

Conflict Resolution Mechanism and Employee Commitment in Oil Producing Firms in Rivers State

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Abstract: *This study was conducted to examine the influence of conflict resolution mechanism on employee commitment in Oil Producing firms in Rivers State. The study was based on a survey research design and made use of questionnaire in obtaining data from office resident employees serving in five Oil Producing firms in Rivers State of Nigeria. The population of study was 20,116 while its sample size determined through Taro Yamane sample size determination formular was 1793. The analysis of data was done with descriptive and inferential statistics. The former used percentage method while the latter used simple regression. The test of hypotheses in the study indicated that conflict resolution mechanism had a positive and significant influence on employee commitment in Oil Producing firms in Rivers State. The generalized model summary showed an R^2 of 0.608. The model also showed a goodness of fit at 95 percent (p -value < 0.05). Following this result, it is therefore safe to conclude that conflict resolution mechanism can determine employee commitment in Oil Producing firms particularly those of Rivers State of Nigeria. In line with the outcome of this study, it is recommended that Oil Producing firms in Rivers State should improve upon its conflict resolution mechanism particularly in the area of doing that promptly resolve conflicts in order to positively influence employee commitment.*

Keywords: conflict resolution mechanism, employee commitment, oil producing firms, Rivers state, Nigeria

INTRODUCTION

In recent times, most business organisations have considered the practice of Employee Relations (ER) as one of the strategic means of effective human resource management. As a concept, ER is a term used in defining the relationship between employers and their employees. It deals with maintaining good relationship between employers or the representatives of management and employees for the purpose of stimulating employees' commitment, morale, trust as well as creating a work environment that is both productive and secured (Bajaj, Sinha and Tiwari, 2013). These authors further opined that ER explains using

a number of controlling practices in regulating the relationship between an organisation and its employees in order to achieve an organisation's set goals. Human resource management serves as change agent while controlling sundry programmes of an entity (Bajaj *et al.*, 2013). Implementing ER in any organizational setting is considered an important variable in human relations policy. Conflict resolution mechanism is an important dimension of employee relations.

Conflict resolution mechanism is concerned with effective communication, achieving mutually acceptable negotiation, initiating and assessing proposed solutions to identified problems as well as resolving disputes. According to Olakunle (2018), organizations face six levels of conflict. These conflicts are intra-group, interpersonal, intergroup, intrapersonal, intra-organisational and inter-organisational levels. It is the ability of management to manage any conflicts effectively that translates to improved organizational performance and by extension actualization of organization's set goals (Njau, 2012). ER thus brings about improved goal attainment by staff, heightened commitment and loyalty while reducing organizational conflict (Bajaj *et al.*, 2013).

Employee commitment serves to show a vital component used in assessing the behaviour of organizational members and is viewed as a necessary and essential element in measuring employee behaviour in organisations, which itself depends on work conditions (Gospel and Palmer, 2014). Getting staff to be committed is a challenge being faced by executives in managing firms (Chew and Chan, 2018). It is employee commitment that depicts the cordiality of employer-employee relationship (Stites and Michael, 2011). It is considered as extent to which the employee is attached to the organisation (Stites and Michael, 2011). Herscovitch (2012) identifies three aspects of commitment, affective, continuance and normative. The first, affective commitment focuses on an emotional attachment of an employee to an organisation. The second, continuance commitment explains that the employee stays with an organisation because the employee senses negativity in leaving the organization. The third, normative commitment is concerned with employee's moral obligation to stay with an organisation.

Oil Producing firms require highly committed employees with quality job attitudes to support the production and delivery of goods and services while ultimately achieving their goal of profit maximisation. Having a committed and effective workforce in the Oil and Gas sector requires a conscious and deliberate attempt by management to implement well designed employee relations strategies. However, in the delivery of assigned duties, conflicts may erupt between management and employees. Such conflicts in many cases result in strife and work stoppages which creates a rather unfriendly atmosphere for service delivery. Inability to address such conflicts in an organized manner demotivates employees and manifests in negative work attitudes such as; irregularity to work, poor service delivery, absenteeism and others. This study addresses the question, what influence has conflict resolution mechanism on employee commitment in Oil producing firms in Rivers State, Nigeria?

