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### Conflict Management Strategies. A Qualitative Inquiry on Employee Performance and Well-being

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# ABSTRACT

Keywords: Conflict Management, Employee performance, Employee well-being, Banking sector. Conflict is an inherent aspect of human interaction. It includes a wide spectrum of disagreements, tensions, and disputes. Conflict Management Strategies (CMSs) are crucial in addressing conflicts among individuals and organizations. The relationship between conflict management strategies and employee performance and well-being is significant and complex. This study explores the relationship between conflict management strategies avoidance, accommodation, competition, compromise, and collaboration and their influence on employees' job performance and overall well-being. The findings from a qualitative study involves 20 semi-structured interviews. A thematic analysis was performed to understand and identify the influence and effects of CMSs on employee performance and well-being in Pakistan's banking sector. It generates two themes to draw a meaningful conclusion. Results revealed that certain CMSs, e.g., Competing, can create tension in relationships and strain employee trust. Whereas strategies such as avoiding can lead to employee dissatisfaction. A collaborative approach can reduce stress levels as employees feel heard and respected. It can significantly elevate both employee performance and well-being.

# **INTRODUCTION**

Organizational conflict is an intrinsic element of every workplace setting. It emerges from the interplay of goals, resources, and personality (Rahim, 2023; Robbins et al., 2013). Conflict often has a negative aspect, which can result in disputes and heavy losses. However, it can also stimulate innovation, development, and organizational learning (De Dreu & Gelfand, 2008). Conflicts within organizations can be triggered from multiple sources. This includes intrapersonal and interpersonal conflicts and other differences in structural disparities. De Dreu & Triki (2022) mentioned divergent interests among groups and individuals are one of the primary causes of organizational conflicts. Academic disciplines have contributed to the area of organizational conflict. It includes psychology and philosophy (Rahim, 2023). The absence of conflicts in organizations shows incompetency (Umair et al., 2018). It can bring positive changes within the organization. CMSs involve competitive, collaborative,

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compromising, avoiding, and accommodating (Anyakie, 2018). The avoiding strategy may work when the other person's concerns outweigh the benefits of resolving the dispute. (Zhang et al., 2017). On the other hand, compromise involves giving and taking agreements between the parties. The collaborative process involves incorporating and addressing problems and confirming the concerns of all parties involved.

Studies on organizational conflicts mainly originated in the USA, UK, and other developed nations. There is no scarcity of knowledge on organizational conflicts and their consequences. However, conflicts vary in their nature and manifestations. Hence, researchers paid more attention to the human dimensions in addressing different aspects of conflicts. The research on organizational conflicts is becoming subjective in nature as it involves different influencing variables, e.g., demographic, social, and cultural (Khan et al., 2011).

Organizational issues receive insufficient attention in Pakistan's discourse. However, a few researchers, e.g., (Awan & Saeed, 2015; Umair et al., 2018; Zahid & Nauman, 2023) highlighted the basic elements of organizational conflicts in Pakistan. Most studies involve quantitative inquiry, which further raises questions about whether the researchers adequately capture respondents' subjective views and experiences.

## **Banking Sector of Pakistan**

Since its independence, Pakistan's banking sector has undergone substantial transformations. It includes resource shortages, political instability, and social conditions (Farah et al., 2018). Despite such difficulties, Pakistan's banking sector is continually enhancing. Out of 34 commercial banks, private banks help more than 90% of all financial assets in Pakistan (Naseer et al., 2021). However, employees of the Pakistan banking sector reported the highest level of job stress. It is due to various factors. It further raises questions about employee wellbeing in Pakistan's banking sector. It includes disagreement, rapid technological change, extra workload, work-family conflict, and lack of feedback (Manzoora et al., 2021). Several studies have been conducted on the banking industry of Pakistan, e.g., (Ahmed & Ali, 2023; Haq et al., 2023; Imran et al., 2021). However, there is still a limited understanding of CMS and its effects on employee performance and well-being within Pakistan's banking sector.

