The Effect of Leader Power on Conflict Handling Styles of Human Resource Professionals in Private Businesses in Yangon

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Abstract

This study analyses the effect of leader power on conflict handling styles of human resource professionals at private businesses in Yangon. The primary data were collected from 72 HR professionals who are working in various business organizations by the structured questionnaires. Descriptive method was used to analyze respondent's demographic data and regression analysis was used to analyze the effect of leader power on conflict handling of HR professionals in private businesses. The regression analysis shows that expert power and coercive power have positive effect on integrating, reward power has negative effect on dominating, and expert power has positive effect on obligating at 1% significant level. Integrating and obligating have positive effect on behavioral compliance at 5% level of significance.

Key words: Leader Power, conflict handling styles, behavioral compliance

INTRODUCTION

At the workplace, changing has created new opportunities and conflicts in relation to maintaining peace among employees. Some organizational behavior experts revealed that power and influence are inherent in all organization. They exit in every business and in every decision and action (McShane & Glinow, 2015). Power is the capacity of a person, team, or organization to influence others (Galinsky et al, 2006). Power is the vital instrument for leaders to influence others in getting things done and accomplishing organizational goals. But, people hold different points of view in getting things done at the workplace. By adjusting these different viewpoints, conflict is bound to occur. Conflict is a process in which one party perceives that his or her interests are being opposed or negatively affected by another party (Tjosvold, 2006). Conflict is ultimately based on perceptions; it exists whenever one party believes that another might obstruct his or her efforts, whether or not the other party actually intends to do so. Therefore, it is important for leaders to determine their power sources and conflict handling styles influence employee outcomes, such as subordinate compliance (Cenkci,2018). HR professionals who have at least three years of working experiences at HR management level are chosen as the focus of this research because they have well experience in confict handling that differ from those of other professionals.

Many organizational experts have been debating whether conflict is good or bad for organizational effectiveness and employee workplace behavior. Conflict-is-bad perspective has prevailed pre-1970s. Between 1970s and 1990s, the conflict-is-bad perspective had been replaced by the optimal-conflict perspective which holds that organizations are most effective when employees experience some level of conflict in discussion but that organizations become less effective when they have high levels of conflict. Many studies support that a moderate level of conflict is good.

Conflict is the nature of the working people but they have chances that have to choose interpersonal conflict-handling styles. Organizational behavior experts have identified several

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conflict-handling styles: problem solving, forcing, avoiding, yielding, and compromising. If not managed properly, conflicts can result in bad feelings, high turnover and costly litigation, and it can lead to most difficult challenges which organizational members face and most frustrating and uncomfortable situations for all managers.

While generalist HR practitioners in small organizations tended to play down their work as 'day-to-day', some operated at a strategic level across the full range of HR activity, working in close partnership with senior operational managers, providing advice over resourcing and relations issues. In large organizations, HR practitioners were directly linked to, and in some cases embedded within, an area of the organization. Therefore, the effect of leader power on conflict handling styles of human resource professionals in private business organizations is examined in this study. This study conducted on human resource professionals, who are working in different business organizations, is focused to determine what type of leaders power match with which type of conflict handling style. It was examined that this study may help to develop appropriate conflict handling styles and to increase employee compliance for human resource professionals.

OBJECTIVES OF THE STUDY

This study mainly focuses on the conflict handling styles of human resource professionals in private organizations in Yangon. The following is the specific objectives of the study:

1. To examine the employees' perception on leader power and conflict handling styles in private business organizations

2. To explore the effect of leader power on conflict handling styles in private business organizations

3. To analyze the effect of conflict handling styles and employee compliance in private business organization

SCOPE AND METHOD OF THE STUDY

In this paper, the participants are human resource professionals who are working in various private business organizations in Yangon and they are also attending post graduate diploma in human resource management at Yangon University of Economics. Data were collected from those who were attending at the date (21.1. 2021). There are 72 participants in this study. Descriptive research method, Pearson correlation analysis, and multiple regression analysis are conducted in this study. Secondary data are collected from relevant books, journals, previous research and internet web sites.

LITERATURE REVIEW OF THE STUDY

In this part, literature review for leader power and conflict handling style are presented based on the previous literature.

(a) Leader Power

Power is derived from the official position held by an individual in an organization. Those in power are able to marshal their resources in a way that helps them achieve their goals. They are able to be effective in their jobs and earn the respect of others. Having power as

resource can help you gain support, information, supplies—everything and anything that is needed to be productive in your job1. Power is a tool and resource, a means as an end while politics represents tactics used by employees to use to manipulate power in organizational setting. Leaders use power as a means of attaining group goals. Leader use power to ensure compliance of job assigned to them (Kondalkar, 2007).