Research Objective

To investigate the extent to which Conflict Resolution Mechanism influences Employee Commitment in Oil Producing Firms in Rivers State.

Research Hypothesis

H₀: There is no significant positive influence of conflict resolution mechanism on Employee Commitment in Oil Producing firms in Rivers State

LITERATURE REVIEW AND THEORETICAL FOUNDATION

Conflict resolution is a key aspect of employee relations. It serves to facilitate effective communication, achieve mutually acceptable negotiation, initiate and assess proposed solutions to identified problems and resolving disputes. According to Olakunle (2018), organizations face six levels of conflict. These conflicts are intra-group, interpersonal, intergroup, intrapersonal, intra-organisational and inter-organisational levels. It is the ability of management to manage any conflicts effectively that translates to improved organizational performance and by extension actualization of organization's set goals (Njau, 2012). Conflict resolution can be approached using a private and voluntary option which does not go by industrial courts. Generally, employment situations and relationships experience some forms of disagreement and conflicts but more importantly, there is the need to quickly resolve the issues at stake so as to create a cordial working relationship among parties in the overall interest of the organization and national economy (Olakunle, 2018).

Robinson and Judge (2019) sees conflict has having the tendency to bring about either positive or negative outcomes in organization stressing that in reality, no organization can operate without some form of conflicts. These authors further emphasized that the most important thing is to consider ways of dealing with any form of conflict that may arise in organizations since it was natural to experience conflicts in social settings.

Negotiation represents a key informal practice seen in employee relations. It is an effective means of resolving organizational conflicts. This approach involves parties to conflicts and their negotiators who make efforts at resolving identified issues in line with the interests of the parties they represent. Achieving fruitful negotiations requires that parties to a conflict discuss issues mutually and in a friendly manner such that while protecting their respective interests, peaceful resolution of issues at stake is arrived at. This is to heighten the motivational level of both parties so as to positively influence organizational productivity.

Mediation is concerned with resolving an issue collaboratively. Approaching conflict resolution this way, deals with a structured process of conflict resolution. Good examples include, disciplinary process or grievance procedure. This usually ends in a win-win (Nishii (2011). Mediation is effective because a neutral individual is usually selected based on the agreement of parties in a conflict who believe such person has the capacity to help settle the issue before them. The duty of the mediator is to make necessary effort at resolving the issues before parties by respectively meeting them. This takes the form of private meetings with

each party. However, the mediator lacks the authority to dictate to the parties but only counsels those involved on the best approach or options available for amicable resolution of their conflicts (Beer and Steif, 2017)

Arbitration explores the resolution of conflict situation leveraging on a neutral individual known as arbitrator. This individual acts as a private judge. Typically, the arbitrator conducts hearing. Such hearing is akin to what takes place in courts. Thereafter, the arbitrator would issue his/her decision. The decision of an arbitrator is otherwise called award. An award issued by an arbitrator is binding on parties to a conflict. This approach to settling conflict follows the pattern used in courts, however, it is done privately. Parties to a conflict select an arbitrator based on the latter's expertise in relation to the issue at hand (Njau, 2012).

Conflicts in organizations have far reaching impact. Such impact can be on productivity, disruptions and work stoppages, increase in operational costs, among others (Rivers, 2015). The author stressed that hidden costs of unresolved conflicts in organisations are enormous summing that it was expedient to consider ways of managing and resolving conflicts. With this, productivity can be positively impacted. Hence, being able to resolve conflicts in an effective manner engenders increased performance among employees since this makes organizational members to be committed to their work. With increased work commitment, organizational productivity increases. Some organizations that are not smart at dealing with conflict allow such to linger. As such conflicts are not being managed well, what typically happens could be a delay in service delivery, lack of interest by employees and possible break down in operations (Parker, 2014).

