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Professional Paper

MANAGING CONFLICTS IN SMALL AND MEDIUM-SIZED ENTERPRISES IN THE POLOG REGION

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Abstract

The implementation of strategy plays a crucial role in a firm's successful achievement. For one organization to be successful in implementing certain strategies of management there must be a general harmony that follows the implementation process, but which is not always complete, because there are cases when the strategy cannot be applied. This happens for different reasons, among which is the conflict. An organization is successful when it applies its strategy in favorable and unfavorable conditions, as well as, in cases when it faces the conflicts that happen inside of it. When the conflict appears, we should be aware of the methods, the way of access, and conflict management. The main purpose of this paper is to study conflict and its management within an enterprise. This paper deals with conflict as a negative/positive phenomenon that appears inside a firm, types of conflicts, the way of access to it, causes that impact conflict, and the ways of managing conflict by the manager as the person with the biggest responsibility and the main role inside the firm.

Keywords: Conflict, Management, Group, Objectives, Strategy

1. Introduction

In order for a certain organization to be successful in implementing certain strategies set by leading management, there must be a general harmony which follows the implementation process, but which is not always complete, often disagreements arise about setting objectives, way of working or priorities for group members.

The conflicts often arise between employees who have the task of implementing the strategy, or employees who are related to the emotional side, the desire to achieve that objective, or the determination of the importance of a certain goal from their personal conviction. But in general terms, these conflicts are much easier to avoid. In order for any system to be successful, the process must be strategically communicated to the workforce and the policy/procedures need to be accessible to every employee. (Matthew W. Burr-2013,p-10)

Much of the responsibility in this situation falls to the enterprise manager, who is obliged to undertake some steps to manage the conflict within the enterprise, both in the employee relationship - management and employee conflicts among themselves.

In this paper, the topic of "Managing conflicts in small and medium sized enterprises in the Polog Region" has been carefully addressed with focus on the conflict and its types along with the forms of management. Also, as a conclusion of the whole study, the analysis of a questionnaire on conflict management within enterprises at local level approaches and prevention steps by managers. The reason why this topic should be addressed for effective use is because of the people who make it possible to achieve the goals since they are the ones who also project success. Therefore, knowing how difficult it is for a manager to maintain a unified and successful team, it is clear that the manager should possess communication skills, knowledge and the ability to cope with the conflict.

2. Literature Review

Conflict as an occurrence can be understood as an incompatible action between at least two parties, where one party experiences certain damage, while the other party causes the same damage intentionally, or ignores the damage by not preventing it.

Conflict represents a phenomenon, present in both society and organizations. Managers spend part of their time in conflict situations as well as trying to resolve conflicts. Development of business in conditions of competition and external circle pressure in the global market and the unceasing struggle in this area requires managers skills, knowledge, resistance, but also dealing with conflict situations, which must manage and resolve immediately. Conflict is a situation in which intentions, attitudes of opposing behaviors between two or more parties, lead to disagreement or opposition and hinder or block the efforts to accomplish tasks. Conflict always exists when people contradict each other. (Robert N. Klussier 1997, p-463) Conflict appears when there is a mismatch of goals, thoughts or emotions in the group circle, between its individuals leading to opposition. Conflict is a form of behavior of individuals or groups in the organization, in which inconsistencies, contradictions and clashes dominate, when individuals or organizational units work against each other. (Izet Zeqiri 2011,p-498)

Human nature tends to avoid negative experiences as much as possible. Therefore, there is always a tendency to prevent conflicts before they occur. When conflict occurs, the manager's responsibility for managing it is inevitable. But conflict, as well as negative, can also be positive. Because, on the contrary, a conflict can affect the formation of ideas and creative solutions to the challenges that an organization faces. (Bass Josey 2007,p-1)

However, people generally tend to view conflict as a negative phenomenon. Conflict can be a result of fear, anger, stress, despair, violence and even war. But it can also be a source of inspiration, learning, empowerment, helping improve relations, constructive change and development. From here we can say that: any conflict, is not necessarily bad or does not lead to evil, because it happens that the conflict between individuals, for example, leads to a positive competition, from which derive great benefits. It can be positive when it encourages creativity, clarification of perspectives, and the development of human skills to address interpersonal differences. Conflict can be negative when it creates resistance to change, determines commotion in the organization or in interpersonal relations encourages mistrust, builds a sense of loss, or widens the abyss of misunderstanding. Conflicts occur when individuals and groups consider their objective to be extremely important and exclusive compared to others. (Kume Vasilika 2010,p-285)

However, in general, conflict is seen as a negative phenomenon. This is also understood from the dictionary of the Albanian language, according to which, the conflict represents a profound disagreement between two people or two parties, a fierce clash, or aggravation of relations. As well as, in another sense, the clash of opposite goals, in our case, for the appliance of the strategy in achieving the certain objectives set in advance by the management.