Power involves more than just dependence or interdependence. Power is derived from five sources: legitimate, reward, coercive, expert, and referent (Robbins & Judge, 2013). Legitimate power is an agreement among organizational members that people in certain roles can request certain behaviors of others. This perceived right originates from formal job descriptions as well as informal rules of conduct. (Hardy & Clegg, 1996) Reward power is derived from the person's ability to control the allocation of rewards valued by others and to remove negative sanctions (i.e., negative reinforcement). Managers have formal authority that gives them power over the distribution of organizational rewards such as pay, promotions, time off, vacation schedules, and work assignments. (Bolch, 2007). Coercive power is the ability to apply punishment. Many firms rely on this coercive power to control co-worker behavior in team settings.

For the most part, legitimate, reward, and coercive power originate from the position. In contrast, expert power originates from within the person. It is an individual's or work unit's capacity to influence others by possessing knowledge or skills that others value. (Perio & Melia, 2003). People have referent power when others identify with them, like them, or otherwise respect them. Like expert power, referent power comes from within the person. It is largely a function of the person's interpersonal skills and tends to develop slowly.

(b) Conflict Handling Style

The conflict model starts with the sources of conflict, so we need to understand these sources to effectively diagnose conflict episodes and subsequently resolve the conflict or occasionally to generate conflict where it is lacking (Mcshane & Glinow, 2010). According to Tjosvold (1997), well-managed conflicts are an investment for the future. People believe in one another, feel more powerful, effective and more prepared to contribute to their groups and organizations. In fact, in an organizational environment, individuals that handle conflicts effectively are seen as competent speakers and as having leadership skills (Gross & Guerrero, 2000). Rahim (1983a) differentiate interpersonal conflict handling styles through two basic dimensions: personal interest, which explains the degree (high or low) to which a given subject seeks to satisfy their own interest, and the other's interests. These dimensions are subject to different combinations, resulting in five specific styles, designated as follows (Rahim, 2002):

Integrating, this is characterized by a high interest, both in one's own results and the other party's. This style implies collaboration between parties, exchange of information and an active search for an acceptable solution that works for both. Therefore, a direct communication between the parties is established, boosting the occurrence of creative solutions for both.

Obliging, this is characterized by low investment in oneself, but high investment in the other party. This style implies the satisfaction of the other party's interests over one's own interests. When one of the parties adopts this style, they opt not to consider their differences towards the other and weigh in shared aspects, seeking to satisfy the other party's interests.

Dominating, this is characterized by high investment in oneself and low investment in the other party. In this style, one tries to achieve their own goals without caring for the other's interests; Avoiding, characterized by low investment in one's own results and in the other party's. Compromising, this style positions itself in the middle of the aforementioned four styles, characterized by an intermediate interest for oneself and other parties.

(c) Compliance with the Supervisor

How people organize and relate to each other to accomplish planned goals is a central issue in organizational and administrative theory. The overreaching problem in organizations is securing follower compliance (Porter et al., 2003). The compliance variable is an ideal criterion to associate with leader power bases, because it is most directly related with the outcomes of power use (Rahim & Afza, 1993). Compliance is about achieving the result aimed for from the use of power (Fairholm, 2009). It indicates that people are following the direction of the person of power, even though they may not agree with the orders given. Resistance, on the other hand, means that employees intentionally attempt to avoid carrying out orders or they will try to disobey instructions (Daft, 2008).

Warren (1968) differentiated between attitudinal and behavioral compliance. The former is the degree to which a target person is willing by him/herself to fulfill an actor's wishes (with or without acting accordingly), while the latter refers to the extent to which a target person adheres behaviorally to those wishes (with or without being willing to do so by him/herself) (Emans et al., 2003). Rahim and Afza (1993) stated that a power base is effective to the degree to which it causes both attitudinal and behavioral compliance, where the latter results from a target's wish to get favorable reactions or to avoid the actor's unfavorable reactions. On the other hand, attitudinal compliance is the product of an actor's influence on the target's self-definition, which creates real persuasion and true internal change that remains in the absence of monitoring (Emans et al., 2003).

CONCEPTUAL FRAMEWORK OF THE STUDY

The conceptual framework of the study is presented in Figure (1).

