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THE ROLE OF CONFLICT MANAGEMENT STRATEGIES IN IMPROVING JOB SATISFACTION AND ASSOCIATED CHALLENGES

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Abstract. Developing and implementing a conflict management strategy is key to increasing staff job satisfaction and productivity. Organizations with predetermined strategy, transparent and equal approaches deal with organizational conflicts more constructively and use them as a basis for development and change. They are less likely to encounter destructive conflicts. For organizations operating in developed countries, as well as large organizations, the implementation and integration of conflict management processes is easier, while developing countries and organizations operating here face many challenges, not only in terms of conflict management, but also in terms of human resource management in general. As one of the developing countries, the business environment of Georgia consists mainly of small and medium-sized organizations and due to limited resources, adaptation to modern management requirements and needs is a significant challenge for them. Accordingly, if the process is improved in relatively large organizations, which have more resources for this, this will contribute to the development and advancement of the entire business environment. However, for this, they must understand the needs well and develop effective strategies aligned with organizational goals and the interests of employees.

Based on a quantitative survey among employees, it was revealed that organizations have developed certain approaches, managers try to resolve conflicts constructively through negotiations, however, a large part of employees evaluate job satisfaction neutrally and want or plan to change jobs. Also, it is worth noting that respondents understand well the need for management involvement, negotiations and equitable approaches in the process of organizational conflict management.

Keywords: Human Resource, Workplace, Conflict Management, Job Satisfaction, Negotiation

I.INTRODUCTION

In the modern business environment and society, conflict is considered a natural and inevitable phenomenon, without which human relations would be incredible. Accordingly, nowadays organizational conflict is less considered in a negative context, moreover, constructive conflict can be discussed as a basis of development, improvement and changes, which is so important in the current competitive environment. Organizations that are well aware of the priority of human resources try to keep up with trends, constantly train and raise awareness in the direction of conflict management, and create a certain strategy. Of course, organizational conflict can be caused by various reasons, it can be related to relationships between employees, or the distribution of roles and tasks [1]. However, in any specific case, when the organization has a conflict management strategy and it is known and acceptable to employees, they know what the attitude of the organization and top management in general is towards the conflict, what expectations should be created, and what the outcome of the conflict may be. Based on this information, each party involved in the conflict then makes decisions, for example, whether to openly express dissatisfaction, whether to turn to the manager for help, etc.

For developed countries and large organizations, all of the above is not new, however, for countries with economies in transition, including Georgia, many other challenges can push the importance of conflict management to the back burner for both top management and employees. If we consider the Georgian labor market, the largest employer is the state sector, the specification and structure of which differs from the private sector, the private sector consists mostly of small and medium-sized companies, which have difficulty developing

in this regard due to scarce resources, on the other hand, the unemployment rate is high [2], and there is a huge shortage of qualified personnel [3]. Due to these and many other challenges, as well as the lack of knowledge and awareness in this direction, conflict management and many other issues related to human resource management may remain out of focus.

II. LITERATURE REVIEW

Job satisfaction is an important indicator for evaluating human resource management policies and management systems in an organization. Besides, satisfied employees have higher performance, loyalty, motivation, a less stressful environment, and lower [4], which is key to achieving success. Job satisfaction is influenced by many factors, which can be both tangible, such as the environment, workspace, lighting, and intangible, such as management, assessment system, and relationships [5].

One of the main factors that influence job satisfaction is organizational conflicts and ways to resolve them. In essence, conflict is an inevitable phenomenon that is characteristic of any society. However, depending on the attitude of the organization and the management style, conflict can be destructive or constructive. Destructive conflict has a negative impact on job satisfaction [6], which ultimately results in reduced performance and increased staff turnover [7]. On the contrary, constructive conflict, along with increased satisfaction [8], makes the environment more harmonious and creative [9]. When employees have conflict management skills, particularly negotiation and collaboration skills, the environment becomes less stressful, communication and performance improve [10].