According to Mimoza Manxhari, conflict can be defined as a process where one party perceives that the other party has harmed or is trying to harm something that matters to them. (Maxhari Mimoza 2013,p-338)

The most common reasons for conflict in enterprise are the following ones:

- 1) disparate personalities
- 2) disparate value systems

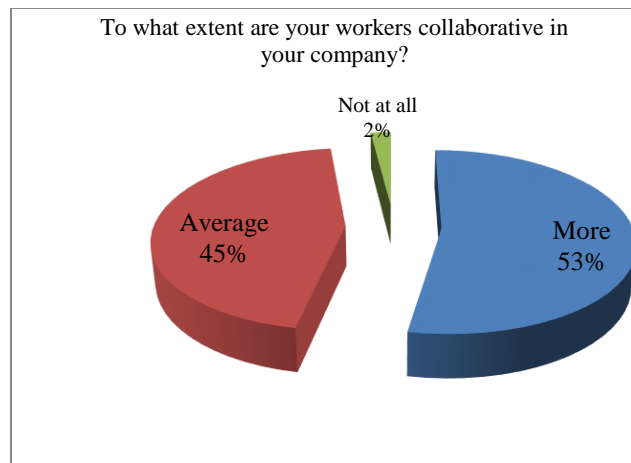
- 3) unclear working duties
- 4) restricted resources
- 5) improper communication
- 6) interdependent working duties (person) (Zheljko Turkalj, Ivana Fosi, Davor Dujak,p-506)

2. Methodology

The data obtained from the books and articles are analyzed and treated carefully. Also, there is a link between hypotheses and theories, in order to make the topic message clearer. The information provided in the form of result from the questionnaire is analyzed and described in accordance with the theoretical part of the paper, in an attempt to go a step further with regard to the information on the conflict in the enterprise. The research methodology is descriptive statistics which contains the study and analysis of the results. A total of 40 questionnaires were distributed to medium and small enterprises in the city of Tetovo and Gostivar, where mainly most of their activities were manufacturing and service enterprises, with an average number of 10-39 employees. Despite their work positions, representatives of these enterprises expressed their readiness to cooperate in order to achieve the results of this questionnaire.

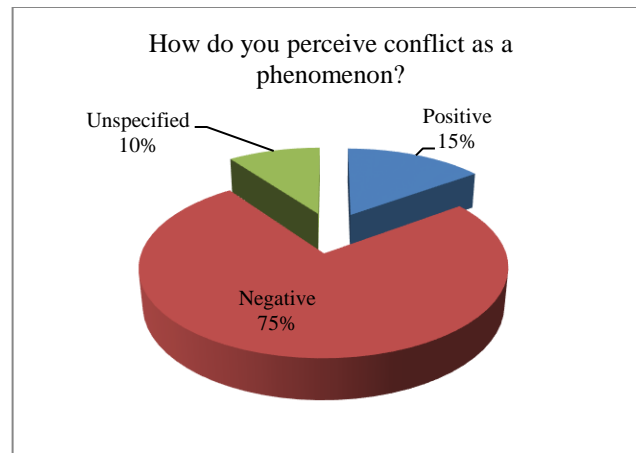
3. Results

In a graphical presentation, the answer to how cooperative workers are within the enterprise looks like this:



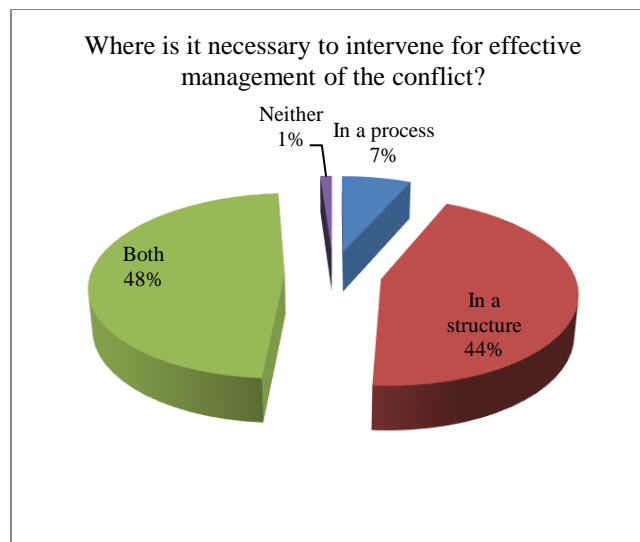
Graph. 1 Publication of author

The two responses, out of the three possible options, are positive, however, the enterprises' representatives rely more on the average level of cooperation than on the safety that workers are cooperative. From here it can be understood that although in a small number of possibilities, it is still possible for each of the members of the enterprise to place personal interest before that group, which can easily result in conflict. Looking at the positive aspect, it is quite promising that there is a general willingness to cooperate within a given enterprise.



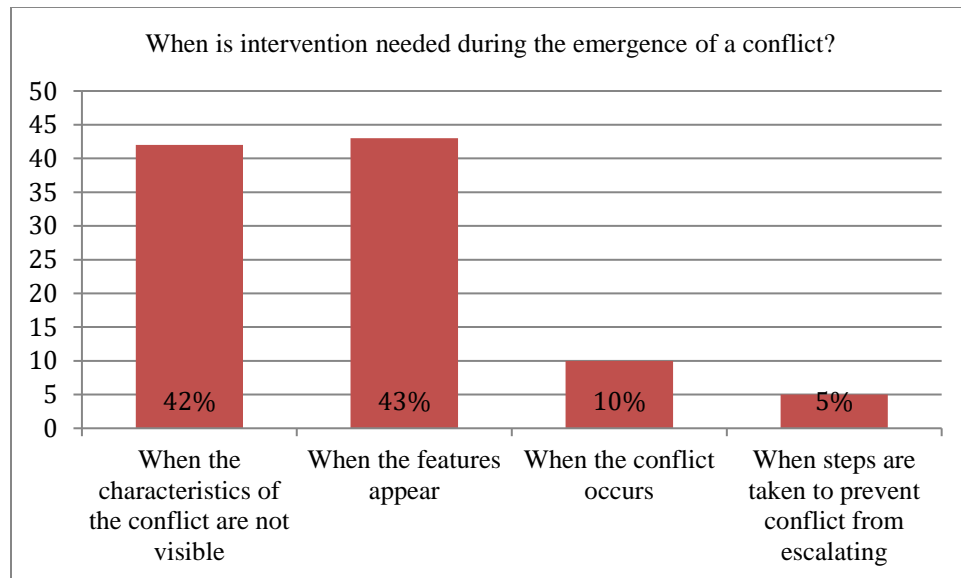
Graph. 2 Publication of author

Concerning the intervention and where it should take place, in the process or in the structure, half of the enterprises' representatives think that intervention should be made in both, while the other half think that intervention should be made in the structure, while only a small percentage think that intervention should be made in the process.



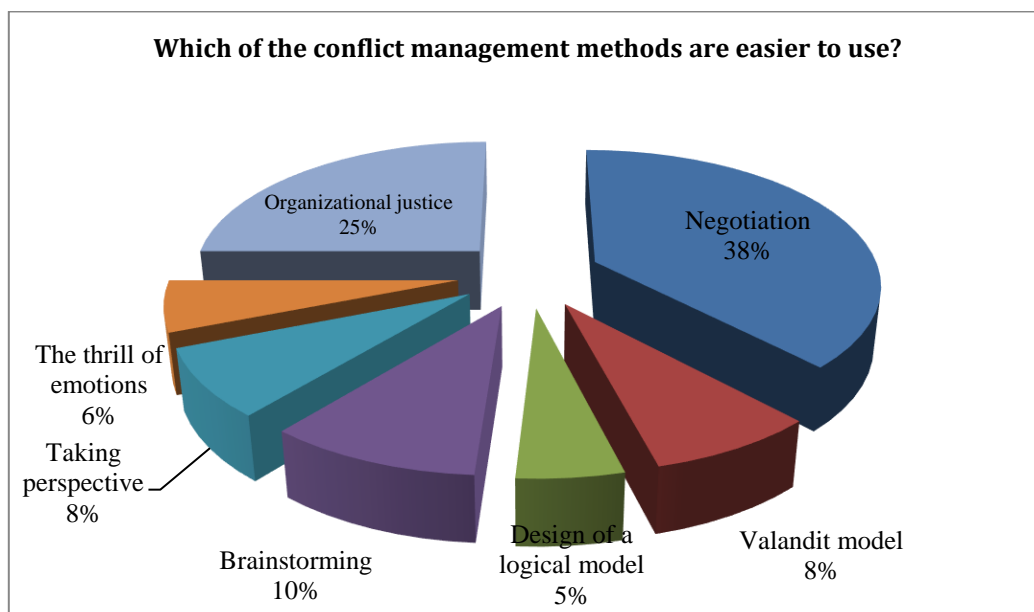
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The above-mentioned conflicting phenomena play an important role because conflict is often prevented due to the great importance of the details that may cause the conflict. However, when it comes to intervening, we can notice from the data below that half of the respondents think they should react when the characteristics of the conflict are not observed, while the other half when the characteristics appear.