Sources of Power   **Conflict Handling Style**

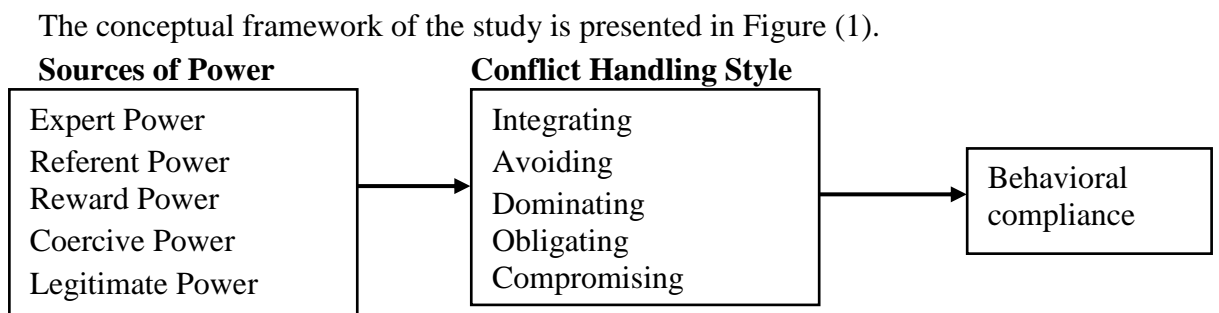| Expert Power | Integrating | |
Referent Power	Avoiding	Behavioral
Reward Power	Dominating	compliance
Coercive Power	Obligating	
Legitimate Power	Compromising	

Figure 1. Conceptual Framework of the Study
Source: Adapted from previous studies (2022)

RESEARCH FINDING

For data analysis, descriptive and linear regression methods are used. As descriptive method, mean value is calculated for each variable and linear regression analysis is also calculated to investigate the effect of sources of power on conflict handling style and to examine the effect of conflict handling style on behavioral compliance.

The descriptive statistics of the sample are given in Table 1.

Table 1. Demographic Characteristics of the Respondents

No.	Demographic Characteristics	No. of Respondents	Percentage (%)
	Total	72	100%
1.	**Gender** Male Female	 21 51	 29 71
2.	**Age (Years)** 21-30 31-40 41-50 51 & above	 31 31 8 2	 43 43 11 3
3.	**Marital Status** Single Married	 51 21	 71 29
4.	**Education** Bachelor's Degree Post Graduate Diploma Master's Degree	 42 22 8	 58 31 11
5.	**Current Service Year** 1-5 (years) 6-10 (years) 11-15 (years) 16-20 (years) 21 & above (years)	 14 28 12 12 6	 19 39 17 17 8

Source: Survey Data (2021)

From the above table, it can be seen that the participants' mean age was 32.1 years, and 34.8% of the respondents was female, with 49.9% being single. Most of the participants had a university degree (66.3%). The mean of the tenure at work was 4.6 years, while the mean of total job experience was 9.9 years; most of the participants were nonsupervisory employees (56.7%). In conclusion, the majority of respondents are female and the majority of employees are single. According to the age analysis, the majority of the employees are middle aged people. The majority of employees are those who have achieved a bachelor's degree. The majority of employees are non-officers. The majority of employees have well service years in their work field.

Table 2. Employee Perception on Leader Power of their Superior

No.	Statements	Mean Value
1.	Expert Power Overall Mean	4.24
2.	Referent Power Overall Mean	4.25
3.	Reward Power Overall Mean	4.28
4.	Coercive Power Overall Mean	4.21
5.	Legitimate Power Overall Mean	4.35

Source: Survey Data (2021)

Table 3. Employee Perception on Conflict Handling Styles of their Superior

No.	Statements	Mean Value
1.	Integrating Overall Mean	4.33
2.	Avoiding Overall Mean	3.23
3.	Dominating Overall Mean	3.67
4.	Obligating Overall Mean	4.12
5.	Compromising Overall Mean	3.62

Source: Survey Data (2021)

Table 4. Employee Perception on Behavioral Compliance

No.	Statements	Mean Value
1.	Behavioral Compliance Overall Mean	4.48

Source: Survey Data (2021)

From the above Table (2), when analyzing the employee perception on leader power of their superior it indicates that most of their superior practices all sources of the power to influence their subordinate. The most powerful source of power is legitimate power in handling the conflict situation. Based on the results from Table (3), the conflict handling styles of their superior show that integrating style is more practiced at their workplace and the second practice for conflict handling is obligating styles. According to the result mentioned in Table (4), the most participants have compliance behavior on conflict handling of their superior.

Table 5. Effect of Leader Power on Integrating

Model	Unstandardized Coefficients		t	Sig	VIF
	B	Std. Error			
(Constant)Integrating	-1.123	.627	-1.791	.078	
Expert Power	.786***	.153	5.122	.000	3.524
Referent Power	-.207	.189	-1.093	.279	3.417
Reward Power	.211*	.123	1.715	.091	2.290
Coercive Power	.288***	.086	3.339	.001	1.222
Legitimate Power	.203	.135	1.509	.136	1.261
R Square	.646				
Adjusted R Square	.619				
F Value	24.047***				

Source: Survey Data (2021)

The results shown in Table (5) indicate that expert power is the most influencing on integrating style in conflict handling. Moreover, Coercive power also influences at 1% level of significance on integrating conflict handling style. But reward power slightly influences on integrating conflict handling style.

