



## ROLE OF SELF-EFFICACY FOR MANAGING CONFLICT IN SERVICE SECTOR

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### ABSTRACT

This study investigated the role of self-efficacy, as an individual predisposition, on preference of conflict resolution ways in service organizations. This was for the purpose of ascertaining the relative impact of self-efficacy (high or low) on conflict resolution ways towards ensuring sustainable peace and harmony. The sample was composed of 151 participants (middle and upper level managers) working in a service sector. Conflict Resolution Questionnaire (Marcus Henning) and the General Self-efficacy Scale (Dhar) were used to measure conflict-management ways and self-efficacy, respectively. Results of mean analysis and t-test revealed that individuals high in self-efficacy view conflict positively, create an effective atmosphere and likely to use the integrating style, by discussing various options with broader perspective and try to find out a solution acceptable to both opposing parties, whereas individuals with low self-efficacy prefer to use distributive styles.

**KEYWORDS:** Self-Efficacy, Conflict Management, Service Sector.

### INTRODUCTION

The present research examined the role of self-efficacy for managing conflict in service sector. The underlying assumption of this study was that the self-efficacy affects conflict management constructively (where individuals enact behavior designed to correct and maintain long term relationship). Constructive conflict tends to improve the relationships among the parties following the confrontation with their differences.

Self-efficacy, or the self-perception of succeeding in a given task, is believed to be a critical element in creating the necessary attitudes for successful performance of the assigned task. Self-efficacy is one's own belief that one is able to do a particular job in best way to achieve a goal. It is a belief that one has capabilities to execute a job in a given situation. Efficacy is competence, while self-efficacy is a belief of having some power to attain the goal.

Bandura (1997) defines self-efficacy as a person's belief about their capabilities to produce designated levels of performance that exercise influence over events that affect their lives.

According to Bandura, a person's attitudes, abilities, and cognitive skills comprise what is known as the self-system. This system plays a major role in how one perceives situations and how one behaves in response to different situations. Self-efficacy plays an essential part of this self-system. Bandura, (1994-1995) mentioned that self-efficacy is person's belief in his own ability that he can be successful in a particular situation. Bandura said that this belief determines how people feel, think and behave.

### THE ROLE OF SELF-EFFICACY

Bandura found that self efficacy plays a major role how goals, tasks and challenges can be approached. People

with a strong sense of self-efficacy view challenging problems as tasks to be mastered, Develop deeper interest in the activities, form a stronger sense of commitment to their interests and activities, recover quickly from setbacks and disappointments.

People with a weak sense of self-efficacy avoid challenging tasks, believe that difficult tasks and situations are beyond their capabilities, focus on personal failings and negative outcomes, and quickly lose confidence in personal abilities (Bandura, 1994).

#### Sources Of Self-Efficacy

**Mastery Experiences:** The most effective way of developing a strong sense of efficacy is through mastery experience, Bandura explained (1994), performing a task successfully strengthens one's sense of self-efficacy.

**Social Modeling:** Much of employees' knowledge about their capabilities is also generated by social modeling which occurs by observing competent individuals perform a similar task and be reinforced by it.

**Social Persuasion:** Verbal persuasion by someone the employee trusts and sees as competent serves as another important source of self efficacy.

**Psychological Responses:** Our own emotional reactions in challenging situations.

### CONFLICT AND CONFLICT MANAGEMENT

Olcum (2004) defines conflict as the process in which one party perceives that its interests are being opposed or negatively affected by another party. While Rahim defines it as an interactive process which results in incompatibility, disagreement and difference between different entities Antonioni, D., (1998). Conflict is inevitable in any interpersonal relationship or among members of any group and can be a very positive experience, if managed properly. Conflict resolution as a process of fostering industrial peace and harmony has in

the recent times become the focus of resource management practitioners. The ability to manage conflict is probably one of the most important social skills an individual can possess. Specifically, it will offer information about:

- The different ways in which people deal with conflict.
- Increasing awareness of one's own style of conflict management.
- A constructive method of conflict management which will not only lead to greater satisfaction of both parties involved, but also promote growth and development of own group.

Blake and Mouton's (1964) five management styles that are moderated by two variables concern for self and concern for others, were later modified into five conflict handling styles: avoiding, compromising, dominating, integrating and obliging (Rahim, 1985; Rahim and Bonoma 1979). Rahim et al. 2000 stated five handling styles, which are summarized as:

**Integrating:** It is linked to problem solving, collaboration, cooperation, win-win, positive-sum solution.

**Obliging:** It is connected with accommodation, non confrontation or the lose-win styles.

**Dominating:** This is a power-oriented mode, in which one uses whatever power seems appropriate to win one's own position.

