ORGANIZATIONAL CONFLICT MANAGEMENT IN THE DIGITAL ERA IMPACT ON PERFORMANCE

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DOI: Received 20 June 2024, Accepted 25 June 2024, Available Online 29 June 2024

ABSTRACT

When a conflict arises within an organization, the cause is always identified as poor communication. Similarly, when a bad decision is made, ineffective communication is always to blame. Conflict management is a series of actions and reactions between actors and external parties in a conflict. This study is to look at the relationship between organizational conflict management in the digital era and its impact on performance. Organizational conflict management theory, digital era theory and performance are studied on an approach oriented to organizational management, communication from actors and external parties and how they affect performance

ARTICLE INFO

Keywords:
Organizational Conflict Management, Digital Era, Performance
1.0 INTRODUCTION

1.1 Background

Humans experience conflicts within groups, individuals and within societies where conflicts are highly varied. Humans have always been interested in conflict, the study of conflict dates to Ancient Time. Conflicts in the historical period were an important aspect of social bonds, interactions and relationships with humans, but only now have they been formed into sciences and disciplines.

Robbins (2016), defines conflict as "Conflict is a condition in which there is a mismatch of goals and the emergence of various behavioral conflicts, both within individuals, groups and organizations". This is influenced by disagreements, incongruities and the existence of other symptoms that cause the two to conflict with each other.

Conflicts are categorized based on structure, process, resources, people, and rewards. Conflicts arise at the individual level, such as role conflicts, role ambiguities, and role overload. Administrative procedures, personnel resources, scheduling, and personality issues arise at the organizational level.

The development of technology in the digital era has many positive benefits when used appropriately and efficiently. The convenience offered by technology greatly facilitates everyone's activities, especially with today's lifestyle in the digital era that emphasizes simple living, that the emergence of technology can give rise to information instantly so that information becomes one of the basic needs in addition to the need for clothing, food and boards. Not only positive impacts, but the influence of technology on human life also has a negative impact (W. Adiansah et al., 2019).

Technology in the digital era has had a great influence on humans. Screen technology makes itself excluded from a basic need. Humans have become slaves to technology. Based on a survey conducted by Secur Envoy, a company specializing in digital passwords, which surveyed 1,000 people in the UK, the results showed that today's people experience nomophobia, which is a feeling of anxiety and fear if they are not with their mobile phones (N. Natashya and D. Basaria, 2021).

Hatch, Mary Jo (2017), defines the concept of organization in several environmental segments, namely: culture, social structure, physical structure, and technology. In the technology sector, it is explained about the combination of knowledge and information that develops organizations in producing products and services. Observing how an organization is in the information age is actually not a new thing. Technology has been a history since the organization was born. This is reinforced by Kenneth and Jane Laudon who describe the relationship between organizations and information technology through several mediating factors such as environment, culture, structure, procedures, business processes, politics, management decisions, and change (Laudon et al., 2018). Figure 1 illustrates an organization as a process of transformation from input/input to output/output:
The impact of the digital era in the culture of organizational conflict management is such as the impact of the environment, culture and structure are some of the factors that are greatly influenced by the development of information technology. The concept of knowledge-based change has caused many shifts in the world of work today. From a "disciplined" work culture to a work culture with "home and amusement" nuances. From a "functional" structure to a "matrix" structure. And from the "waterfall" methodology to the "Agile and scrum" methodology.

Conflict management in the digital era is a series of actions and reactions between actors and external parties in a conflict. Conflict management in the digital era includes a process-oriented approach that directs to the form of communication (including behavior) from actors and external parties and how they affect interests and interpretations. For outside parties (outside the conflict) as third parties, what is needed is accurate information technology about the conflict situation. This is because in the digital era, effective communication between actors can occur if there is trust in third parties. Conflict management is the steps taken by actors or third parties to direct disputes towards certain outcomes that may or may not produce an end in the form of conflict resolution and may or may not result in calmness, positivity, creativity, consensus, or aggressiveness (Ross, Joel E., 2017).