In order for an organization to be able to use organizational conflict to its advantage, first of all, the attitude towards the conflict must be positive, which will create an opportunity for employees to openly express their dissatisfaction or different opinions. Every conflict is Individualistic, and the approach needs to be relevant, therefore, it is necessary for managers to have the proper knowledge, experience, and skills [11]. More important than the conflict itself and its causes is the process of resolving it, which depends on the involvement and communication of employees [12]. Besides, a predetermined strategy is needed, on the one hand, to form fair, equal approaches, and for this there is a basis that will help managers in choosing a style. On the other hand, the existence of a document is a kind of declaration that this process is supported by top management.

Conflict management strategies in an organization can have a positive impact on job satisfaction. Organizations that encourage and use conflict appropriately have higher levels of satisfaction and performance. However, it is important to maintain an optimal level of conflict [13]. Satisfaction is also affected by the chosen conflict resolution style, which should be tailored to the situation and the parties involved in the conflict [14], that reduces stress, improves horizontal and vertical relationships. Of course, leadership style also needs to be considered, for example, transformational leadership is considered the most effective in this regard [11]. The choice of conflict management strategy depends on various factors such as personal characteristics; factors related to a specific situation and the selection of the right strategy is the result of their analysis. For conflicts to be successful, the level of awareness in this direction should be increased among all employees [15]. Hidden conflicts and avoidance strategies from Vinya negatively affect not only satisfaction, but also innovation and development [16]. Meanwhile, skilled employees and management reduce stressors, the risk of burnout, and overall support and team unity increase [17]. In this case, the main thing is not the style of resolving any particular conflict, but the general skills of employees to choose a style and not ignore the existing problem, which already has a positive effect on satisfaction [18].

As for the Georgian business environment, the Georgian organizational reality faces many challenges, for instance, cases of discriminatory and unequal approaches in the workplace have not been finally eliminated [19], there are no predetermined approaches and strategies in organizations [20], even though the negative impact of destructive conflict on performance and satisfaction is confirmed by the studies [21]. The level of awareness regarding modern trends and practices is low, which is why the risk of organizational conflicts arising is high, and in many cases, may even remain hidden and take on a destructive character. Based on the above studies and information, we can formulate the following hypotheses:

H1: There is a statistically significant relationship between conflict management strategies and job satisfaction.
H2: Fair and equitable approaches used by managers in the conflict resolution process are related to employees' perceived effective conflict management.
H3: Employee behavior in conflict situations is related to their attitude towards effective conflict management in the organization.
H4: Freedom of expression within the organization and timely responses to conflicts contribute to the perceived fairness of decisions resulting from negotiations.
H5: Timely responses to conflicts have a positive effect on the level of job satisfaction.

III. METHODOLOGY.

A quantitative study was conducted online in organizations operating in the banking sector and a total of 188 employees, both managerial and non-managerial, were interviewed using a random sampling method. The questionnaire mainly consisted of closed questions regarding employee satisfaction and attitudes towards conflict

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management, from both the respondents' and management's perspectives. The results were processed in the SPSS program. Various statistical methods (Chi-square; Kruskal–Wallis test) were used to test the research hypotheses.

IV.DISCUSSION

The survey was conducted among 301 individuals, comprising 68% women and 32% men. Most of the respondents (46%) were in the 26-35 age group and had been working in the organization for 1-3 years.

As for the level of job satisfaction, the indicator is not particularly favorable, 38% of employees' attitudes towards job satisfaction are neutral. 33.1% of respondents reported being satisfied with their work (Very satisfied and Satisfied); however, a considerable proportion of respondents expressed dissatisfaction with their job (28.9 %, Very dissatisfied and Dissatisfied).