**Avoiding:** It may take the form of diplomatically sidestepping an issue, postponing an issue until a better time or simply withdrawing from a threatening situation.

**Compromising** The objective is to find some expedient, mutually acceptable solution which partially satisfies both parties.

**In this subsection, researcher used CRQ based on the factors presented by McClellan (1997c). These factors are:**

**View of conflict:** It refers to how people view conflict as a natural product of diversity among people.

**Atmosphere:** It suggests the significant effect of creating effective atmosphere that promotes partnership and problem solving.

**Clarification of perception:** It is a need to create clear communication about conflict issues, separate people from problem and accept reasonable emotions.

**Needs:** People must identify their essential needs that have to be met when resolving conflict.

**Power:** It refers to how people can produce positive partnership through creating positive power that will lead to longer lasting relationship and resolution to conflict.

**Future orientation:** It emphasis the need to learn from past events, to focus on future orientation.

**Options:** It is a need to create options to optimize the chance of achieving mutual gains for both parties to conflict.

**Doables:** It means realistic goals have to be developed in order to create methods of obtaining something tangible.

**Mutual benefit agreement:** It suggests that parties to conflict have sense of partnership to meet every party's needs.

**Extra consideration:** It covers other facets like anger expression, emotional legitimacy and alternatives to agreements of conflict resolution.

## LITERATURE REVIEW

A comprehensive review of available literature related to independent and dependent variables are carefully reviewed to explore the existing state of research.

Conflict, an inevitable component of social life, is highly prevalent in organizational settings where people work together (Cosier and Ruble, 1981). In response to growing demands for workplace harmony and productivity (Chen and Tjosvold, 2002) effective conflict management is becoming increasingly popular. Researchers have found that the type of conflict can influence group failure or success (Tjosvold, Law, and Sun, 2006) and, therefore, the ability to resolve conflicts and the choice of suitable conflict-handling styles have gained importance. Although the results of prior studies provide evidence of the importance of the influence of some individual characteristics on conflict-handling styles, there seems to be a lack of research aimed at investigating the effect of self-efficacy as an individual characteristic. Self efficacy is critical to many work-related behaviors in that individuals with a high sense of self-efficacy can perform required tasks, exert effort, and take initiative to contribute to organizational outcomes (Osborn and Harris, 1975). Therefore, it would be useful to understand the impact of self-efficacy on preference for using different conflict-handling styles. Individuals who have high self-efficacy are expected to deal with conflict effectively while individuals with low self-efficacy may become demoralized, and, therefore, be ineffectual in handling conflict (Alper, Tjosvold, and Law, 2000).

Self-efficacy, of self-perceived ability to perform a specific task, is a strong predictor of personal goals, risk-taking, and performance in complex decision making tasks (Bandura and Wood 1989a, b; Dulebohn 2002; Kuhn and Yockey 2003). Self-efficacy is used to predict behavior across settings and employee types, in leaders, entrepreneurs, managers, and employees (Bradley and Roberts 2004; Millman and Latham 2001; McCormick 2001). Rahim states that a conflict is a positive indicator of health of an organization Antonioni, D. (1998).

Christopher et al., (2008) studied work-family conflict and job satisfaction and examined the mediating effects of job-focused self-efficacy on the relationships between work-family conflict and the facets of job satisfaction (work, pay, promotion, supervision, and coworkers). Using covariance analysis they found that job-focused self-efficacy mediated the relationship between work-family conflict and the promotion and supervision facets of job satisfaction.

Self efficacy is defined as people's judgment of their capabilities to organize and execute courses of action required to attain predetermined levels of performance (Bandura, 1986). Successful performance requires that a person should possess both the appropriate skills and abilities and strong feelings of self efficacy (Lent et al, 1994). Similar mechanisms may operate in conflict situations and negotiation processes. Presumably, individuals with high sense of self-efficacy concerning their negotiation capabilities set high goals for negotiation outcomes and actively pursue them. This contention was supported by Brett, Pinkley, and Jackofsky (1996). The findings stated that people with high self-efficacy

suggested more alternatives or joint profit than people with low self-efficacy. O'Connor and Arnold (2002) found that individuals with high negotiation related self-efficacy persisted in searching for solution and were highly resistant to concessions even when negotiation reached an impasse or the conflict appeared intractable. Moreover researchers posited two distinct negotiation-related self-efficacy beliefs- integrative self-efficacy and distributive self-efficacy. Integrative self-efficacy was associated with cooperative tactics and distributive self-efficacy was correlated with competitive tactics and subsequently influenced negotiation outcomes, people with high integrative efficacy beliefs achieved the highest joint outcomes in comparison to other people (Sullivan, O'Connor, and Burris, 2003).