1.2 Problem Statement

The understanding of conflict management is inseparable from the management of conflicts that occur in an organization to be functional and useful. According to Rusdiana (2022), that "Conflict management is the art of managing and managing conflicts that exist in an organization so that it becomes functional and beneficial for increasing organizational effectiveness and achievement". The company in the organization is the responsibility of every employee, in which it is expected that in the era of digitalization, it will be able to adapt well to their work, such as the ability to communicate with fellow workers so that the work productivity of employees in it increases. The impact of conflict management is such as employees who disagree with fellow employees. This is characterized by the existence of employees who have a perception that is not in accordance with their wishes for what their colleagues do, such as in the implementation of work methods that are unacceptable to be carried out through the methods recommended by the employee. The existence of a conflict because of a difference in perception between two or more parties (Afandi 2018) Furthermore, the lack of openness of superiors to employees thus causing a conflict that causes differences of opinion between superiors and subordinates.

This is characterized by employees not fully accepting any policies mandated by their superiors. There are employees who have not shown maximum work productivity. This is also characterized by the ability of employees to do the tasks given by the organization, which are still constrained in completing these tasks due to mastery of work procedures and lack of
knowledge of the use of technology in operating computers. This has bad consequences for the organization because employees disagree with fellow employees, lack of openness from superiors to subordinates, and work productivity that has not been maximized. Therefore, the role of organizational management is needed in solving this problem so that employees in the organization can show work productivity in accordance with organizational goals.

Therefore, it is very important to study conflict management in the digital era that has an impact on employee performance which will encourage understanding of problem-solving prevention that will cause conflict management and employee stress. By avoiding conflicts that are detrimental to the company's work productivity and solving problems that cause employee stress, it will make the company in a stable condition when carrying out employee performance activities. The increase in profits received by the company will strengthen the company in business competition.

1.3 Research Objectives

The purpose of the study is to look at the relationship between organizational conflict management in the digital era and performance.

1.4 Research Benefits

The expected benefits of this study are:

1. Academic Benefits-Academically, this research can be used as a contribution to further study for students or parties conducting similar research.

2. Practical Benefits-This research is expected to be used as input and information to parties interested in looking at organizational conflict management in the digital era and its impact on performance.

2.0 LITERATURE REVIEW

According to (Kusworo, 2019), conflict comes from the word confligere, conflictum (clashing), which is all forms of clashes, collisions, inconsistencies, incongruities, conflicts, fights, options and antagonistic interactions that are opposite. Basically, conflict can be defined as an antagonistic psychological relationship, a hostile emotional attitude, a different value structure, antagonistic interaction, open, in the form of subtle, controlled, hidden, indirect resistance (Efferi, A. 2021). Conflict can also be defined as a situation where there is a controversy between values or goals. Organizational conflict is a conflict that arises when the goal-oriented behavior of one group is contrary to or threatened by the goals of another group. Basically, a conflict is any type of conflicting interaction or hostility between two or more parties. More broadly, conflict is closely related to the motives, goals, desires, or expectations of two individuals or groups who are unable to act simultaneously. The existence of such disagreement can be in the form of disagreement with the set goals or the way of achieving these goals.

Conflict is a unique reality that is an integral part that is recognized and always related to all aspects of human life (Wahyudi, A. 2020). From some of the above understandings, it can be concluded that conflict is the result of misunderstandings and mismatches between individuals or groups to achieve the goals produced.

2.1 Conflict Management Relationship in the Digital Age of Organizations and Performance Impact

Singh (2019), stated that employee engagement plays a very important role in an organization when it is desirable for high productivity, high-quality services and rapid strategic improvement, role and company performance. In this 21st century, technology plays a very important role in collaborating the preferences and roles of organizations with employees working within the organization, so that common goals can be achieved effectively and efficiently.
Every organization has problems with conflicts between employees in terms of conflicts of behavior, attitudes within individuals, groups and organizations. Robbins (2016), stated that this can provide two things, namely an increase in employee work productivity because they compete with each other to show good performance in the organization. On the other hand, when this happens, there is a decrease in employee productivity. Therefore, conflict management is needed in terms of overcoming and improving employee relationships with other employees to maintain and increase organizational productivity.

