

1 A Study of the Relationship between Organizational Conflicts &  
2 Employees' Intention to Leave with Special Reference to Staff  
3 Assistants in ABC Merchant Bank of Sri Lanka

4 Ranitha Weerarathna

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7 **Abstract**

8 Major HR objective of any organization is to maintain or retain employees in the organization.  
9 In other words, all organization expects to minimize the employee turnover to best possible  
10 level. This study mainly focused about the practical issue of employee turnover and  
11 organizational conflicts of ABC Merchant Bank. This study was conducted to investigate the  
12 relationship between organizational conflicts and employees' intention to leave with special  
13 reference to staff assistants of ABC Merchant Bank of Sri Lanka. This research study is  
14 significant to Sri Lankan context as there are fewer studies have been conducted in this field.  
15 In order to fill that gap while finding the solutions to practical issue present study was  
16 conducted at ABC Merchant Bank of Sri Lanka PLC. The research analysis was based on the  
17 information collected from 102 staff assistant which were selected through simple random  
18 sampling.

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20 **Index terms**— organizational conflicts, employees' intention to leave, employee turnover.

21 **1 Introduction a) Background of the Study**

22 After post economic growth in Sri Lanka, banking and financial sector expanded their operations including  
23 north and eastern provinces. As per the Central Bank report ??2015), the banking and financial sector in Sri  
24 Lanka showed improved performance which support to the economic performance. It helped to strengthen the  
25 financial system stability of the country. As per the literature also, Wijesinghe and which recorded tremendous  
26 improvement in recent years. As per the Central Bank statistics, there were twenty five Licensed Commercial  
27 Bank (LCBs) and seven licensed specialized bank (LSBs) by end 2015. And also there were twelve branches of  
28 foreign banks within the total number of Licensed Commercial Bank (LCBs). It also stated that banking and  
29 financial sector helped to economic growth and development by introducing new products and expanding their  
30 branch network.

31 Recently, as per the regulations of Central Bank of Sri Lanka, in the year 2015, DFCC Bank PLC was  
32 merged with DFCC Vardhana Bank to start up DFCC Bank PLC. ABC Merchant Bank amalgamated with  
33 ABC Savings Bank and ABC Financial Services Limited to improve financial stability in the country. As well as  
34 improvements, in present banks are facing challenges. Based on the literature, Shrivastava and Purang ??2009)  
35 stated that the performance of private banks are higher than state sector banks and private banks applied total  
36 quality management more successfully than state banks. Same authors highlighted high employee turnover,  
37 poor performance and inadequate application of total quality management as challenges for banking sector in  
38 Sri Lanka. In generally, employees play significant role in providing financial services to their customers. As  
39 employees are playing significant role, every organization in banking sector is trying to retain their employees  
40 in the organization. Since, there are plenty of banks and financial institutes, it provides golden opportunity  
41 to employees to change their employer. This create difficulty to the organizations in financial sector to retain  
42 employees in same organization for long period of time. In order to get the maximum utilization of best talents  
43 and skills of employees, every organization has the objective of employee retention. With poor employee retention

## 5 LITERATURE REVIEW A) ORGANIZATIONAL CONFLICTS

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44 or high employee turnover. According to Shrivastara and Purang (2009) private sector banks experienced 93%  
45 employee turnover and public sector banks experienced 6% employee turnover in year 2010. Due to this high  
46 employee turnover, commercial banks in Sri Lanka have

### 47 2 b) Rationale for the Study

48 Researcher has selected ABC Merchant Bank PLC in order to examine the high employee turnover as it is difficult  
49 to study all organizations in banking and financial sector. In terms of human resources management perspective,  
50 selected organization is experiencing major issues (for example organizational conflicts issues and high employee  
51 turnover among certain levels in their organizational employee category).