Job Satisfaction

- Very satisfied: 2.1%
- Satisfied: 31.0%
- Neutral: 38.0%
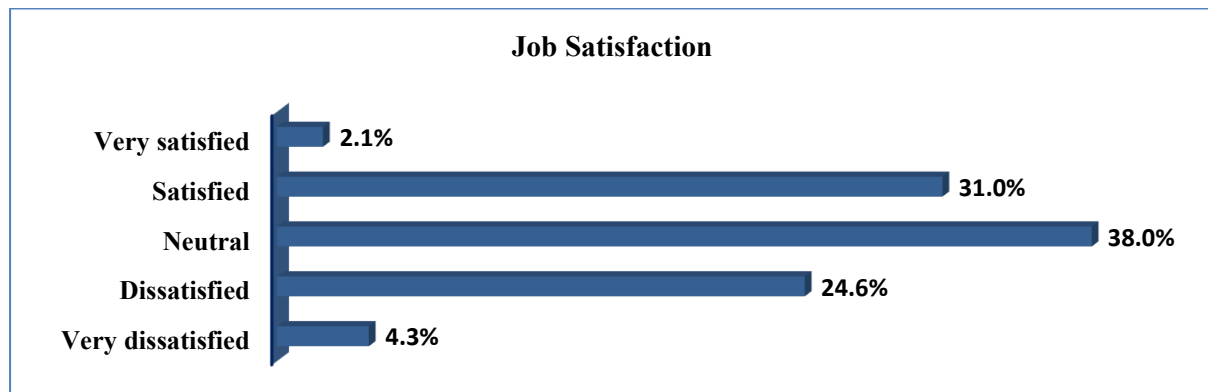- Dissatisfied: 24.6%
- Very dissatisfied: 4.3%

Fig.1 Job Satisfaction
Source: Research materials

This certainly affects the psycho-emotional state in the organization, increases tension, the likelihood of destructive conflicts, and most importantly, increases staff turnover, which hinders the development of the organization and increases costs. Most respondents, despite their neutral mood, have a desire to change their workplace, but are not in the process of searching (31.7%), while 28.4% do not think about changing, but would consider changing their workplace if offered.

Are you considering changing jobs in the near future?

- I have no answer: 3.7%
- No, I am satisfied and will not consider it: 10.2%
- I am not thinking, but if I get an offer - I will accept: 27.8%
- I am thinking about changing, but I haven't tried yet: 31.6%
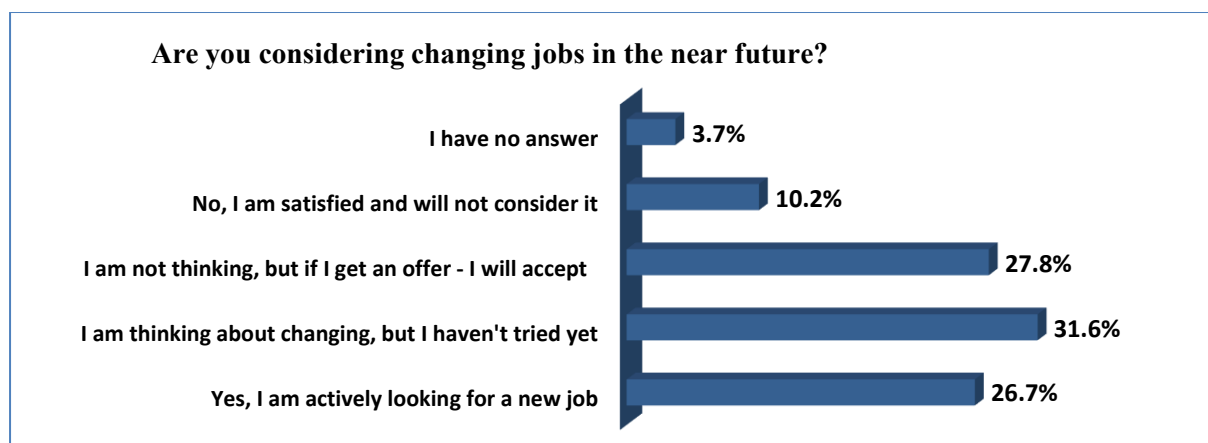- Yes, I am actively looking for a new job: 26.7%

Fig. 2 Are you considering changing jobs in the near future?
Source: Research materials

As shown in Figure 2, 31.6% of respondents are considering changing their job but have not yet attempted to do so, while 27.8% indicated that they would accept a new job offer if one were made. Additionally, 26.7% are actively seeking new employment, whereas only a small proportion of respondents (10.2%) reported being satisfied with their current job and not considering a change.