### OBJECTIVES OF THE STUDY

1. To determine the level of self-efficacy of employees in service sector.
2. To determine the level of conflict resolution of employees in service sector.
3. To determine the mean differences of various dimensions of conflict management with respect to high and low self-efficacy of employees in service sector.
4. To study the effect of self-efficacy on conflict management in service sector.

### METHODS AND PROCEDURES

The study was descriptive in nature. Statistical tool like mean analysis and t-test were applied.

#### Sample

A survey instrument in the form of questionnaire was used for the purpose of collecting the main data for the study. The study was carried on 151 executives working in service industry in Indore and nearby geographical areas, who were selected on random basis. The respondent belonged to the senior and middle level. The extraneous variables of age, gender, education and other variables were controlled by randomization and elimination.

#### Tools for data collection

The instrument used in this study is composed of 2 parts. The first part deals with self-efficacy. This scale consisted of 35-items. Participants were asked to evaluate themselves on each of the 35-items with response possibilities ranging from 1= strongly disagree to 5= strongly agree. In the current study, the Guttman Split-Half Coefficients of the scale was satisfactory; (0.800). Similarly, conflict management had 40-items. Respondents had to write their responses by using numbers corresponding to the scale in the brackets provided. Scores were reversed for the following 12 questions 1,3,13,18,22,24,26,27,31,32,33 and 35, means "5" was reversed to "1". Higher the score means more effective in finding resolutions that meet everyone's

real needs and that build long term relationship. The current study indicated satisfactory internal consistency of the conflict management measure (0.851).

### FINDINGS AND DISCUSSION

#### Hypotheses

**H<sub>01</sub>-The level of self-efficacy is not high in service sector.**

**Table-1**

Statistics		
SE-Total		
N	Valid	151
	Missing	0
Mean		142.07
Percentiles	25	139
	50	142
	75	144

It can be seen from Table-1 that, mean value of self-efficacy in service sector is 142.07, which is greater than 139.00 but less than 144.00. So, it can be concluded that the level of self-efficacy of employees is moderate in service sector. Therefore, null hypothesis namely **H<sub>01</sub>** the level of self-efficacy is not high in service sector is not accepted.

**H<sub>02</sub>-The level of conflict management is not high in service sector.**

**Table-2**

Statistics		
CM-Total		
N	Valid	151
	Missing	0
Mean		151.90
Percentiles	25	139.00
	50	162.00
	75	167.00

It can be seen from Table-2 that, mean value of conflict management in service sector is 151.90, which is greater than 139.00 but less than 167.00. So, it may mean that the level of conflict management of employees is moderate in service sector. Therefore, null hypothesis namely **H<sub>02</sub>** the level of conflict management is not high in service sector is not accepted.

**H<sub>03</sub> There is no significant difference in the mean scores of the employees with high and low self-efficacy on the various dimensions of conflict management in service sector.**

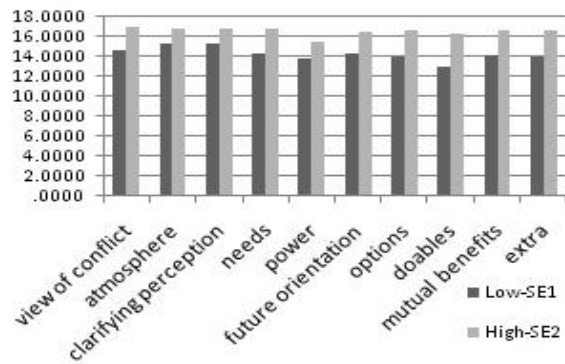
**Table-3**

#### Mean scores of various dimensions of conflict management with high and low self-efficacy

Report										
Mean										
Se-Total (Binned)	View Of Conflict	Atmosphere	Clarifying Perception	Needs	Power	Future Orientation	Options	Doables	Mutual Benefits	Extra
Low-SE 1	14.6739	15.3478	15.3478	14.2609	13.8913	14.4022	14.0000	13.0326	14.1957	13.9674
High-SE 2	16.9661	16.7797	16.8136	16.7797	15.5085	16.4237	16.6271	16.2881	16.6610	16.7458