Conflict management in the digital era can be interpreted as a process of action and reaction to the impact of digitalization taken by conflict actors or third parties in a rational and balanced manner, with the aim of controlling the situation and conditions of disputes that occur between several parties. Conflict management in the digital era can be measured through work coordination, motivational strategies, capabilities, and fair policies. Conflict management in an organization that is able to unite employees' differences will affect the work results of the employees themselves.

Organizational Structure in the Digital Era describes the level of organizational complexity and environmental uncertainty as a phase of organizational development in the information technology era (Husaini et al., 2019).

1. The more complex the organization and the higher the degree of environmental uncertainty, the more focused the organization will be on its core competence and will build cooperation with other organizations (collaboration and commitment). Case Study: Ogilvy, the largest advertising/advertising company, Applegate describes the level of organizational complexity and environmental uncertainty as a phase of organizational development in the information technology era.

2. The more complex the organization and the higher the degree of environmental uncertainty, the more focused the organization will be on its core competence and will build cooperation with other organizations (collaboration and commitment). Case example: Ogilvy is Indonesia's largest advertising/advertising company that is responsible to the country director for Asia-pacific who is directly responsible to the head office in the United States, or the position of Project Director/Manager, and so on.

3. Share risk. The higher the revenue you want to get, the higher the risk you will face. Through joint ventures or strategic alliances where a mutually beneficial collaboration occurs, the risks that will be faced can be minimized. As in the previous case, Ogilvy Australia conducted a strategic partnership with a company in Indonesia, or PT Bank Mandiri outsourced its information technology to the Malaysian company Silverlake as part of a mutually beneficial collaboration.

Employee Performance, Employee Performance comes from the word job performance or actual performance which means work achievement or actual achievement that is intended to be achieved by a person who in terms of quality and quantity is achieved in carrying out his function with the responsibilities given to him (Nassal:2021). Employee performance is an achievement or work result in an activity that has been planned to achieve the goals and objectives that have been made by the organization and implemented within a certain period. According to Afandi (2018) employee performance indicators are as follows:

1. Work quality, which is measured from employees' perception of the quality of the work produced and the perfection of tasks to employees' skills and abilities systematically according to the demands of knowledge and technology that are growing rapidly.

2. The quantity of work output, the amount of production produced, such as the number of units, the number of activity cycles completed.

3. Attendance, the result of employee activities that are supported by attendance levels and time commitments.

4. Cooperation, a joint activity between individuals or groups to achieve a common goal.
2.2 Factors Affecting Employee Performance

Sedarmayanti (2019), outlining the six main factors that determine workforce performance, are:

1. Work attitudes, such as the willingness to work in shifts, can accept additional tasks and work in a team.
2. The level of skill, which is determined by education, training in management and supervision as well as skills in industrial engineering.
3. The relationship between the workforce and the organization's leadership is reflected in the joint effort between the organization's leadership and the workforce to increase productivity through quality control circles and committees regarding superior work.
4. Performance management, namely: efficient management of work resources and systems to achieve performance improvement.
5. Labor efficiency, such as: workforce planning and adding tasks.
6. Entrepreneurship, which is reflected in risk-taking, creativity in business, and being on the right track in business.

Sutrisno (2019) there are several factors that can affect employee work performance, namely:

1. Training, a training program carried out at an agency encourages employees to work intensively. With employees capable of achievement, it allows the employees concerned to participate in education and training programs.
2. Mental and physical abilities of employees, if employees have a strong disposition and mind and have good health, then every work carried out will be carried out with full responsibility.
3. The relationship between superiors and subordinates, a good relationship between superiors and subordinates and between subordinates, will be able to encourage employees to work together to achieve the desired goals.

Based on the opinions described above, it is concluded that the factors that affect employee performance in the organization are work attitudes, relationships between superiors and subordinates, work skills, performance management, training, wage and salary levels received by employees and occupational safety guarantees.