In general, when asked how frequent conflicts are, most respondents (40.2%) answer that they rarely do, although most respondents have had conflicts several times (32.6%) or at least once (24.5%) in the last year. Which, of course, as we have mentioned, is natural and inevitable. As for the causes of conflicts, most respondents believe that these are unfair approaches from management, lack of communication or misunderstanding, uneven distribution of work, roles and responsibilities.
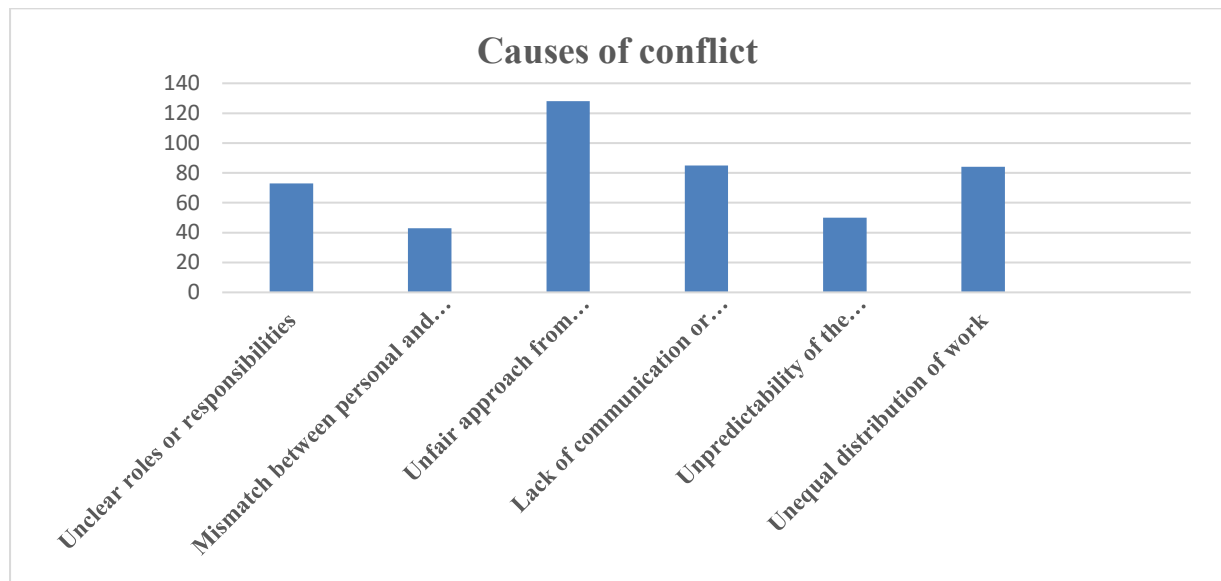
Fig.3 Causes of conflict.
Source: Research materials

Based on the above results, we can conclude that the problems in organizations are not only in the direction of conflict management, but also in the direction of management in general are quite large. It seems that organizations do not have clearly distributed responsibilities, and employees do not feel supported and a fair approach. Which, of course, reflects a neutral attitude towards satisfaction and is the basis for destructive conflicts.

Numerous studies have confirmed that having a predetermined conflict management strategy has a certain impact on job satisfaction. Since it increases the sense of fairness and clearly expresses the healthy attitude of management towards organizational conflict as a factor in development and change. In order to test Hypothesis 1, an Independent-Samples Kruskal-Wallis Test was conducted, as a result of which it was determined that the obtained p-value (0.023) is less than the predetermined significance level ($\alpha = 0.05$), on the basis of which the hypothesis was confirmed. The results of the study once again demonstrate that having a conflict management strategy and job satisfaction are interrelated.

Table I Independent-Samples Kruskal-Wallis Test

Measure	Value
Sample Size (N)	301
Test Statistic (H)	13.055
Degrees of Freedom (df)	5
Significance Level (Asymp. Sig.)	0.023

Source: Research materials

The competence and initiative of managers in the process of conflict resolution are necessary, however, managers must have the appropriate skills to identify the conflict promptly, investigate the causes, and choose the appropriate style. Of course, a manager in a conflict situation, regardless of the strategy, should remain neutral, even-handed, and listen to the positions of both parties and rely on the principles of justice and equality, respect freedom of expression, which ultimately should be perceived by employees as effective conflict management (Hypothesis 2). To test this, we used the Independent-Samples Kruskal-Wallis Test and the analysis confirmed the hypothesis ($p<.001$).