A well known approach to coping with conflict is compromise (Mediation). By this method, parties agree in part with the parties' views or expectations as made known. However, the ability to properly employ any of the employee relations practices is dependent on experience of the person(s) involved and the organization in question (Ford, 2017). With an effective conflict management model in place, motivation is injected into the workforce; a spirit of team work is built and with this, organizational members co-operate to better organizational performance (Adomi and Anie, 2015).

This study is anchored on the Social Exchange Theory. The Social Exchange Theory (SET) is the brain child of Blaus (1964). In the view of this theory, individuals voluntarily behave in certain ways. They also do certain things as they have an expectation of equal positive behaviour from other individuals. The idea of social exchange rest on having a belief that some other persons would return one's behaviour whether positive or negative.

Furthermore, the position of SET is that human relationships are in place on account of what individuals think they stand to benefit from such relationships and the fact that they would naturally make comparisons before making a choice. SET is traceable to disciplines such as psychology, sociology and economics. It rests on what is taken to and done voluntarily rather the discharge of a formal contract entered into (Zhang, *et al.*, 2018). It reasoned by proponents of this theory that people decide and regulate themselves on what they consider

alright based on a cost-benefit analysis. It is also the position and belief of SET that an effective work place relationship engenders benefits. Therefore, individuals assess the worth of any relationship by deducting what is considered as costs from the sensed rewards provided by it. In this case, the theory holds that cordiality and ease of conflict resolution between management and employees was critical to influencing employee commitment.

Tarela and Seth (2014) carried out an investigation on joint consultation and worker's commitment in Nigeria's banking sector. The findings indicated that joint consultation significantly and positively associated with workers' affective commitment. However, employees' continuance and normative commitment were not significantly associated with joint consultation. Also, strengthens Nsien, Effiom² and Umoh (2020) found a positive and significant relationship between conflict resolution and employee commitment in brewing firms in Nigeria. Similarly, Ngari and Agusioma (2016) studied how efforts at resolving disputes influenced performance in private universities. The study revealed that resolution significantly determined organisational performance. None of the reviewed researches investigated how conflict resolution influenced employee commitment in the oil and gas sector in Nigeria. This can be seen as a gap that requires a research attention. Hence, the need to complement research effort in this area by conducting the present study.

METHODOLOGY

The survey research design was adopted and used in this research. The population of this study was made up of 20,116 office resident employees from five Oil Producing firms in Rivers State of Nigeria, namely, Shell Petroleum Dev. Company of Nig. Ltd, Chevron Oil Nigeria Plc, Eroton Exploration and Oil Producing Company, Belema Oil Producing Ltd and Newcross Exploration and Production Ltd. The study's sample size determined through Taro Yamane sample size determination formular was 1793. This number was administered with copies of the questionnaire. The research instrument specifically focused on conflict resolution mechanism and employee commitment. Instrument validation was done with experts in the field of Business Management. Furthermore, the Cronbach Alpha reliability test was carried out on research variables. The mean result of the reliability first test was 0.745 while result of the second test was 0.760. The result implied that the instrument was reliable. The instrument as designed reflected 5 – point Likert scale. It was scored as follows; strongly Agree (SA = 5); Agreed (A = 4); Disagree (DA = 3); Strongly Disagree (SD =2) and undecided (UN = 1). Descriptive analysis was used in data presentation while regression analysis was used in testing hypothesis.

Model Specification

In order to investigate the relationship between independent variable, conflict resolution mechanism and dependent variable, employee's commitment, the following model was developed:

$$EPC = \beta_0 + \beta CRM + \varepsilon$$

Where; EPC, is the dependent variable (Employee Commitment); CRM- Conflict Resolution Mechanism; β_0 is the intercept; β - the Beta coefficient; ε = error term.

