# Conflict Management Approaches for Teams Effectiveness and Innovation: A study of Pakistan's ICT Firms



#### FAISAL AYAZ

Enrollment No: 01-246161-003

Supervisor: Dr. ABDUL BASEER QAZI

A thesis submitted to the Department of Software Engineering, Faculty of Engineering Sciences, Bahria University, Islamabad in the partial fulfillment for the requirements of a Masters degree in Software Engineering

FEB 2018

#### **Abstract**

Conflicts are ubiquitous, particularly in organizations where the stakes are high. This study investigates the approaches to conflicts management, which are used to resolve these conflicts and predict the level of innovation and team effectiveness in an organization using conflict management. This study proposes how managers should manage conflict that would contribute to their team's effectiveness and promote innovation. Managers from different domestic and multinational organizations are part of this study. One hundred and fifty-one managers from ICT (Information Communication Technology) organizations in Pakistan were surveyed in order to record their conflict management approaches (avoiding, cooperative, and competitive) and their resulting outcome, productive conflict. The survey results in form of filled-out questionnaires enabled this research to assess various hypotheses. Moreover, the organizational managers of these organizations also indicated measures of their management team's effectiveness and overall organizational innovation. The results reinforce a supposition that better conflict management approaches can make managers more effective. Correlation and path coefficients recommend that avoiding conflict management approach encourages productive conflicts and effectiveness of managers that consequently result in organizational innovation. These results, linked with previous research, suggest that the avoiding conflict management approach is an important contributor to productive conflicts, especially in the cultural setting of Pakistan. This thesis contributes to the conflict management literature for promoting organizational innovation particularly in the context of ICT firms.

Keywords: Conflict, management, avoiding, cooperative, competitive, productive conflict, team's effectiveness, innovation, conflict management, ICT.

## **Approval Sheet**

#### Thesis Completion Certificate

| Scholar's Name:          | Registration No:  |     |
|--------------------------|---|-----|
| Programme of             |   |     |
| Study:                   |   |     |
| Thesis Title:            |   |     |
|                          |   |     |
|                          |   |     |
| It is to certify that th | e above student's thesis has been completed to my satisfaction and, to my   |     |
| -                        | appropriate for submission for Evaluation. I have also conducted plagiaris  | sm  |
| test of this thesis usi  | ng HEC prescribed software and found similarity index at th                 | ıat |
| is within the permiss    | sible limit set by the HEC for the MS/MPhil degree thesis. I have also foun | d   |
| the thesis in a forma    | t recognized by the BU for the MS/MPhil thesis.                             |     |
|                          |   |     |
|                          |   |     |
|                          |   |     |
|                          |   |     |
| Principal Supervisor     | 's Signature:   |     |
|                          |   |     |
| Date:                    | Name:   |     |

## **Certificate of Originality**

| This is to certify that the intellectual contents of the thesis                                   |  |  |  |  |  |
|---|--|--|--|--|--|
|   |  |  |  |  |  |
| are the product of my own research work except, as cited properly and accurately in the           |  |  |  |  |  |
| acknowledgements and references, the material taken from such sources as research journals,       |  |  |  |  |  |
| books, internet, etc. solely to support, elaborate, compare and extend the earlier work. Further, |  |  |  |  |  |
| this work has not been submitted by me previously for any degree, nor shall it be submitted by    |  |  |  |  |  |
| me in the future for obtaining any degree from this University, or any other university or        |  |  |  |  |  |
| institution. The incorrectness of this information, if proved at any stage, shall authorize the   |  |  |  |  |  |
| University to cancel my degree.   |  |  |  |  |  |
|   |  |  |  |  |  |
|   |  |  |  |  |  |
| Signature: Date:  |  |  |  |  |  |
|   |  |  |  |  |  |
|   |  |  |  |  |  |
|   |  |  |  |  |  |
| Name of the Research Student:   |  |  |  |  |  |

#### Acknowledgments

I would like to thank my supervisor Dr. Abdul Baseer Qazi for his guidance and support. Many thanks also to those whom I had the opportunity to interview and for their commitment and sharing of experiences that enriched this study.

#### **Dedication**

# "This Research work is dedicated to the Allah Almighty for his love and care"

"And if you have a dispute concerning any matter, refer it to Allah and the messenger if you are (in truth) believers in Allah and the Last Day". An-Nisa - 4:59