# Problem Statement and Research Gap

The conflicts in organizations are not limited to personal conflicts but also other influential variables that can affect the organization. Similarly, peoples' behavior and attitudes have changed. It includes emotional level leading towards uncertainty impacting behavior at work (Castaldelli-Maia et al., 2021). Conflicts can cause employee performance hurdles (Nissa et



al., 2018). Employees are likely to be less satisfied and perceive poor management of conflicts (Liu et al., 2020). Mainly, the studies have focused on five common conflict management styles. It may include negotiating, avoiding, accommodating, incorporating, and dominating (Alhamali, 2019). Few studies highlighted work-related notions. It includes evaluating and assessing how well an individual performs their job within a specific organization.

Most of the studies on CMSs employed quantitative investigations. Umair et al. (2018) mentioned 16 reasons causing organizational conflicts in Pakistan. Khan, Khan, and Khan (2011) measured CMSs using a five-point Likert-type scale. Zahid & Nauman (2023) mentioned intrapersonal conflicts as they play a role in partially mediating workplace incivility. The study did not consider influential variables and employee's experiences in managing conflicts and how it impacts their performance.

Akram at al. (2022) investigated the impact of CMSs on employee performance in the banking sector of Pakistan. The research utilized a quantitative approach to collect responses. However, it raises questions about whether the researchers adequately capture respondents' subjective views and experiences. Qualitative data, including observations, case studies, and in-depth interviews, can provide a more comprehensive and nuanced understanding of the connections between CMSs and employee performance (Shariq et al., 2022).

Meng et al. (2018) investigated how highly educated young Chinese employees' work-related beliefs (notions) influence their approaches to managing conflicts. However, Pakistan, an underdeveloped country, is surrounded by political volatility and divisions. It shares culture with many other Asian countries. Employees often try to develop diplomatic relations in such a culture and avoid organizational conflicts. It may stop organizations from building conflict management practices. This study addressed the research questions and objectives to address the existing research gaps.

# **Research** Objectives

**OB1-** To understand the influence of CMSs on employee performance in the banking sector of Pakistan.

**OB2-** To identify the effects of CMSs on employee well-being in the banking sector of Pakistan.

### **Research Questions**

**RQ1-** How do conflict management strategies influence employee performance in Pakistan's banking sector?

**RQ2-** How do conflict management strategies affect employee well-being in Pakistan's banking sector?

# LITERATURE REVIEW

Different scholars cataloged organizational conflicts in various ways. Jehn (1995) introduced intra-group conflict as a twin classification (task and relationship conflicts). It was later categorized by Rahim (2002) into two primary components. The components include intra-organizational conflicts and inter-organizational conflicts. The Intra-organizational conflicts were further classified into four categories, e.g., interpersonal, intrapersonal, intragroup, and intergroup. Aswathappa & Reddy (2009) mentioned four levels of conflicts: inter-group, intra-group, and intra-individual and interpersonal conflicts. Kumar (2009) presented an elaborate similar classification. Table 1 shows various types of conflicts.

Table 1 Types of conflicts.

Intragroup Conflicts	Refer to conflict within the organization. I also vary from department to department, employee to employee, and branch to branch of the same organization. Intragroup conflicts are often varied, irregular, and dynamic (Shah et al., 2021).
Intrapersonal Conflicts and Interpersonal Conflicts	Eunice et al. (2014) argue that intrapersonal personal conflicts enhance organizations' effectiveness. It also refers to disagreements or disputes on an individual level (de Wit et al., 2013).
Intergroup Conflicts	The conflicts between two organizational departments or units in an identical institution can be interpreted as intergroup Conflicts. Sasse et al. (2022) argue that Intergroup conflicts can start or be set off by collective perceptions of injustice.
Inter-Organizational Conflicts	Understanding of inter-organizational conflicts remains limited (Lumineau et al., 2015). It refers to conflicts involving two distinct organizations.

# Modes of Conflicts

Blake et al. (1962) introduced a five-category model. It was to categorize different modes of conflict. The initial framework included five categories, e.g., Forcing, Smoothing, Problem-Solving, Compromising, and Withdrawing. Later, Kilmann & Thomas (1977) revised the five-category model and introduced the Thomas-Kilmann conflict mode (TKI). This model was based on two fundamental dimensions. It included "Assertiveness," which referred to conflicting party endeavors to address their concerns. Whereas "Cooperativeness" refers to the conflicting parties trying to address each other's concerns. (Kilmann & Thomas, 1977;



Riasi & Asadzadeh, 2015). It was later researched and categorized into five modes of conflict. The table below describes the five CMSs.

