

Effect of Intragroup Conflict on Perceived Group Performance with Mediation Role of Functional Diversity

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Abstract

The goal of this study is to survey how intragroup conflict affects how well a group performs, with the functional variety of middle- and top-level personnel in a company serving as a mediator. The population of Oil and Gas Development Corporation Limited Pakistan was determined to be the medium and senior level personnel. The 160 middle and senior level employees were chosen as a convenience sample. The outcomes of the mediational variable demonstrated that in situations when there is task conflict, relational conflict, or observed team performance, there is no functional variation mediation. Thus, it was determined that both the similarity attraction theory and the self-categorization theory provided strong support. The study reinforced the idea that while companies may prevent conflicts in a bad way, disagreements should still be taken into account and directed for greater team effectiveness.

Keywords: Intragroup conflict, Oil and Gas, Corporation, Pakistan

Introduction

Groups with well-designed variety are better equipped to engage in productive disagreements and conflicts about their work that advance both single and collective performance. According to a functional theory, diversity improves managerial performance by enhancing decision-making, problem-solving, and eventually output quality. Functional assortment has a variety of implications in virtual environments. While Peters and Karen (2009) demonstrate that functional diversity is positively connected with group achievement. Kankanhalli and Tan (2006) find that functional diversity may produce conflict. This diversity is crucial to the internal dynamics of organisations. The relationship between functional variety and group outcomes has frequently been discussed in terms of social classification theory (Williams & O'Reilly, 1998).

Everywhere there are two or more individuals present, there will be conflict. People will always disagree and have different opinions. Intragroup conflict is one of the main kinds of behavior in an organization. Whenever, members of one group engage in group or individual interactions with the other group or a member of that group, it occurs (Bornstein, 2003). A dispute is defined as an intractable relationship between at least two individuals in which one suffers harm and the other either unintentionally commits the harm or chooses to disregard it. Both good and negative influences on the effectiveness of the group might result from intragroup conflict. Furthermore, this is dependent on the workplace environment and company culture. Conflict within a group may affect how well a group functions in various Pakistani organizations.

Literature Review

Intergroup skirmish is a particular type of conflict that happens between people who are part of a group that has similar interests, objectives, or other defining traits. It can occur on a local or big scale, for example, within a corporation or amongst members of a certain

community. Issues can be resolved in an institution with strong working connections, though. Some of the working institutional environment can be observed the reasonable nature of the social activities in intra - team disputes and the capacity to work organized and prevent needless envy (Leibbrandt & Saaksvuori, 2010). There are several signs of disruption in situations when there is conflict among groups, including ineffective or inaccurate communication, stereotypes, pressure, violence, and threats, as well as little drive to improve interpersonal engagement (Fisher, 2004). According to Jehn and Mannix (2001), there are two categories of intragroup conflict: (1) Connection; (2) Task. Activity conflict is the recognition of divergent perspectives and ideas with regard to a teamwork. Conflict in relationships results from a recognition of interpersonal incompatibility.

Task conflict and Perceived Group Performance

Desivilya et al. (2010) stated task conflict is the recognition of divergent viewpoints and perspectives with regard to the work-related activities in an organization. Task conflict, however, seems to be connected to the wise cooperative intergroup strategic decision of integrating. According to Brodbeck (1996), "performance" refers to behaviour that is pertinent to the group's set targets. As a result, he places more emphasis on the process aspect of results. Pickens (2005) asserts that disagreements can lead to novel ideas or stronger team dynamics, which improve teamwork.

According to the expectancies theory put forth by Berger and Wegner in 1980, group members generate expectations about how well each member will do their assigned duty in the future. Once established, these expectations ultimately govern how the group interacts. According to Jehn and Mannix (2007), group differences, or how the groups behave to attain their set targets, are a part of conflict. While workplace incivility is detrimental to team effectiveness, task conflicts are advantageous. Intergroup conflict has been shown to lower group effectiveness (Son, 2012).

Relationship conflict and Perceived Group Performance

An understanding of interpersonal incompatibility was used to define relationship conflict. Relationship conflict, according to Jehn et al. (1999), has essential aspects. It contains internal struggles like dislikes and negative emotions like annoyance, etc. Relationship conflicts occur when participants disagree or are incompatible about matters that are not task-related but instead centre on personal problems. Relationship disputes over social gatherings, rumours, fashion preferences, political beliefs, and hobbies are regularly recorded (Jehn, 1999). This kind of disagreement is frequently accompanied by hostility and irritation among team members (Pelled, 1996).