Table 6. Effect of Leader Power on Avoiding

Model	Unstandardized Coefficients		t	Sig	VIF
	B	Std. Error			
(Constant)Avoiding	5.872	836	7.027	.000	
Expert Power	-.257	.204	-1.256	.213	3.524
Referent Power	.039	.253	.154	.878	3.417
Reward Power	-.090	.164	-.549	.585	2.290
Coercive Power	-.020	.115	-.175	.861	1.222
Legitimate Power	-.288	.180	-1.603	.114	1.261
R Square Adjusted R Square F Value	.177 .114 2.832***				

Source: Survey Data (2021)

Result from Table (6) shows that there is no significant effect of leader power on avoiding conflict handling style.

Table 7. Effect of Leader Power on Dominating

Model	Unstandardized Coefficients		t	Sig	VIF
	B	Std. Error			
(Constant)Dominating	6.451	.791	8.152	.000	
Expert Power	.326*	.194	1.685	.096	3.524
Referent Power	-.230	.239	-.961	.340	3.417
Reward Power	-.466***	.156	-2.996	.004	2.290
Coercive Power	-.039	.109	-.356	.723	1.222
Legitimate Power	-.231	.170	-1.358	.179	1.261
R Square Adjusted R Square F Value	.255 .198 4.510***				

Source: Survey Data (2021)

According to Table (7), there is negatively significant effect of reward power on dominating conflict handling style. Giving a reward to an employee, especially it gives regularly to all employees, can expect to get them in the future similarly. This can decrease the power of the reward and dominating the employees as they begin to understand as simply part of their regular benefits. Then, expert power has slightly effect on dominating style when handling the conflict.

Table 8. Effect of Leader Power on Obligating

Model	Unstandardized Coefficients		t	Sig	VIF
	B	Std. Error			
(Constant) Obligating	.211	.500	.421	.675	
Expert Power	.533***	.123	4.344	.000	3.547
Referent Power	-.019	.151	-.124	.901	3.431
Reward Power	.076	.098	.776	.441	2.293
Coercive Power	.166*	.069	2.411	.091	1.225
Legitimate Power	.179	.108	1.663	.101	1.259
R Square Adjusted R Square F Value	.597 .567 19.298***				

Source: Survey Data (2021)

Results from Table (8) present that expert power has strongly significant effect on obligating style when their superior solve and handle the conflict at the work place. Moreover, coercive power has slightly significant influence on obligating style.

Table 9. Effect of Leader Power on Compromising

Model	Unstandardized Coefficients		t	Sig	VIF
	B	Std. Error			
(Constant) Compromising	1.726	.762	2.264	.027	
Expert Power	.323*	.187	1.728	.089	3.547
Referent Power	.024	.230	.104	.917	3.431
Reward Power	-.074	.150	-.496	.622	2.293
Coercive Power	.116	.105	1.110	.271	1.225
Legitimate Power	.060	.164	.368	.714	1.259
R Square Adjusted R Square F Value	.137 .071 2.062***				

Source: Survey Data (2021)

According to Table (9), the analysis result shows that only expert power effect slightly on compromising style in conflict handling.

Table 10. Effect of Conflict Handling Styles on Behavioral Compliance

Model	Unstandardized Coefficients		t	Sig	VIF
	B	Std. Error			
(Constant)Behavioral Compliance	1.654	.564	2.932	.005	
Integrating	.304**	.138	2.198	.032	5.670
Avoiding	.091	.107	.847	.400	2.595
Dominating	.037	.086	.434	.666	1.668
Obligating	.375**	.156	2.399	.019	3.988
Compromising	-.138	.106	-1.306	.196	1,981
R Square Adjusted R Square F Value	.502 .463 13.083***				

Source: Survey Data (2021)

The results shown in above Table (10) indicate that integrating and obligating conflict handling styles have the effect on behavioral compliance at 5% significant level. Therefore, employees are more compliance with behavior to their superior when their superior practice integrating and obligating styles in handling conflict than any other conflict handling styles.

CONCLSION

Based on finding, superior uses all the leader powers at the workplace but legitimate power is more useful for them. Hence, these organizations could use different practices to make the authority of HR professionals, such as writing more detailed job descriptions for them and their subordinates. It would also be beneficial to define clearly the job responsibilities of HR professionals. The results present that it needs to be attention to the leader's cooperative behavior especially in integrating and obligating. These two types of handling styles are more satisfying to their subordinates. Furthermore, leader's avoiding conflict handling style should be used in careful because this style makes the subordinate's attitudinal and behavioral compliance negatively. But if it is necessary to practice, leader should use it in such cases that the issues are either important or the costs related with challenging someone outweigh the benefits. Using of leader power and conflict handling management are especially important for today professional especially in HR practitioners because they concern all the HR conflicts within the organization. The findings from this research practically support the influence of leader power and conflict handling styles on subordinate compliance.

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