Figure 1 Conflict Management Strategies

Competing	Competing is characterized as a robust and assertive strategy; in some cases, it is defined as the strategy of winning or losing (Meyer & Surujlal, 2013). Kilman and Thomas (Thomas & Kilmann, 1976) proposed a theory comprising five different conflict management styles. The competitive style operates in leadership by prioritizing personal interests over the well-being of others (McKibben, 2017).
Collaborating	It describes modifying actions, swapping information, and distributing resources with mutual consideration of benefits. In comparison, Min et al. (2020) argue that employees favor collaborative strategies for conflict resolution to improve employee performance.
Compromising	Compromising serves as a middle ground in both cooperativeness and assertiveness, partially addressing the concerns of conflicting parties by seeking a position of compromise (Schaubhut, 2007)
Avoiding	In TKI, avoiding demonstrates a lack of cooperation and assertiveness. It involves the ignorance of both parties by not addressing the conflict. The avoidance style is characterized by minimal concern for both self and others (Rahim, 2023).
Accommodating	Min et al. (2020) mentioned that accommodating involves prioritizing the interests of one conflicting party over the other in situations of dissimilarities.

# CMSs and Employee Performance

Employee performance is a key element for any organization. It is referred to as the level of productivity accomplished by an employee in conducting the work allocated to them in accordance with skills and experience (Hartika et al., 2023; Sutia et al., 2020). Organizations need to prioritize managing employee performance to increase productivity (Triansyah et al., 2023).

# Competitive

Competitive conflict fosters increased employee independence (Shariq et al., 2022). This argumentative strategy favors one party over another (Sahoo & Sahoo, 2019). Individuals prioritizing independence over interdependence may lean towards a competitive approach to resolving conflicts. It increases the chances of receiving maximum personal and mutual benefits in win-win scenarios (Mehwish et al., 2017). Hence, it can impact employee Performance.

#### Collaborating

This strategy involves resolving conflicts in a way that can favor all associated parties. This engagement of perspectives and recommendations often ends in a more collaborative solution. It is a primary way to resolve conflict and reduce cost and time (Wang et al., 2021). This collaborating approach encourages employees towards a common goal. It further supports problem-solving methods and increases trust in such collaborations. Such collaborations can enhance employee performance.

# Compromising

The compromise conflict resolution approach addresses two dimensions, e.g., it represents self-interest and concern for others (Noermijati et al., 2019). Many researchers considered this approach a half-hearted approach to resolving conflicts (Meng et al., 2018; Min et al., 2020; Schaubhut, 2007). According to Wolor et al.(2019), this approach positively influences a company's success in innovation and is connected to employee performance.

### Avoiding

The avoidance style entails a lack of concern for oneself and others (Rahim, 2023). The avoidance strategy aims to resolve disagreements swiftly (Shariq et al., 2022). Avoiding CMS is based on the notion that problems and difficulties should be avoided and not addressed between the parties (Aqqad et al., 2019). However, it will limit openly addressing the problem by disregarding it or changing the subject (Ayub et al., 2017). Excessive use of this style may limit decision-making abilities and team communication (Grey, 2017).

### Accommodating

The strategy is widely employed in interactions with superiors, particularly when managers or supervisors are perceived as excessively controlling (Nissa et al., 2018). It also entails setting aside one's own views in favor of others. Such style could have a negative impact on the employee's performance (Ristic et al., 2020).

## CMSs and Employee Well-being

Employee well-being contains various aspects of an individual's experiences in the workplace. It includes physical, mental, emotional, and social health. Other factors may include stress levels, relationships with colleagues, opportunities for growth and development, etc. Conflict management theories and models largely ignore the possible link between organizational conflicts and employee well-being and satisfaction (De Dreu et al., 2004). Ashari (2024) investigated the influence of work conflict on employee performance.



The result revealed that work stress partially influences employee performance. Similarly, Joy (2020) indicated the same influence of conflict on employee performance and well-being. Kuriakose et al. (2019) showed the negative influence of conflicts on employee well-being. Several researchers raised questions about the leadership style of organizations. Managers who actively manage conflict may not directly affect employee well-being (Sarwar et al., 2020).