Table 1: Respondents' Details

Variables	Categories	Frequency	Percentage%
Gender	Male	722	64.00%
	Female	406	36.00%
Age Range	Below 21	74	6.56
	21-34	238	21.10
	35-44	403	35.73
	45- 54	309	27.39
	55 and above	104	9.22
Education	SCE/WAEC	96	8.51
	OND	226	20.04
	BSc/HND	693	61.43
	Postgraduate	113	10.02
Work Experience	Less than 1 Year	73	6.47
	1-4 Years	228	20.21
	5- 9 Years	427	37.86
	10 -14 Year	253	22.43
	15 Years and above	147	13.03

Source: Field Survey, (2024)

Table 1 presents respondents' details in the study. In the table, the sex distribution shows that out of the 1128 respondents, 722 of them was male representing 64.00% while 406 respondents were female representing 36.00%. Also In the table, 74 respondents fall in the range of under 21 representing 6.56%; 238 of them fall between 21-34 years representing 21.10%; 403 respondents fall between the age of 35 – 44 years representing 35.73%; Furthermore, 309 respondents were between 45-54 years representing 27.39% while 104 of the respondents were between the age of 55 and above representing 27.39%. Furthermore, in the table, 96 respondents possessed secondary certificate representing 8.51%; 226 respondents had OND representing 20.04%; 693 respondents have HND/BSC representing 61.43% and 113 respondents had masters and above representing 10.02%.

Again, the table showed the number of respondents that had years of experience less than 1 year as 73 representing 6.47%; Also, 228 of the respondents falls between 1-4 years of experience representing 20.21%, while 427 of them fall between 5-9 years of experience representing 37.86 %; furthermore, 253 respondents fall between 10-14 years of experience

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representing 22.43% while 147 of the respondents representing 13.03% had 15 years and above experience.

RESULTS/FINDINGS

Table 2: Percentage Analysis of Conflict Resolution Mechanism and Employee Commitment in Oil Producing Firms in Rivers State

Statements on Conflict Resolution	SA	A	D	SD	UN
My organisation has an effective conflict resolution mechanism	268 (23.76%)	417 (36.97%)	196 (17.38%)	199 (17.64%)	48 (4.26%)
The ease of resolving conflicts in my organisation influences staff commitment	244 (21.63%)	397 (35.20%)	237 (21.01%)	209 (18.53%)	41 (3.63%)
At times conflicts in my organisation is effectively resolved using joint management/union Committee	261 (23.14%)	433 (38.39%)	186 (16.49%)	211 (18.71%)	37 (3.28%)
In my organisation, there is prompt resolution of conflicts which encourages commitment	119 (10.55%)	493 (43.71%)	187 (16.57%)	271 (24.02%)	58 (5.14%)
Total	223	435	201	223	46

Source: Field Survey (2024)

Table 2 shows responses on the influence conflict resolution mechanism on employee commitment in Oil Producing firms in Rivers State. The table shows that 268(23.76%) respondents strongly agreed that their organisation has an effective conflict resolution mechanism; 417(36.97%) agreed; 196(17.38%) disagreed; 199(17.64%) strongly disagreed while 48(4.26%) were undecided. In the table also, 244(21.63%) respondents strongly agreed that the ease of resolving conflicts in their organisation influences employees' commitment; 397 (35.20%) agreed; 237(21.01%) disagreed; 209(18.53%) strongly disagreed while 41(3.63%) were undecided. Furthermore, 261(23.14%) respondents strongly agreed that at times conflicts in their organisation is effectively resolved using joint management/union Committee; 433(38.39%) agreed; 186(16.49%) disagreed; 211(18.71%) strongly disagreed while 37(3.28%) were undecided. Also in the table, 119(10.55%) respondents strongly agreed that in their organisation, there is prompt resolution of conflicts which encourages commitment; 493(43.71%) agreed; 187(16.57%) disagreed; 271(24.02%) strongly agreed while 58(5.14%) were undecided. This analysis indicates that majority of respondents 658(58.33%) were of the opinion that conflict resolution mechanism influences employee commitment in Oil Producing firms in Rivers State.