The consequences of conflict can be destructive and constructive (Setiawan, A. 2019). Destructive conflicts cause harm to the people or organizations involved. Such conflicts usually arise when two members of an organization are unable to cooperate due to hostility between them (destructive emotional conflict) or when committee members are unable to act because they cannot agree on the group's goals (essential destructive conflict). Conflict has two main problems, namely; (a) First, internal conflicts are conflicts that arise within yourself, such as your own beliefs and principles; and (b) second, external conflicts, namely conflicts involving other people and the environment. Conflicts most often arise from incompatibility or differences in values, goals, status, and so on. Regardless of the underlying conflict factors, conflict in an organization shows symptoms when an individual or group displays a "hostile" attitude towards other individuals or groups who focus on activities (Ananda, 2022).

Rusdiana (2022) states that conflicts between individuals in the organization are inevitable but can be used in a productive direction if managed properly. In other words, if conflicts are managed systematically, they can have a positive impact, namely strengthening cooperative relationships, increasing trust and self-esteem, enhancing creativity and performance, and increasing job satisfaction. Rusdiana's opinion provides an understanding that conflicts that occur in the workplace can be managed to create creativity and innovation, as well as develop performance. In other words, a person's performance can be developed or
improved if there is conflict management against employees in the organization. Based on the opinions that have been described earlier, it is concluded that conflict management is able to affect employee performance in an organization. This is characterized by the results of the work shown by the employee as the basis for what impression is made by the management that makes the employee able to communicate well with other employees.

Conflict and effectiveness are closely related but not causal conditions. The level of activity may increase or decrease due to organizational conflicts, depending on the level of understanding of the parties. On the other hand, not all parties that perform well are free from conflict. To find out how conflicts can affect performance, look at the types of conflicts themselves, namely (Alriani, I. M., 2019):

1. Functional conflicts, these conflicts are constructive, namely they can improve the quality of decisions made, stimulate creativity and innovation, attract the attention and curiosity of their members, and become a channel that mediates problems and relieves tensions. This conflict does not allow the group to passively accept decisions that may be based on irrelevant assumptions. This conflict also gave birth to new ideas, namely reassessing the goals and activities of the organization to bring about change.

2. Dysfunctional conflicts. This conflict arises because the other party does not carry out its function properly, thus affecting the overall function. In other words, these conflicts affect the overall performance of the organization. Conflict has many forms, namely:

   1) Domestic conflict: This contradiction stems from the disproportion between one individual and another. The result of this conflict is the emergence of anger and negative feelings of the individual.

   2) Conflict of obligations: This conflict arises due to differences of opinion about the content of duties and work objectives.

   3) Conflict process: This conflict stems from differences of opinion about the division of labor and the tasks that must be performed

Conflict classification makes it possible to understand specific manifestations and find possible ways for resolution. Some of the classification attributes are based on the area in which it appears, by scope, length and tension, by conflict interactions etc. This conflict will result in several types of conflicts such as production and economy, ideological, social and physiological, intrapersonal and interpersonal depending on the classification. If the attribute of the classification is communication, this makes the type of conflict horizontal, vertical and mixed. Kibanof A. Ya (2016) also mentioned a method of ‘conflict management by the leader of an organization’, and this method must also be known by employees. Stage 1: Psychological Preparation for Conflict Resolution, Stage 2: Identification of the real problem that caused the conflict, Stage 3: Searching for possible conflict resolution options, Stage 4: Development and selection of conflict resolution options. Stage 5, Conflict resolution process, Level 6: Conflict resolution process resolution.

Meanwhile, according to (Saladin, T., 2018), conflict management is carried out through consultation, third-party intervention, confrontation, negotiation and compromise.