#### **Conceptual Framework**

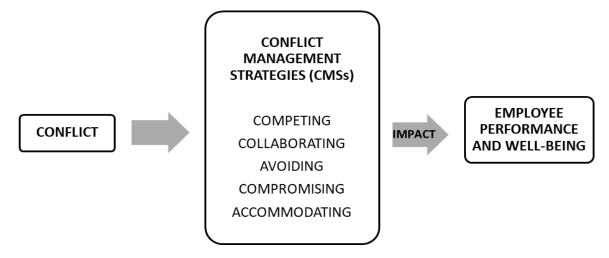
In this research, the conceptual framework originated from existing theories and empirical evidence related to the phenomena under study. It is widely acknowledged that not every conflict has a bad outcome. It also facilitates critical thinking and relationships between people or organizations (Kilag et al., 2024). Conflict resolution can be achieved by sincere communication and other influential factors, such as respect, trust, and care (Guenzi & Nijssen, 2020). Every conflict is also believed to have a structural reason (Kilag et al., 2024). Hasim et al. (2021) researched how CMSs impact employees in the Regional Government of Barru Regency. The findings showed conflict management and staff performance received a positive score of 77.86 % and 79.78 %, respectively.

Similarly, Min et al. (2020) investigated the link between employee performance, conflict management methods and supervisory conduct. The supervisory conduct may reflect the conflict management style. The data was gathered from Pakistani manufacturing SMEs. Conflict management methods are important mediators between employee performance and supervisory conduct. This represents the connection of Employee's performance with CMS (Min et al., 2020). Moreover, Zahid at al. (2019) explored the effects of dispute resolution procedures and procedural fairness on employee performance in universities in Pakistan. The results revealed that when workplace conflicts are resolved constructively, it leads to improved employee performance, and procedural justice can contribute to strengthening this connection. Noermijati et al. (2019) revealed the association between employee performance, conflict management techniques, and emotional intelligence. Their research further concluded that the inclusion of a mediating style can enhance employee performance by moderating the influence of emotional intelligence. In Jordan, Aqqad et al. (2019) Investigated the relationship between emotional intelligence and job performance in banks based in Jordan with a focus on how conflict management styles moderate this association. Shariq et al. (2022) collected responses from Karachi (Pakistan) based banks and argued that companies should employ conflict resolution strategies. It will help in proper conflict resolution processes.

Furthermore, Aoun et al. (2020) examined the impact of conflict management (CM) on employee performance across various industrial businesses in Lebanon. Initially, they developed a conceptual model based on an extensive literature review by considering CMSs and employee performance. The survey involving 93 employees from three distinct industrial sectors showed that, on average, conflict management practices had a notable and positive effect on employee performance and well-being. Specifically, collaborative, compromising, and accommodating approaches demonstrated a favorable association with employee performance.

Job stress is a common issue in the Pakistan banking industry. It is also associated with employee performance (Anadkat et al., 2023). Similarly, conflict in the workplace often creates stress and has a negative influence on employee well-being. It includes abusive supervision, which can affect the employee's well-being (Saleem et al., 2024). CMSs may ignite tensions and stress. It can also affect employee performance (Ul Hassan et al., 2023). Furthermore, the relationship between employee performance and well-being is complex and multifaceted. The external factors beyond an employee's control can influence employee well-being without affecting performance. Employee health concerns may impact mood or motivation without necessarily affecting their ability to complete tasks or meet job expectations. Though, employee well-being can play a moderating role (Wright et al., 2007). Following the review of models, empirical findings, and frameworks, it is worth concluding that CMSs and employee performance and well-being are substantially linked.

Figure 2 Conceptual framework





## METHODOLOGY

This research adopts an interpretive stance in exploring the effect of CMSs on employee performance and well-being in Pakistan's banking sector. Interpretive research focuses on understanding human behavior's meaning and context and provides alternative explanations of the phenomena (Saunders et al., 2012). In the case of conflict management strategies and their impact on employee performance, an interpretive stance allows researchers to explore how individuals perceive, experience, and react to conflict and management strategies within their specific organizational context.