In contrast to good performing groups, those with low performance generally face very high levels of all sorts of conflict during their working process, who experienced much lower levels of conflict due to smaller differences in the complexity of their tasks, relationships, processes, etc (Abbink et al., 2010). Extremely detrimental process issues such a lack of coordination, cooperation, and cohesiveness can be brought on by relationship conflicts (Brewer, 1996). Increased communication regarding misunderstandings and preconceptions can sometimes help to overcome this problem. In his explanation of the relation between intergroup conflict and team performance. Hjerto (2006) adds fresh information to what is already known. Jehn and Chatman (2000) holds the opinion that relationship friction reduces team members' cooperation.

Mediating Role of Functional Diversity

Functional variety has been shown by Pelled (1996) to enhance task conflict. High performance is the result of this automatically. According to Jehn and Mannix (2007), conflict develops gradually and intensifies as the group works on the project. Cox (2003) holds a similar opinion. Bantel and Jackson (1989) published a study to better understand how functional diversity leads to successful group results. They focused on one factor, cognitive conflict. Diversity, according to (Fisher, 1990), continuously raises turnover. The relationship between functional diversity and group outcomes has frequently been explained using the social categorization theory (Williams & O'Reilly, 1998).

According to the social categorization theory, people tend to give higher ratings to those who are in the same functional categories as them in order to maintain high levels of self-esteem. They would simultaneously downgrade their assessments of other groups and ascribe unfavourable traits to them (Flynn et al., 2001). Theoretical presumptions claim that workplace diversity can have both beneficial and detrimental impacts. Actually improving social bonds and performance when diversity is reduced (Christian et al., 2006).

Various academics have emphasized the significance of task conflict as a sign of differences on the task completed (Jehn et al., 1999). It is hypothesised that diversity may encourage task conflict due to the disparities in perspectives, concepts, and views that is associated with. Task conflict was another finding that moderated the association between informative diversity and collective efficacy. Stewart (2006) discovered data supporting the relationship between operational background variety and task conflict. Some research, which support this analysis, discovered a link between greater task conflict and variety. Task conflicts were primarily caused by functional variety.

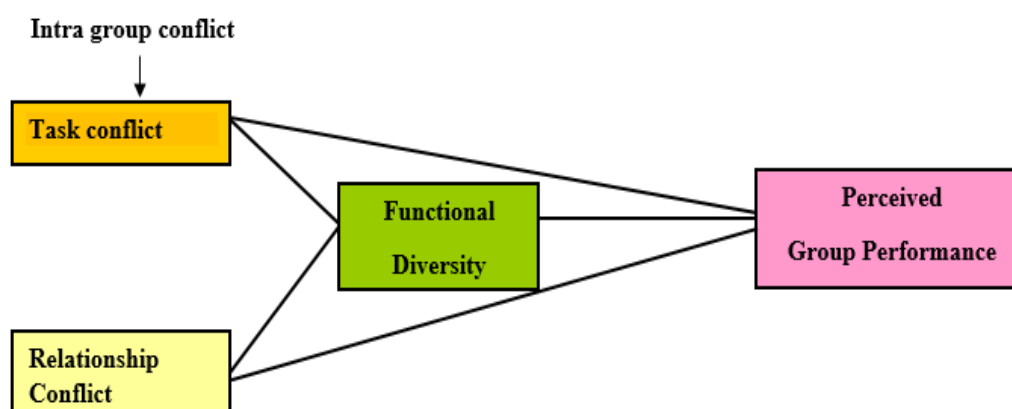
According to Kankanhalli and Tan (2006), task conflict may be caused by functional variety. When persons with diverse functional backgrounds collaborate, their varying training and experiences may result in differing belief systems. Functional diversity, according to King, Hebl, and Beal (2009), was linked to task conflict, whereas ethnic diversity and organisational tenure were linked to emotional conflict. It has been demonstrated that greater functional variety increases conflict, reduces cohesiveness, complicates internal communications, and impairs coordination within the team. However, it was also found that functional diversity increased the team's depth of knowledge and level of expertise.