Table II Independent-Samples Kruskal-Wallis Test

Measure	Value
Sample Size (N)	301
Test Statistic (H)	48. 737
Degrees of Freedom (df)	3
Significance Level (Asymp. Sig.)	<.001

Source: Research materials

To test the third hypothesis, a Chi-square test was conducted to determine the relationship between employees' preferred behavior and their attitude towards the organization's effective conflict management. The results showed that the relationship between these two variables was statistically significant ($p<.001$).

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Table III: Chi-square Test			
	χ^2	df	p
Pearson Chi-Square	29.35	9	< .001
Likelihood Ratio	21.66	9	.010
Linear-by-Linear Association	4.93	1	.026
Valid Cases	301	—	—

Source: Research materials

The management system and established approaches are directly related to the behavior of employees, the decisions they make, and the opinions they express. Management creates an organizational climate within which employees choose their behavior. Similarly, management's attitude towards organizational conflict affects the behavior of employees. For example, if the organization is negatively disposed towards conflict, employees will try to choose an avoidance strategy, or hidden conflicts will arise, which are destructive in nature. Conversely, when employees know that the organization considers conflict as one of the foundations of development, they can deal with it and resolve it with constructive methods and approaches, it is more likely that the onflict will bring positive results. Accordingly, the style that employees adopt during a conflict depends on how effective they consider the management style chosen by the organization.

To test Hypothesis H4, a linear regression analysis was conducted, in which the dependent variable was the perceived fairness of the negotiated decision, and the independent variables were freedom of expression within the organization and timely response to conflicts. In this procedure, all three variables are interval-scaled and measured on a five-point Likert scale, where the scores correspond to the following values: 1 – Strongly disagree, 2 – Disagree, 3 – Neutral, 4 – Agree, and 5 – Strongly agree.

The first regression table (Table 4) shows that the variable Q23 – The negotiated decision is fair has a strong positive correlation with the independent variables (R = 0.68). The coefficient of determination (R Square) indicates that 46% of the variance in the perceived fairness of the negotiated decision can be explained by the factors of freedom of expression within the organization and timely response to conflicts.

Table 4. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the estimate
1	.679	.461	.457	.922

a.Predictors (Constant), Q28 The principe pf free expression of opinion is protected, q16 Timely response of conflict
b. Dependent Variable: Q23 The negotiated decision is fair.

Sourse: Research materials

The regression results presented in Table 5 indicate that the model is highly reliable, demonstrating statistical significance at the 0.001 level (P-value < 0.001).

Table 5 ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	218.001	2	109.000	128.166	.000
	Residual	254.814	300	.850		
	Total	472.815	302			

Source: Research materials

a.Dependent Variable: Q23 The negotiated decision is fair.
b. Predictors: (Constant), Q28 The principe of free expression of opinion is protected, qq16 Timely response to conflict

The following table (Table 6) presents the coefficients used to construct the regression equation.

Table 6. Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.945	.153		6.182	.000
	q16 Timely response to conflict	.355	.057	.367	6.254	.000

Q28 The principe of free expression of opinion is protected	.359	.057	.371	6.322	.000

Source: Research materials

a.Dependent Variable: Q23 The negotiated decision is fair.

As shown in Table 6, both factors have a statistically significant impact on the variable "The negotiated decision is fair." According to the coefficients table, both predictors demonstrate a strong statistical association at the 0.001 significance level (P-value < 0.001), thereby confirming Hypothesis H4.

Based on the data presented in the coefficients table, the behavior of the variable Q23 – The negotiated decision is fair can be expressed by the following regression equation:

Q23 (The negotiated decision is fair) = 0.945 + 0.355 × Q16 (Timely response to conflict) + 0.359 × Q28 (The principle of free expression of opinion is protected)

Thus, in line with Hypothesis H4, it can be concluded that the fairness of a negotiated decision increases when freedom of expression within the organization is greater and when conflicts are addressed in a timely manner.

To test Hypothesis H5, Pearson's correlation analysis was conducted (Table 7). In this analysis, the variables were treated as interval-scaled and measured using a five-point Likert scale. For the variable Q3 – Job satisfaction, the scale values correspond to the following: 1 – Very dissatisfied, 2 – Dissatisfied, 3 – Neutral, 4 – Satisfied, and 5 – Very satisfied.

