible for conflict in an organization and based on the finding of the study, the study suggest that organizations should co-opt some salient opinions of their employees thereby making adequate room for participation in decision making, in order words participatory, rather than autocratic style of management, should be encouraged by organizations, there should be friendly interaction and dialogue in conflict management process by the parties involved, in order to attain resolution.

Since conflicts arise and eventually get resolved whether partially or permanently in organizations, interaction and dialogue should be embraced rather than violence, chaos, assassinations or kidnaps as is being witnessed around us today. Issues bordering on conflict should be resolved using civil rather than degenerating to extreme forceful and illegal means. Management and employees are members of a large family who will still come together to achieve productivity when issues are amicably resolved. Finally, competition for supremacy should not be the priority of staff of the organizations, but working together in an environment of peace and unity to achieve common goal for the good of the organization.



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