Relationship conflict has been demonstrated to have a generally unfavourable impact on both real and perceived productivity (Kreisberg, 1998), such that there is a strong negative correlation between relationship conflict and performance. According to the similarity-attraction theory, one of the most popular hypotheses in cross-functional research, there is a consistent link between functional traits and behaviour. This hypothesis states that members of a group that are demographically diverse (including functional diversity) are reluctant to collaborate with one another because they perceive one another as being unlike them and hence label one another as out-group members (Chatman & Flynn, 2001). Aside from that, these groups performed better and had stronger diversity attitudes. Conflict and performance are influenced by functional diversity but more by the team members' attitudes about their functional variety (Eindhoven, 2011).

The association between functional diversity and group creativity is mediated by task conflicts and relational conflicts. Group innovation may also be negatively impacted by functional diversity that can be addressed by interpersonal conflicts (Jehn, 1995). Functional diversity is far less likely to intensify interpersonal difficulties given strong group affiliation. On the one hand, interpersonal problems brought on by functional variety may become less common as a group grows older since cooperation and the adoption of varied group norms may increase a group's capacity for trust and cooperation (Gruenfeld et al., 1996; Jehn & Mannix, 2001).

Objectives

The study was designed to determine the effect of intragroup conflict on perceived group performance with the mediation role of functional diversity in middle and top level employees working in OGDCL, Pakistan.



Research Methodology

The purpose of the study was to investigate the impact of intragroup conflict on group performance and to determine whether functional diversity acted as a mediator. Relationship conflict and task conflict were considered to be different aspects of intragroup conflict. Group performance was the dependent variable, and intragroup conflict was employed as the independent variable. Functional diversity was used as the mediating variable. The middle and top level employees of Oil and Gas Development Corporation Limited Pakistan were taken as population. The sample of the study comprised 160 employees, middle and top level working in the OGDCL, Pakistan. There are 160 employees, 50 from each organization were selected as sample of convenience. 160 questionnaires were complete in all respects and were used for data analysis.

A closed-ended questionnaire containing the items from four different questionnaires on task conflict, relationship conflict, perceived group performance, and functional diversity has been created for the aim of gathering data. Using a conflict questionnaire created by Jehn in 1995 and examined two variables related to intragroup conflict: task conflict and interpersonal conflict. Conflict in the workplace and in relationships is measured using 10 items with a Likert scale of 1 to 5 (strongly disagree to strongly agree). The group performance questionnaire, which contains five items on a five-point Likert scale ranging from strongly disagrees to strongly agrees, was used to measure group performance. The questionnaire was used to gauge functional variety.

Descriptive and inferential statistics, correlations, and regressions have all been used to analyse the data. In order to determine if the mediating variable mediates the link between the independent and dependent variables. 160 staff members from the three OGDCL Pakistan branches chosen as a sample received the surveys. A total of 160 questionnaires were distributed in various ways to the senior managers and officers of OGDCL.

Results

Table 1

Descriptive Statistics of the Study

Variable	N	M	SD
Task Conflict	160	16.5625	3.58138

Relationship Conflict	160	14.1313	2.85966
Perceived Group Performance	160	11.9563	3.34278
Functional Diversity	160	11.8000	3.38847

The values and standard deviation of the variables generated in the aforementioned table are displayed in the descriptive statistics. The median of the variables shows where the majority of the responses fall in relation to one another. Task and relationship conflict, perceived group performance, and functional diversity all have mean values of 16.5625, 14.1313, 18.0438, and 18.2000, respectively. With a sample size of 160, these variables' standard deviations are 3.58138, 2.85966, 3.34278, and 3.38847, respectively. This indicates that the majority of responses on these variables fall into agree.

Table 2*Bivariate Correlation among Variables*

Factors	1	2	3	4
1. Task conflict	1			
2. Relationship Conflict	-.604**	1		
3. Perceived Group Performance	-.228**	-.207**	1	
4. Functional Diversity	.350**	-.193*	.520**	1