1) Consideration/deliberation
Negotiations are carried out so that the parties to the conflict find the best solution to the problem at hand, and not to achieve unilateral benefits. The point is that everyone gets what they want so that no party is harmed. The procedure is as follows:

   a) Identify problems by gathering information from the parties to the conflict or those who know about the conflict.
   b) Bring the two parties together in a discussion forum moderated by management.
   c) The manager monitors the implementation of the negotiation results.
2. Third-party intervention
Third-party intervention is necessary when the conflicting parties do not want to negotiate or reach an impasse. For disputes between members not to lead to stagnation in the meta organization, an organizational architecture is needed that resolves internal disputes through external coercion.

3. Confrontation
Confrontation is carried out by bringing together the conflicting parties to get their views directly in a meeting/sidemen, with the leader acting as a facilitator. This method can be used as a rational conflict resolution and must accept the opinions and positions of the other party based on more rational and correct reasons.

4. Negotiation
Negotiation is the management of conflicts through the exchange of agreements with the aim of advancing the interests of both parties in conflict. The purpose of the negotiation process is not to ask the other party to ignore an issue that is important to the group.

5. Compromise
The compromise approach is used to resolve conflicts by finding a middle ground that is acceptable to the opposing side. Implementing compromise requires an attitude that the other party wants to know and understand the other party's situation. Neither party wins or loses, each making a concession or concession. Both sides get what they want, but not completely, and lose, but not completely. Cooperation is widely recognized as the best way to handle conflict. This is called a win-win approach. Both sides must not give up prestigious positions. Instead, both sides are open to each other and seek new, higher goals.

Although explaining the resolution of organizational conflicts as follows (Alriani, I. M. 2019);

1. Mediation
Mediation is the most common form of conflict resolution. It is an independent and impartial person who helps two individuals or groups find a mutually acceptable solution. Mediation can be successful if both parties trust the mediator.

2. Arbitration and Advice
It can be said that the resolution of this conflict is less formal, because the resolution of this conflict is more based on the will or will of the conflicting parties.

3. Other Actions
This conflict management plan first allocates resources appropriately, rather than making sudden and arbitrary allocations.

Based on this statement, it can be concluded that there are eight methods of conflict resolution, namely consultation, third-party intervention, confrontation, negotiation, compromise, mediation, mediation and consultation, and resource mobilization. All these methods are effective if used under certain conditions and with the right steps. Good conflict management allows organizations to function smoothly as desired.

Interpreting conflict management as steps taken by actors or third parties in order to direct disputes towards certain outcomes that may or may not produce an end in the form of conflict resolution and may or may not produce calmness, positivity, creativity, consensus, or aggression. Based on the opinion above, it is concluded that conflict management is an art in managing conflicts due to differences of opinion between one employee and another, where this condition is used to increase the productivity of the employees themselves in the organization.

To empower all organizational resources, both human resources, capital, materials, and technology optimally to achieve organizational or company goals, conflict management is a series of processes that include planning, organizing,
implementing, monitoring, evaluating, and controlling activities (Rusdiana, 2022). According to Rusdiana (2022), conflict management indicators are as follows:

1. Miscommunication. There will be a considerable gap if the information managed by one or more people who receive information is different or does not match the source of the information.
2. Differences in goals, when one or more people have differences in overcoming those goals.
3. Differences in judgment or perception. Inconsistency of values, perceptions and attitudes is often caused by differences in each member's assessment of the organization so that it can cause problems in the workplace.
4. Interdependence of work activities. If two or more people rely on each other to complete their respective responsibilities, then there is work interdependence. Conflicts will arise if one of them is given too much work and if one or more employees have to wait or depend on the other employee's work.
5. Mistakes in affection. If a coworker is treated badly at work, especially in terms of feelings or work environment.

Work productivity is related to the results of an employee's work activity in the organization can be reflected in the output produced both in the form of quantity and quality. Whitmore in Sedarmayanti (2019) views productivity as a measure of the use of resources in an organization which is usually expressed as the ratio of output achieved to resources used. Organizational management wants an employee who is productive in his work, has an attitude of compliance in the field of work and is consistent with work commitments so as to reduce the loss or risk of work in the organization.

2.3 Conceptual Framework

![Conceptual Framework](image)

2.4 Hypothesis

Based on the theoretical basis and the results of previous research that have been presented, the following is a hypothesis that is proposed that there is a significant impact between organizational conflict management in the digital era and performance.