### Sample size and selection criteria

Qualitative research often involves 15 to 20 participants with similar characteristics (Latham, 2014). Additionally, having fewer than 20 participants allows researchers to develop and sustain a closer relationship with each respondent (Crouch & McKenzie, 2006). In this research, data saturation technique was applied during data collection. In qualitative studies, the sample size is deemed appropriate when interviews continue until data saturation is achieved (Guest et al., 2006). Hence, 20 semi-structured interviews were conducted. The participants (bank employees) from major banks in Pakistan were selected using criterion sampling, a specific form of purposive sampling. As mentioned earlier, the employees of the Pakistan banking sector reported the highest level of job stress (Manzoora et al., 2021). It also prompts questions about employee well-being within Pakistan's banking sector.

Banks are selected to ensure a comprehensive and insightful analysis based on their significant market presence, diverse service offerings, and strong regulatory compliance. It includes focusing on top banks listed by the State Bank of Pakistan, such as Habib Bank Limited, MCB, National Bank of Pakistan, and Meezan Bank (SBP, 2024). The criteria for participants selection included years of experience and their direct experience with the phenomenon under study. The nature of banking involves complex interactions, making it an ideal setting to study how different conflict management strategies affect employee performance and well-being. The primary data was later interpreted, and thematic analysis was performed using NVivo.

#### **RESULT AND ANALYSIS**

The questionnaire was designed to seek information and experiences of banking staff on CMSs and their impact on employee performance and well-being. The primary data was interpreted, and thematic analysis was performed using NVivo. This process involved

selecting a piece of data and assigning it to one or more codes representing themes and related concepts. As a result, two themes were generated through a coding process.

- Influence of CMSs on Employee Performance
- Effects of CMSs on Employee Well-being

# Influence of CMSs on Employee Performance

Under theme one, the participants from the banking sector of Pakistan were asked to share their experiences on how CMSs can affect employee performance. Eight codes and 108 statements from 20 participants created theme one. The figure below represents theme one and the associated codes.

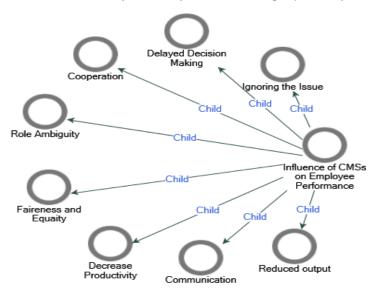


Figure 3 Theme one- Influence of CMSs on Employee Performance

Respondents discussed **competing** CMSs. They believed that a competing conflict strategy is ideal when quick and decisive action is necessary. It may include emergencies. Meyer & Surujlal (2013) defined competing conflict management strategy as a as the strategy of winning or losing. However, it can significantly affect the employee performance if overused or misapplied. One interviewee asserted, *"Let me share my personal experiences. My branch manager and I went to our head office to discuss branch-related issues. The regional head didn't respond us well. I was trying to offer solutions, but the response remained the same. The regional head took the unilateral decision to keep his operations on track. We then had a lot of burden and trust me some of us didn't want to work either. It was a decision without considering input from team members" (Participant, 14). Another participant highlighted competing conflict strategy and argued, "You have raised a good question. I believe it has both negative and positive effect on employee performance. It depends on your bosses how they balance this strategy, but you cannot practice this every time. You know we are in <u>www.iibms.org</u> 87* 

#### Memon F. A.



Pakistan. We deal with a lot of issues. Nobody wanted to lose his job. If you practice this strategy a lot, it will create a culture of fear (Participant, 9).

In the context of **collaborating** conflict strategy, data analysis revealed that participants favor such practices. Respondents believed that such conflict resolution practices allow employees to actively engage in open communication, share information, and jointly generate ideas to resolve conflicts at work. One interviewee asserted that "*There was a problem with the banking software implementation project in 2023. Our team offered various solutions.* However, there were a lot of recommendations. Everyone was pushing his own agenda. We then decided to collaborate and work together. Finally, we had a solution on which everyone was happy to work" (Participant, 17). In such collaborative conflict strategies, employees feel motivated when involved in decision-making (Min et al., 2020). Also, motivated employees are more focused, productive, and committed to delivering high-quality work. One respondent mentioned, "When bankers are involved in discussing issues, I believe they will be more focused and committed. I have experienced an improvement in performance, such as meeting deadlines (Participant, 2)

Respondents expressed concerns that **avoiding** conflicts could lead to unresolved issues. It can potentially escalate into larger conflicts and can affect employee performance. Excessive use of may limit decision-making abilities and team communication (Grey, 2017). One of the interviewees asserted, "I remember there was tension between a senior manager and junior analysts over a workload distribution. Now, instead of addressing this issue, the management ignored the conflict. The junior analysts resigned in bank closing days. As a result, we were overburdened and unable to perform the given tasks" (Participant, 3). Another respondent was of the opinion that "I disagreed with my line manager over new regulatory requirements. At that time, the management didn't bother. Finally, the bank received a huge fine from the authorities as we didn't ensure compliance. It affected our performance and the branch employees didn't receive the annual bonuses either. (Participant, 10).