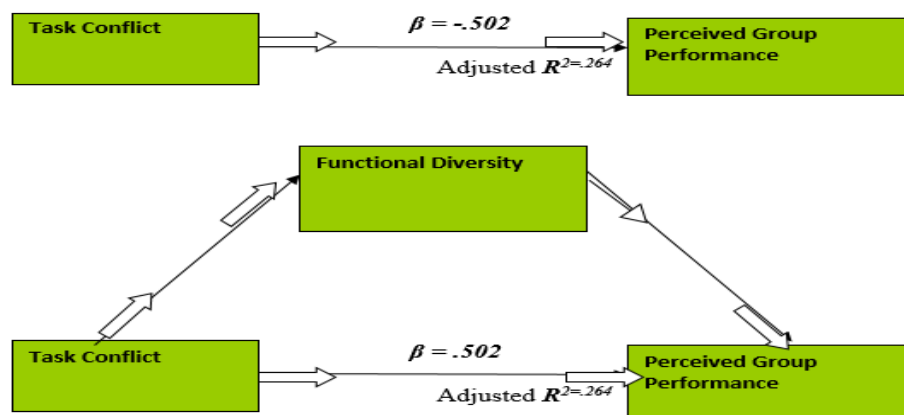
Note: **Correlation is significant at the 0.01 level (2-tailed)

Table 3*Mediating role of Functional diversity between task conflict and perceived group performance*

Predictors	B	Std.Error	Beta	t-values	p-values
Constant	6.917	1.641		4.215	.000
Task Conflict	-.048	.068	-.052	-.715	.476
Functional diversity	.495	.072	.502	6.908	.000
F= 29.451	R ² =.273		Adjusted R square=.264		

Dependent Variable: Perceived Group Performance

*p ≤ .05, **p ≤ .01, ***p ≤ .001

Figure 1

Keeping in view the conditions, the first condition was fulfilled. Therefore, the mediation role was directly accepted. Therefore, the functional diversity mediates the negative relationship between task conflict and perceived group performance. So this hypothesis is accepted.

Table 4

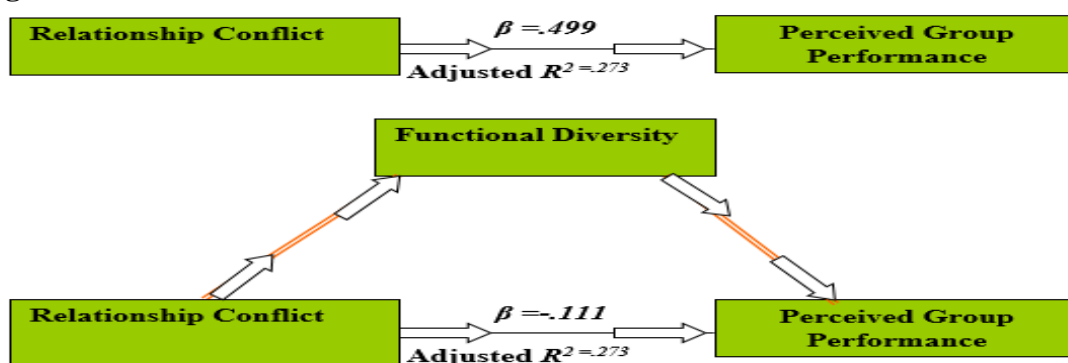
Mediating role of functional diversity between relationship conflict and perceived group performance

Predictors	B	Std.Error	Beta	t-values	p-values
Constant	7.990	1.530		5.222	.000
Relationship Conflict	.492	.068	.499	7.237	.000
Functional diversity	-.130	.081	-.111	-1.615	.108
F= 30.888	R ² =	.282		Adjusted R square=.273	

Dependent Variable: Perceived Group Performance

* $p \leq .05$, ** $p \leq .01$, *** $p \leq .001$

Figure 2



As long as all three requirements were met, the mediation analysis was performed. A significant negative mediation of the functional diversity between relationship conflict (from $\beta = .499$, Adjusted $R^2 = .273$, $p < .001$ to $\beta = -.111$) and perceived group performance was found, taking into consideration the parameters outlined.

Discussion

According to Flynn and Chaatman (2001), the social categorization theory and similarity attraction theory supported the idea that functional variety could help reduce intergroup conflict and improve perceived group performance. The expected group performance is represented by expectation theory (Berger & Wegner, 2007). To define various intragroup conflicts, including relationship and task conflicts. Jehn (1995) suggested an intragroup relation method. In the current study, the application of these theories and methods was seen. Task conflict, relational conflict, and functional diversity all significantly positively correlated with perceived group performance, according to the regression analysis and bivariate correlation.

Task conflict and functional diversity among the group members were found to have a substantial positive association, according to the empirical investigation. In cross-functional groups, it has been discovered that task conflict is a direct outcome of the varied functional backgrounds present. Functional variety shapes conflict, and conflict, in turn, determines performance, according to Pelled et al. (1999). Conflict was an independent variable in the research task that had a 12.2% ($p < .01$) impact on the dependent variable, functional diversity.

