CHAPTER 1
INTRODUCTION

1.0 OVERVIEW

Conflict is neither good nor bad, but it is just simply a fact of life, including a business’s life. According to (Reitz, 1977, p. 431), conflict can be described as a breakdown or disruption in normal activities in such a way that the individuals or groups concerned experience difficulty in working together. The topic of this research paper is “Conflict Diagnostic and Resolution (A case study in a property management organisation)”. Organisational diagnostic models are designed to assist organisational development practitioners (Burke, 1994, quoted in Lok & Crawford, 2000) to:

- categorise data about the organisation;
- enhance understanding about organisational problems;
- interpret data systematically;
- provide appropriate change strategies.

So, in short a diagnostic model is a conceptual framework that is used to help people understand organisations. Through the diagnosing process, it helps people to understand how the organisation is currently functioning and it provides the information necessary to design change interventions (Cummings and Wolley, 2001, p. 82). Therefore, conflict diagnostic involves planned and systematic procedures for acquiring information about the team members in the organisation that is being studied.

The second area in this research is the conflict resolution where it involves terminating conflict by methods that are analytical and getting to the root of the problem. Conflict resolution, as opposed to mere management or settlement, points to an outcome that, in the view of the parties involved, is a
permanent solution to the problem (Tillett, 1992, p. 123, quoted in Appelbaum, Abdallah & Shapiro, 1999). It is important for any managers to know and understand the basic kinds of conflicts and their underlying sources. This is because they must have a clear picture of a conflict situation when they are faced with one. Perception of conflict alone is not sufficient for making considered action decisions (Appelbaum et al., 1999). The manager has to confirm and assess the existence of conflict and the root that causes conflict before engaging into the appropriate intervention to address the issue of conflict.

Traditionally, conflict within an organisation has been seen as a sign of problem arising in the organisation. This is due to the fact that humans are unable to understand the nature of conflict. Majority always relate it to destructiveness, uncomfortable relationships, violence and war. As a result, humans usually try to avoid confronting conflict at the early stage rather than addressing to resolve it, which eventually lead to escalating of the situation. Conflict refers to a process of social interaction involving a struggle over claims to resources, power and status, beliefs, other preferences and desires (Appelbaum et al., 1999). So, from the definition of conflict as stated above, we can summarize that conflict in fact exits everywhere where two or more people are gathered together.

The implementation of resolutions for conflicts must take into cognisance the concept of self-regulation and self-organisation spiral (Yolles, 1999, p. 142) and the concept of emergence, which often behaves in surprising and unpredictable ways (Bonabeau, 2002). This will bring us to the fact that conflict cannot be totally eliminated but it will reoccur again and once again lead to disorder in the organisation. This is because circumstances and individuals change, with such changes creating the possibility of creative and positive growth. It presents new and different possibilities. It shifts the paradigm of the status quo. Managers who try to eliminate conflict will not last long, while those who manage it well will typically experience both organisational benefits and personal satisfaction (Darling and Fogliasso, 1999).
1.1 OBJECTIVE OF STUDY

The objective of this study is to provide a detailed diagnostic of the causes of conflict and identify the major causes of conflict in the organisation that needs intervention strategies using the Yusof Omar's Conflict Diagnostic And Resolution Model (2002) (Unpublished manuscript, University of Malaya, Kuala Lumpur).

1.2 SIGNIFICANCE OF THE STUDY

Many studies have been conducted in the areas of conflict in various countries, however there are limited local evidences in the study of conflict. For instance, Jamilah Othman (1997) conducted a study on handling conflict with organisational members where seven Malaysian Malay women were interviewed on their experiences in handling conflict from their own perspectives within the context of the organisation. Another study on conflict management styles was researched by Wong Chai Kee (1989/1990) who attempted to make a comparative assessment of the influence of Eastern culture and the organisation on the conflict management styles of Singapore executives.

Through this study of "Conflict Diagnostic and Resolution (A case study in a property management organisation)" it is expected to provide an in depth testing of the Conflict Diagnostic And Resolution Model in the context of a local company in Malaysia. From this study, it would be able to provide some insights as to how critical is the level of conflict in the organisation and whether intervention strategies are required in the organisation to encourage a better performance. In addition, organisation today needs to know how best to minimize the destructive effects of conflict and they also need to know how best to reap the benefits of conflict that exist in the organisation rather than always perceiving conflict as having a negative impact to the organisation.
1.3 SCOPE OF THE STUDY

This study will look at a local small size company that deals with facilities management services. The company is situated in Damansara Uptown, Selangor. The total sample size taken in this study is 42 employees which comprised of 4 upper level management staffs, 9 executives, 1 secretary, 2 assistants, 2 clerks, 1 supervisor, 4 chargemans, 3 building technicians, 7 wiremen, 1 store keeper, 1 painter, 1 BAS operator and 6 gardeners.

1.4 LIMITATIONS OF STUDY

The limitation of this study is that it is only researched on one local company, SHCFMSB. The diagnostic carried out is based on the sample obtained from the company and the intervention strategies to be recommended will also be confined to the result from the study in the company itself. The data collection method is based on participant observation, which may tend to over generalize a character or attitude during the observation period.

1.5 ORGANISATION OF STUDY

Chapter 1 of this paper comprises the introduction of the study which gives an overview of the study, purpose and significance of the study, scope of the study, limitation and a brief background of the organisation selected for this study.

Chapter 2 reviews some of the studies conducted by other researchers on this topic or studies related to this topic.
Chapter 3 discusses the research methodology, such as sample design, data collection method, selection of measures and data analysis technique.

Chapter 4 will present the results of the study, which will cover the interpretation of the findings from the empirical analysis of this study.

Chapter 5 will conclude the findings of the analysis and presents recommendation for interventions.

1.6 ORGANISATION SELECTED FOR THIS STUDY

SHCFMSB was incorporated in 1972 but only started its operation in 1997. It is a local private company providing facilities management services to property owners. Basically the company is concentrating in managing properties owned by their holding company.

SHCFMSB has a total of 42 employees. The company is managed by the Senior Vice President who reports directly to the Executive Vice President and Executive Director. There are three main departments in SHCFMSB, which are the Property Marketing Department, Property Maintenance Department and Property Administration Department.

Presently they are managing three commercial office building having more than 1,000,000 sq ft, a multi storey car park building with 100 hawkers stalls, 39 shop houses and 11 link houses.