Graph. 4 Publication of author

Regarding conflict management forms, most agree that enterprise justice within the enterprise is important, followed by negotiation. However, the least favorable forms are considered the taking of the perspective, the profile of the dynamics of conflict, and the role of emotions.



Graph. 5 Publication of author

In conclusion, respondents were asked questions about structural and personal causes, as well as, to evaluate their impact and to evaluate what change is needed for conflict management. It is also required to be assessed how each of the conflict management forms affect the respective enterprises.

In each case, we have come across different answers. Concerning the structural causes, 33% of the responses have been estimated to most affect the interdependence of the affairs and the authority relationship by 25%, while about 40% of the respondents who have responded to the conflict management in their enterprises as a structural cause have the least impact on the specialty which is followed by 32% and the uncertainty of the jurisdiction by 37%. For personal reasons, there is a greater unity, where 35% think that the ability and ownership affect mostly, which is close to the barriers of communication which is 30%. As personal reasons which are considered to be at lower risk, we have perception with 10% and emotions with 15% chance of impact on conflict creation. About 50% of people think that changes in human resources, personnel choices, resource allocation, and employee behavior are most needed, while few think that changes should take place in the hierarchy, delegation of authority, or departmentalization. The variety of management forms is united in large numbers of similar thoughts that enterprise justice by 54% affects the performance of the group. In addition, according to 35% of people, open discussion among members increases potential options for creative solutions. However, no one sees the presence of a third party to resolve the conflict as indispensable, as that does not deem it necessary to set the assessment criterion that links the conflict to the effects that affect relationships within the enterprise. So, according to the answers received, the conflict is perceived as negative with which small and medium sized enterprises in the Polog region face seldom, and when it happens, it happens between individuals. As more favorable forms of approach we have separation and cooperation, while intervention is needed both in structure and in the process. As the most appropriate time of intervention is considered the time when the conflict occurs, when it is announced, and when the characteristics of the conflict are noticed. The main causes that may be present are the relationship of authority and interdependence of the work, as well as, the ability, mastery, and the barriers to communication. At the moment of the confrontation and the momentum of taking the measures for conflict management, greater influence is given to enterprise justice.

4. Conclusions

Conflict is inevitable in the organization, but it should not be ignored because an unresolved conflict can result in far-reaching consequences. Conflict resolution can sometimes be a long process, which is not a simple process because not every conflict is the same; it varies depending on the situation. The best way to eliminate the causes of conflict is to make early intervention in a timely manner.

Regarding what causes the conflict and why it develops, according to studies, conflict happens for various reasons. The results of the questionnaire show that conflict is not caused by one reason but there is a variety of reasons that affect the appearance and development of the conflict. During conflict development, conflict may even be disheartened, and this often occurs from the influence of the emotional state that the parties involved in the conflict poses. Before this happens, it is up to the manager to react and try to take advantage of the conflict. Therefore, when conflicts arise, we need to use conflict approaches, in order to approach and manage the conflict. Regarding the forms of access, conflict access approach has positive forms of access, mainly of low self-interest and high interest to others, or of high interest to both parties. After access, we reach the main part of the conflict which we have to manage. The management process is not a simple process, but a process that needs to undergo some steps. Initially, the problem should be diagnosed and then intervention (in structure or process) should be done. In the case of intervention, confrontation

with the conflict occurs, and after the intervention, we understand the positive or negative effect that conflict gives in that case. In addition to this process, enterprise justice, the role of emotions, the taking of perspective, brainstorming or "brain shake", the profile of conflict dynamics, the compilation of the logical argument, the Vaaland improvement model, and negotiation are all of great importance in conflict management.

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