## **Contents**

| Abstrac  | ct   | 2  |
|----------|--|----|
| Approv   | val Sheet                                    | 3  |
| Certific | cate of Originality                          | 4  |
| Ackn     | nowledgments                                 | 5  |
| Dedi     | ication                                      | 6  |
| List o   | of Figures                                   | 9  |
| List o   | of Tables                                    | 9  |
| CHAPTI   | ER I   | 11 |
| INTROE   | DUCTION                                      | 11 |
| 1.1      | Background of the Study                      | 11 |
| 1.2      | Motivation for the Study                     | 12 |
| 1.3      | Scope of the Study                           | 13 |
| 1.4      | Need for the Study                           | 14 |
| 1.5      | Research Problem                             | 15 |
| 1.6      | Research Question                            | 15 |
| CHAPTI   | ER II  | 16 |
| LITERA   | TURE REVIEW                                  | 16 |
| 2.1      | Conflict                                     | 16 |
| 2.:      | 1.1 Sources of conflict                      | 17 |
| 2.:      | 1.2 Organizational Conflicts                 | 17 |
| 2.2      | Conflict management                          | 18 |
| 2.3      | Conflict management approaches               | 18 |
| 2.3      | 3.1 Avoiding Conflict management approaches  | 18 |
| 2.3      | 3.2 Competitive conflict management approach | 19 |
| 2.3      | 3.3 Cooperative conflict management          | 19 |
| 2.4      | Productive conflict                          | 19 |
| 2.5      | Team effectiveness                           | 19 |
| 2.6      | Innovation                                   | 20 |
| 2.0      | 6.1 Innovation and conflict management       | 20 |
| 2.7      | ICT sector of Pakistan                       | 21 |
| 2.8      | Theoretical Framework                        | 21 |

| 2.9     | Hypothesis                                     | 23 |
|---------|--|----|
| 2.9.    | .1 Hypothesized model                          | 23 |
| CHAPTE  | R III  | 25 |
| METHO   | DOLOGY   | 25 |
| 3.1     | Type of study                                  | 25 |
| 3.2     | Area of Research                               | 25 |
| 3.3     | Survey and Questionnaire                       | 26 |
| 3.4     | Data Sources                                   | 26 |
| 3.5     | Scale of Measurement                           | 27 |
| 3.6     | Reliability of Research Data Model             | 28 |
| 3.7     | Limitations                                    | 28 |
| 3.8     | Ethics   | 29 |
| 3.9     | How is the data organized and analyzed?        | 29 |
| CHAPTE  | R IV   | 30 |
| DATA AN | NALYSIS & RESULTS                              | 30 |
| DATA    | ANALYSIS                                       | 30 |
| 4.0     | Demographic Analysis of Respondents:           | 30 |
| 4.0.    | .1 Gender Analysis of Respondents              | 30 |
| 4.0.    | .2 Age Analysis of Respondents                 | 31 |
| 4.0.    | .3 Age and Gender Analysis of Respondents      | 31 |
| 4.0.    | .4 Experiential Analysis of Respondents        | 31 |
| 4.0.    | .5 Organizational Size Analysis of Respondents | 32 |
| RESULTS | 5  | 32 |
| 4.1     | Reliability of Data:                           | 32 |
| 4.2     | Descriptive Statistics                         | 33 |
| 4.3     | Testing for Normality                          | 35 |
| 4.4     | Correlation:                                   | 39 |
| 4.5     | Regression                                     | 40 |
| 4.6     | Path Coefficients                              | 43 |
| 4.7     | Total direct Effect                            | 44 |
| 4.8     | Discriminant Validity                          | 45 |
| 4.9     | Bootstrapping                                  | 46 |
| 4.10    | Hypothesized model                             | 47 |

| CHAPTER V  | 48                           |
|--|------------------------------|
| DISCUSSION                                       | 48                           |
| 5.1 Conclusion                                   | 48                           |
| 5.2 Future work and limitations:                 | 50                           |
| REFERENCES                                       | 51                           |
| APPENDIX   | Error! Bookmark not defined. |
|  |                              |
| List of Figures                                  |                              |
| Figure 1 Theoretical framework of this research  | 22                           |
| Figure 2 Hypothesis                              | 23                           |
| Figure 3 Data Model                              | 28                           |
| Figure 4 Reliability Statistics                  | 33                           |
| Figure 5 Normality Figures                       | 36                           |
| Figure 6 Path Coefficients                       | 43                           |
| Figure 7 Discriminant Validity                   | 45                           |
| Figure 8 Bootstrapping                           | 46                           |
| Figure 9 Hypothesized model                      | 47                           |
|  |                              |
| List of Tables                                   |                              |
| Table 1 Gender Analysis of Respondents           | 30                           |
| Table 2 Age Analysis of Respondents              | 31                           |
| Table 3 Age and Gender Analysis of Respondents   | 31                           |
| Table 4 Experiential Analysis of Respondents     | 31                           |
| Table 5 Organizational Size Analysis of Responde | ents31                       |
| Table 6 Reliability Analysi                      | 33                           |
| Table 7 Descriptive Statistics                   | 34                           |
| Table 8 Research Statistics                      | 35                           |
| Table 9 Tests of normality                       | 35                           |
| Table 10 Correlations                            | 39                           |
| Table 11 Path Coefficients                       | 43                           |
| Table 12 Total direct Effect                     | 44                           |

| Table 13 Discriminant Validity | 45 |
|--------------------------------|----|
| Table 14 Total Indirect effect | 46 |