Test of Hypotheses

H₀: There is no significant positive influence of conflict resolution mechanism employee commitment in Oil Producing firms in Rivers State.

H₀₁: There is significant positive influence of conflict resolution mechanism on employee commitment in Oil Producing firms in Rivers State

Table 3: Regression Analysis Result on Influence of Conflict Resolution Mechanism on Employee Commitment in Oil Producing Firms in Rivers State

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.822 ^a	.676	.608	7.26395		

Goodness of Fit ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	101.102	1	10379.308	133.642	.000 ^b
	Residual	163.391	1126	136.161		
	Total	264.492	1127			

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.713	.302		3.032	.148
	Conflict Resolution	.511	.212	.485	2.410	.000

a. Dependent Variable: Commitment

b. Predictors: (Constant), Conflict Resolution Mechanism

Table 3 shows the result of regression analysis on the influence of conflict resolution mechanism on employee commitment in Oil Producing firms in Rivers State. The generalized model summary showed an R^2 of 0.608 which implies that 60.8% of the changes in conflict resolution mechanism influences 60.8% in employee commitment of employees of Oil Producing firms in Rivers State. The model also showed a goodness of fit at 95 percent (p -value <0.05). conflict resolution mechanism influence on employee commitment showed statistically significant relationship at 95% (also p -value <0.05). In view of this result, the null hypothesis already stated that there is no significant positive influence of conflict resolution mechanism on employee commitment in Oil Producing firms in Rivers State is hereby rejected. This implies that there is a significant positive influence of conflict resolution mechanism on commitment of employees of Oil Producing firms in Rivers State.

DISCUSSION OF FINDINGS AND IMPLICATION TO RESEARCH AND PRACTICE

The main objective of this study was to investigate the influence of conflict resolution mechanism on employee commitment in Oil Producing firms in Rivers State. In line with this objective, it was hypothesized that there is no significant positive influence of conflict resolution mechanism on employee commitment in Oil Producing firms in Rivers State. The test of hypothesis however indicated that there is a significant positive influence of conflict resolution mechanism on employee commitment in Oil Producing firms in Rivers State. Hence, this hypothesis was rejected. This finding collaborates with that of Tarela and Seth (2014) on similar a study. In the same vein, Mojaye and Dedekuma (2015) established association between communication and industrial harmony; also, Nkiinerbaric (2014) who carried out a survey on workplace democracy and industrial harmony established that having tall structured organisations created a gap between executive and labour with resultant negative influence on their relationship. Furthermore, Ngari and Agusioma (2013) who conducted a research on dispute resolution and performance of organisations showed that disputes were common in organisations and had effect on employee morale, productivity and growth of the organization. In addition, Nsien, Effiom² and Umoh(2020) established a positive and significant relationship between conflict resolution and employee commitment. These findings suggest that conflict resolution mechanism can reliably predict employee commitment in the oil and gas firms in Rivers State of Nigeria. Therefore, the oil producing firms located in Rivers State of Nigeria can influence employees' commitment leveraging conflict resolution mechanism.

CONCLUSION AND RECOMMENDATION

The main objective of this study was to investigate the influence of conflict resolution mechanism on employee commitment in Oil Producing firms in Rivers The study sampled five Oil Producing firms in Rivers State. From a population of 20,116, the study sampled 1,793. The study achieved 62.9% response rate on administered questionnaire instrument. Data analysis was done with simple regression analysis. It was hypothesized that there is no significant positive influence of conflict resolution mechanism on employee commitment in Oil Producing firms in Rivers State. Findings of the study indicated that there is a significant positive influence of conflict resolution mechanism on employee commitment in Oil Producing firms in Rivers State. Following this result, it is therefore safe to conclude that conflict resolution mechanism can determine employee commitment in Oil Producing firms particularly those of Rivers State of Nigeria. In line with the outcome of this study, it is recommended that Oil Producing firms in Rivers State should improve upon its conflict resolution mechanism particularly in the area of doing that promptly resolve conflicts in order to positively influence employee commitment.

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