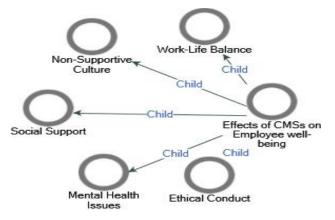
Participants showed mixed responses toward **compromising** practices. However, it allows parties to resolve conflicts and can improve overall performance. One of the interviewees asserted, "In 2022, I used to work with the bank's marketing department. We tried every possible way to attract customers so that they could take out loans from our bank. At that time, the inflation rate was too high, and customer were thinking of losing their assets in return of bank loans. Our department was trying to convince the loan department to slightly relax their policies. Initially, they denied our proposal, but later, they compromised and

agreed by adding risk assessment measures. It improved our customer retention rate' (Participant, 1). Compromising strategy often partially addressees conflicting parties' concerns (Schaubhut, 2007). However, compromise can sometimes lead to inequities and tensions among team members, disrupting teamwork and affecting overall team performance. Nine respondents were dissatisfied with compromised solutions, which reduced motivation to perform their tasks effectively. One interviewee asserted, "As you know, we are in Pakistan, and frankly speaking, we don't want to give credit to anybody. Here, the power dynamics are unequal. Compromising over a conflict is not a good choice, but it will help you continue the process. Though you have to drop few of your choices' (Participant, 7).

Respondents believed that **accommodating** strategy in conflict resolution can be a good choice. Accommodating strategy **is** associated with employee performance (Anadkat et al., 2023). However, in certain situations, it depends on the context and the parties' goals. One of the respondents mentioned, "*I always accommodate conflicts as I don't want fights in the workplace, but I feel like the other party gains more benefits. It is a feeling of unfairness*". Participants also mentioned that accommodating conflicts can lead to imbalanced workloads and unfair distribution of responsibility. One interviewee asserted, "*I am the senior manager here, and I have to answer every conflict before it reaches my bosses. In accommodating team conflicts, I have to stay late to meet deadlines. It becomes increasingly imbalanced and affects my performance at work." (Participant, 19).* 

#### Effects of CMSs on Employee Well-being

The participants from the banking sector of Pakistan were asked to share their experiences on how CMSs can affect employee well-being. Five codes and 58 statements from 20 participants created theme two. The below figure shows theme two and associated codes. Figure 4 Theme two- Effects of CMSs on Employee Well-being.



#### Memon F. A.



**Collaborative** strategy is a primary way to resolve conflict and reduce cost and time (Wang et al., 2021). The Participants highlighted the role of CMSs in fostering employee well-being. One interviewee asserted, "You know, we are in a society in which everybody wanted to rule. Last year, we had a massive conflict over roles and responsibilities. Few senior banking officers were using their political forces. Most of us, including me, felt that we were getting more work and less pay. This was creating frustration and stress. What we done was we held a joined meeting and shared our concerns. We resolved our conflicts but shared responsibilities and workload. So yes, I believe a collaborative conflict strategy is best to implement, especially when working in such an environment (Participant 3). Data analysis further revealed that employees may avoid conflict strategies to safeguard their positions. This is due to the job scarcity in Pakistan and the banking sector, where job security concerns often loom large and low wages. This avoidance can have significant repercussions on their well-being. Respondent also mentioned issues in society where employees feel they must conform to avoid rocking the boat and sacrificing their well-being. One interviewee asserted, "we don't intend to create conflicts. I have a family to run. Therefore, employees often prioritize avoiding conflicts over addressing them. I don't feel good. How long can you suppress your emotions? This compulsion to avoid conflicts is not good for mental health" (Participant, 17).