**Graph-1**

**Profile plot of mean scores of various dimensions of conflict management with high and low self-efficacy**



An analysis of table-3 reveals that mean scores of all the dimensions of conflict management i.e. view of conflict, atmosphere, clarifying perception, needs, power, future

orientation, options, doables, mutual benefit agreement and extra consideration is higher for the employees with high self-efficacy as compared to employees with low self-efficacy. It can be supported by graph-1. Therefore, null hypothesis namely  $H_{03}$ -there is no significant difference in the mean scores of the employees with high and low self-efficacy on the various dimensions of conflict management, is not accepted.

**$H_{04}$  there is no significant effect of self-efficacy on conflict management in service sector.**

**Table-4**

Group Statistics					
	SE-Total (Binned)	N	Mean	Std. Deviation	Std. Error Mean
CM-Total	Low-SE1	92	143.12	18.021	1.879
	High-SE 2	59	165.59	8.875	1.155

**Table-5**  
**Independent Samples Test**

		Levene's Test for Equality of Variances		t-test for Equality of Means						
								95% Confidence Interval of the Difference		
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
CM- Total	Equal variances assumed	54.262	.000	-8.904	149	.000	-22.474	2.524	-27.461	-17.486
	Equal variances not assumed			-10.189	141.166	.000	-22.474	2.206	-26.834	-18.113

It can be seen from Table-5 that self-efficacy produced significant effect on conflict management and therefore, null hypothesis namely  $H_{04}$ -there is no significant effect of self-efficacy on conflict management, is not accepted. In addition, (Table-4) mean score for high self-efficacy group is 165.59, which is significantly higher than that of low self-efficacy group (143.12). Therefore, it may be concluded that employees in high self-efficacy group handle conflict constructively with win-win solution to the problem where as employees with low self-efficacy may not do so.

## DISCUSSION

This research intended to explore a condition under which an individual difference may manifest itself differently. Overall, the study results indicated that self-efficacy and conflict management of employees is moderate and there is likely to be an effect of self-efficacy scores on conflict-resolution ways of employees according to the relative level of self-efficacy in service sector. In conflict, individuals high in self-efficacy view conflict positively, create an effective atmosphere and likely to use the integrating style, by discussing various options with

broader perspective and try to find out a solution acceptable to both opposing parties, whereas individuals with low self-efficacy prefer to use distributive styles. *This seems to be in congruence with the findings of (Osborn and Harris, 1975), that Self efficacy as an individual characteristics influence conflict-handling styles.*

## CONCLUSION

A clash of interests, values, actions or directions often sparks a conflict. All members of any organization need to learn ways of keeping conflict to a minimum and of solving problems before conflict becomes a major obstacle at workplace. Self-efficacy independently affects conflict management in service sector. This means employees who have high self-efficacy bring opposing sides together in a co-operative manner and handle differences constructively. They view conflict positively, create an effective atmosphere by clarifying perception about their own and of others needs use their power in a positive manner, learn from past and look towards the future for long term relationship, discuss various options with broader perspective and try to find out a solution acceptable to both opposing parties.

## LIMITATIONS OF THE RESEARCH

The present research has certain limitations attached with it. The first limitation is related to the size of sample studied. A sample of 151 respondents is not considered as large enough to generalize the findings of the study. A larger sample would be more appropriate which may facilitate in validating the findings. Second, the sample has been chosen from Indore and nearby areas, and so it still needs to be explored whether the findings of this study can be replicated in a different geographical area for further verification and generalization. Third, current study is undertaken with one dependent and one independent variable. Future research could be done using two dependent variables like performance, job involvement and stress and leadership.

## IMPLICATION

Findings from this study have important and practical implications.

- The study has revealed that self-efficacy affects conflict management. This becomes an important implication for organizations that if offered employees with high self-efficacy can manage conflict more functionally in service sector.
- Conflict is a state of unresolved differences within an individual, between individuals, an individual and a group, or two or more groups. All people might learn about functional and dysfunctional conflict and their respective causes and potential results as well as conflict management and resolution strategies. This might show a great implication in global organizations.
- Since conflict is a necessary ingredient for personal and organizational creativity, the appropriate culture might be created by organizational leaders for functional conflict to exist. This implies that conflict can be functional when its results are positive and when the people with broaden perspective make healthy discussion on divergent views and come with innovation.

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