3.0 RESEARCH METHODS

The focus of this paper is to find out how Conflict Management in the Digital Era has an impact on performance. This research was conducted using a systematic literature review or the use of a systematic approach. Secondary data from the library and literature reviews and databases are used for data analysis in this paper. Materials are obtained from published readings and journals.
4.0 DISCUSSION

Conflict management has a significant effect on performance because basically conflict can be defined as antagonistic psychological relationships, hostile emotional attitudes, different value structures, antagonistic interactions, open, in the form of subtle, controlled, hidden, indirect forms of resistance (Efferi, A. 2021). Conflict can also be defined as a situation where there is a conflict between values or goals (Efferi, A. 2021). Organizational conflict is a conflict that arises when the goal-oriented behavior of one group is contrary to or threatened by the goals of another group. Basically, a conflict is any type of conflicting interaction or hostility between two or more parties. More broadly, conflict is closely related to the motives, goals, desires, or expectations of two individuals or groups who are unable to act simultaneously. The existence of such disagreement can be in the form of disagreement with the set goals or the way of achieving these goals. Conflict is a unique reality that is an integral part that is recognized and always related to all aspects of human life (Wahyudi, A., 2020). From some of the above understandings, it can be concluded that conflict is the result of misunderstandings and mismatches between individuals or groups to achieve the goals produced.

The consequences of conflict can be destructive and constructive (Setiawan A., 2019). Destructive conflicts cause losses to the people or organizations involved (Ananda, 2022). Such conflicts usually arise when two members of an organization are unable to cooperate due to hostility between them (destructive emotional conflict) or when committee members are unable to act because they cannot agree on the group's goals (essential destructive conflict). Conflict has two main problems, namely, (a) First, internal conflicts are conflicts that arise within yourself, such as your own beliefs and principles; and (b) second, external conflicts, namely conflicts involving other people and the environment. Conflicts most often arise from incompatibility or differences in values, goals, status, and so on. Regardless of the underlying conflict factors, conflict in an organization shows symptoms when an individual or group displays a "hostile" attitude towards other individuals or groups who focus on activities (Ananda, 2022).

5.0 CONCLUSIONS AND SUGGESTIONS

Conflict is not always detrimental but can also be beneficial in the long run. Meanwhile, according to the interactionist view, conflict is something that must be stimulated, because conflict can encourage changes in the organization. Conflict can change behavior and can make the conflicting parties aware of their mistakes and will be able to improve performance.

6.0 CONCLUSION

Based on the study, the following conclusions can be drawn: (1) Conflict can be interpreted in three senses. Namely, the positive meaning that the organization develops with the presence of conflict, and the neutral meaning that the conflict has no effect on the organization or can only be described as variation. Then the negative meaning where the conflict reduces the effectiveness of the organization to the point of division (2) Handling conflict requires leadership skills. There are eight approaches to conflict resolution: deliberation, third-party intervention, confrontation, negotiation, compromise, mediation, mediation and consultation, and resource mobilization; and (3) individual performance can be negatively affected by conflict, but not all conflicts are adversely impactful; Conflicts can have a positive impact if managed properly.

The creation or transformation of organizations in the information/digital era is something that needs to be carefully observed. Complexity and level of stability are important points in this creation or transformation. Globalization problems, business or technology trends, competitor pressures and customer pressures are all part of the complexity and stabilization problem. But what matters most is how we "redefine" our organization (from structure, methodology, knowledge base, people, responsibilities, and risks) before embarking on a process of transformation into something new.
7.0 RECOMMENDATION

Conflict management is important for companies to survive, because if conflicts are left unchecked, they can cause employee demotivation so that they hinder the development of the company. Thus, the company should further optimize conflict management with several steps, namely by not taking sides with anyone, collaborating with each other to resolve a conflict, getting closer and understanding the differences in nature and character of each other, to create a harmonious atmosphere in the work environment by creating comfort in the organization.

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