In contrast, participants consider avoiding conflict strategy as a practice to resolve small issues. One of the participants argued, "According to me, it is best not to step in somebody's matter. Raising the conflicts to the higher authority may create more issues between you and your team. You will be cornered if you do so. So, avoiding and living happily is better" (Participant, 19). Respondents consider **compromising** conflict strategies can positively and negatively affect employee well-being. It depends on various factors, such as individual personalities involved, organizational culture, and the nature of the conflict. One participant asserted, "Well, *if you ask me to compromise over a conflict, I would prefer it. I don't want stress and anxiety. Don't you think it can resolve conflicts more quickly?* (Participant, 5).

On the other hand, Participant 14 asserted, "I understand what you are trying to ask. Indeed, it will help you resolve conflicts quickly, but how about me? You are well aware of our society. If you start giving favors, people will eat you. If you compromise without addressing your demands, you will end up with burnout and emotional exhaustion. You cannot compromise every time. Similarly, **competing** CMSs can have various effects on employee well-being. Participants raised several ethical concerns. Participant 11 asserted that *we have several policies to protect employee well-being, but where is the implementation? Management often makes decisions on conflicts without concerning their employees. Sometimes, I feel that our hard work is disregarded in favor of achieving immediate goals. It can drain employees emotionally and physically. A few respondents also argue that competing CMSs can help management take quick responses to conflicts. e.g., participant 4 asserted that, <i>yes, it is true Dr (researcher name) management can make important decisions to win conflicts in urgent matters.* 

Cultural norms and practices can influence **accommodating** conflicts. One respondent said, "you are well aware of our society and workplace environment. Here, everybody wants his share. Nobody will accommodate you until they get something in return. Banks generally prioritize collective goals over individual interests. (Participant, 8). Data analysis further revealed that employees may experience lower stress levels when conflicts are accommodated. Participant 14 argues, "It is better to accommodate conflicts and not escalate them further. You know we have traditional so-called respect for authority and seniority in Pakistani society. So, it is better to create any further tensions.

Responding to RQ1, results revealed that CMSs can significantly influence employee performance. In the Pakistani banking sector, the respondents were of different opinions. Certain CMSs, e.g., competing, can strain relationships and trust among team members. On the other hand, strategies such as avoiding, which do not address underlying issues, can lead to employee dissatisfaction. Strategies, e.g., collaborating, promoting understanding, and building trust among team members. It can significantly increase employee performance. However, employees who frequently accommodate others may become less assertive in expressing their own ideas or concerns. This accommodating behavior can lead to feelings of dissatisfaction among employees. A competing strategy can sometimes be effective in achieving immediate results. However, over-reliance on this conflict management strategy can negatively affect employee performance.

In responding to RQ2, poorly managed strategies (e.g., competing, avoiding) that ignore or avoid conflicts can escalate tensions. It can lead to frustration among employees. Collaboration strategies can reduce stress levels as employees feel heard and respected. Employees may experience stress if they perceive the compromise as unfair or if their needs are not fully met. Also, employees may experience short-term relief from conflict by



accommodating others' needs. However, employees may feel either valued for their flexibility or frustrated due to unmet needs.

### CONCLUSION

Effective conflict management strategies are pivotal in enhancing employee well-being and organizational performance. Conflict management strategy choices play an important role in shaping employee performance and well-being. Strategies that prioritize collaboration and constructive resolution tend to foster cooperation, reduce stress, and strengthen employee relationships. Conversely, approaches like avoidance or competition can ignite conflicts, leading to increased tension, reduced job satisfaction, and diminished productivity. Therefore, implementing clear communication channels, providing conflict resolution training, and promoting a culture of collaboration are crucial steps in conflict management processes.

#### **Recommendations**

The researcher suggests implementing training and development programs at both individual and organizational levels. The banking sector should adopt effective conflict resolution by selecting the most appropriate strategy based on the situation to promote a supportive and harmonious work environment. It includes encouraging and training employees and managers in collaborative conflict resolution techniques. Foster a supportive organizational culture where employees feel safe (mentally and physically) and encouraged to address conflicts openly and constructively.

#### Limitations and Future Research Perspectives

This study was conducted in the major cities of Pakistan, e.g., Karachi, Hyderabad, Lahore, and Islamabad. It may restrict the generalizability of the findings to other regions or rural areas within the country. Another limitation of the study was the reliance on a cross-sectional design. Future research should consider longitudinal approaches such as cross-lagged or diary study designs to investigate causal relationships more effectively.

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