For the variable Q16 – Timely response to conflict, the scale values correspond to: 1 – Strongly disagree, 2 – Disagree, 3 – Neutral, 4 – Agree, and 5 – Strongly agree.

| Table 7	Correlations		
		Q3_3 Job satisfaction	qq16 Timely response to conflict
Q3 Job satisfaction	Pearson Correlation	1	.166**
	Sig. (2-tailed)		.004
	N	303	303
q16 Timely response to conflict	Pearson Correlation	.166**	1
	Sig. (2-tailed)	.004	
	N	303	303

Correlation is significant at the 0.01 level (2-tailed).
Source: Research materials

The correlation analysis revealed a weak positive

correlation between the variables Q3 – Job satisfaction and Q16 – Timely response to conflict, indicating that timely responses to conflicts tend to increase the level of job satisfaction. Furthermore, the relationship between these variables was found to be statistically significant at the 0.01 level (P-value = 0.004), thereby confirming Hypothesis H5.

The regression diagram presented below clearly illustrates the linear, directly proportional relationship between the two variables, along with the coefficient of determination and the corresponding regression equation.
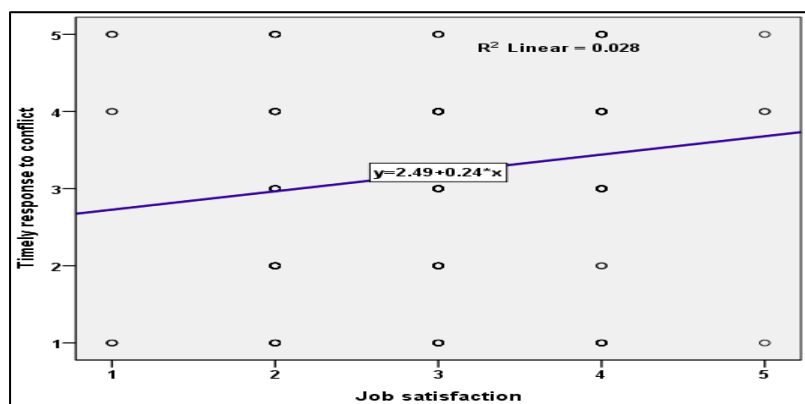
Source: Research materials

V. CONCLUSIONS

Conflicts help organizations develop, they are even considered the basis of changes and innovations, since without different views, constructive criticism and exchange of ideas, it is impossible to advance processes. This is so important in the modern competitive environment; however, this does not mean that any conflict is useful for the organization. To obtain the desired result, the organization must have created an appropriate environment in which people do not hesitate to openly express their opinions, ask the manager for help if necessary. For this, employees

must have trust in the organization and management, they must be sure that the attitude will be fair and equal, that the team is staffed with professionals. Accordingly, organizations need to raise awareness among employees about the ongoing activities, existing strategies and methods. They need to develop and improve procedures, increase employee involvement in decision-making, intensify communication, clearly define roles and related responsibilities, since in many cases this is precisely what was named as the cause of the conflict.

To achieve all of the above, the organization must have a predetermined conflict management strategy, based on a number of advantages. First of all, this is a kind of declaration that top management supports a positive attitude towards conflicts and tries to encourage constructive conflicts, which are perceived as more important by employees. In addition, the existing strategy makes it clear that the organization is trying to establish uniform and fair approaches, even though all conflicts are individual.

The results of the study revealed that the organizations surveyed in this direction are not very successful, because the main causes of conflicts are unfair approaches, lack of communication, and the distribution of roles and responsibilities. It is worth noting that the level of satisfaction is also low, which in turn affects the willingness of most people to leave their jobs as soon as a better opportunity appears. Of course, conflict management is not the only factor, but it is one of the factors that affects job satisfaction. Therefore, focusing on this direction will also increase the level of satisfaction.

It is also worth noting that managers must have the appropriate qualifications, skills and knowledge that will help them choose the right strategy, listen to all sides, and not make subjective decisions that ultimately affect employee satisfaction. In addition, it is important what style the conflict parties themselves choose during the conflict, how openly they express their position, how they negotiate, whether they turn to the manager or not. All this depends on how effectively they perceive the policy pursued by the organization. Therefore, a well-chosen strategy affects the organization's environment, culture, and shapes the behavior of employees.

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