Functional diversity and task conflict exhibited a significantly significant positive connection (.350**).

According to various studies (Williams, O'Reilly, 1998; Sommer, 2008), interpersonal conflict and functional diversity are negatively correlated. These results corroborate those of Knight et al. (1999), who discovered a negligible link between functional diversity and relationship conflict. Conflict was an independent variable that had an effect on the dependent variable functional diversity by 31% ($p < 0.01$) in the investigation. Relationship conflict significantly correlated negatively (-.193**) with functional diversity.

Several researchers concur that task conflict and perceived group performance have a positive association (Amason, 1996, Jehn, 1995; Pelled et al., 1999). This study added to the preceding findings by showing a strong negative relationship between perceived group performance and task conflict. The present study's mean value of task conflict, which was 17.2 on a five-point Likert scale, was further corroborated by in-depth analyses by Jehn (1995). Task conflict was found to have a negative impact on middle and top level employees' perceptions of the effectiveness of their groups within the business.

Given that they also discovered a link between interpersonal conflict and perceived group performance, the findings are consistent with Knight et al. (1999) and Jehn (1995). The literature evaluation for this study, however, reveals a contradiction between interpersonal conflict and perceived group performance that was detrimental. Relationship conflict would have a negative impact on group performance, according to the studies cited in this study's analysis of the literature (Desivilya et al., 2010). In the research relationship conflict was independent variable which affect 37 % ($p < 0.01$) on dependent variable perceived group performance. Relationship conflict had highly insignificant negative correlation (-.207**) with perceived group performance.

The statistical findings demonstrated that functional diversity modulates the association between perceived group performance and task conflict. These findings corroborate those of Pelled et al. (1999), who discovered that functional diversity was positively related to employee task conflict. Additionally, the results of this study support those of other researchers who discovered a connection between variety and higher task conflict (Jehn et al., 1999; Pelled et al., 1999). Many studies have also shown that conflict-driven work groups participate in functional variety, and that this work group coordination boosts perceived group performance (Kankanhalli & Tan, 2011).

Different researches discovered a negative association between relationship conflict and perceived group performance among middle level and high level personnel in the organisations as a mediator of functional diversity. (Jehn, 1999; Jehn et al., 1999). Group performance was less affected by intergroup conflict when functional diversity was used as a mediator. As a result, functional variety has a minor mediating effect on the connection between intragroup conflict and group effectiveness.

Conclusion and Recommendations

In light of the fact that it promotes a fruitful interchange of ideas and viewpoints, it is determined that a certain amount of task conflict is good for group performance. This process results in a more thorough understanding of the problems and examination of various solutions, which may result in more informed decisions. The task conflict's result, functional diversity, results in groups with high levels of group performance because these groups are satisfied with the task conflict. In contrast, groups that are unsatisfied with relationship conflict exhibit lower levels of group performance. Relationship conflict results in functional diversity, which in this case contributes to poor levels of perceived group performance. The connection between task conflict, relational conflict, and group performance was finally mediated negatively by functional diversity.

Functional diversity is important for group success because it takes into account variances in the employees' knowledge, abilities, values, beliefs, attitudes, cognitive styles, and behavioural patterns. The advantages of functional diversity include more possibilities to identify errors, unearth important information, and suggest alternative solutions. The perceived group performance of organisational medium and high level employees is significantly influenced by task conflict, interpersonal conflict, and functional diversity, which is supported by group relationship approach. Thus, task conflict among organisational personnel OGDCL enhanced their perception of group performance, while (Jehn, 1995) supported the idea that there was a substantial negative link between perceived group performance and conflict in the study. This suggests that functional variety significantly contributes to task conflict and relational conflict in organisations, which both increase group performance.

The current hypothesis model thus proved the mediating role of functional diversity on the basis of the theoretical underpinnings. According to the study's findings, there is a link between task conflict and perceived group performance that is mediated by functional diversity. High levels of mediation are seen in all of these relationships. A study should be conducted for other employees, such as low level employees, as it is only confined to middle level and top employees of firms. For the purpose of potential generalisation, a larger sample size could be considered for the future research. The current study only looked at four variables, but others might be added to examine how they affect how well a group is judged to be performing.

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