52 In recently the selected organization explored that they have experienced high employee turnover among  
53 staff assistants. After that ABC Merchant Bank conducted an employee satisfaction survey in order to identify  
54 employee grievances among staff assistants in head office of ABC Merchant Bank. Based on the survey it revealed  
55 that most staff assistant have issues with their salary, poor relationship and interpersonal issues with their co-  
56 workers and supervisors and issues with workload. Table ???.2 illustrates the summary of employee which was  
57 conducted in year 2016 by using sixty staff assistants in ABC Merchant Bank head office branch. According to  
58 the observations, huge arguments on job task issues, disagreements and tension between the employees in the  
59 same department. Some members of the group do not talk to each other. Sometimes there is rude behavior  
60 anger, frustration and constant complaining about the group from the employees in the organization. Most of  
61 the employees do not prefer to work in the particular group for long time and they do not like the other members  
62 of the group. They only focused into their own work and do not try to support each other. Always they try  
63 to avoid work allocated and think that why employee should do it, someone else have to do it. Always most  
64 of the group members think about their personal matters much other than the group work or organizational  
65 objectives. As another fact, senior members do not like respect new comers if they are in the higher rank than  
66 senior employees. The main reason is those senior employees have membership in trade union of bank employees.  
67 As a final result, this can lead to poor employee retention and organization loses best talent due to this high  
68 employee turnover.

69 According to the table 1.3 analysis of employee turnover of ABC Merchant Bank, it was detected that most  
70 of staff assistants are leaving their jobs continuously (as percentage, it is 42%). This high employee turnover is  
71 influenced to the organizational performance in an unfavorable manner.

72 ABC Merchant Bank hopes staff assistants have a significant role to act in selling the financial products  
73 (savings accounts, fixed deposits, leasing and loans) of the bank and dealing with the existing customers and  
74 potential customers. The job of staff assistants is crucial one, because they are the people who are dealing with  
75 the customers. To handle the customers and money of the customers, they should have clear and stress free  
76 mindset.

77 If the employees are not satisfied and stressed, they will unable attract new customers or retain existing  
78 customers.

79 As a service based organization, ABC Merchant Bank expects to have customer friendly and competent sales  
80 staff including staff assistants to handle customers and provide services whenever the requirement arises. Even  
81 though ABC Merchant Bank invests in attracting new employees to the organization, orientation programs,  
82 training and development programmes. It will be a waste of time and cost to the organization, if employees are  
83 leaving from the organization frequently due to the interpersonal issues. All operational activities were disturbed  
84 because of continuous resignations of staff assistants in the field to achieve each functional objectives. ABC  
85 Merchant Bank is searching for earliest remedial actions for staff assistants' turnover to face new challenges  
86 favorably.

### 87 3 c) Problem Statement

88 Based on the above discussion, the researcher intends to carry out this research while researching the relationship  
89 between organizational conflicts and employees' intention to leave with special reference to staff assistants of  
90 ABC Merchant Bank in Sri Lanka. Accordingly, the research problem for this study would be: "Is there any  
91 relationship between organizational conflicts and employees' intention to leave?" There are previous studies on  
92 organizational conflicts from many western countries. They showed inconsistency between results. It means that  
93 culture and attitudes of people in the country have significant influence on conflicts. Therefore this study be  
94 significant to find out the cultural influence on organizational conflicts in Sri Lankan context.

## 95 4 II.

### 96 5 Literature Review a) Organizational Conflicts

97 In addition from theoretical importance, organizational conflicts are important in practical scenario. Contempo-  
98 rary organizations are unable to avoid conflicts in the workplace. And there is no organization without a minor  
99 organizational conflict. When there are two parties dealing with any situation, there is a chance for organizational  
100 conflicts. Two individual, two groups or organizational units, two organizations and two nations can be included  
101 in the major parties in conflicts.

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## 102 **6 i. Definition of Organizational Conflicts**

103 There is no universally accepted definition for conflicts as different authors defined conflicts in different ways.  
104 This is an attempt to identify several definitions of Organizational conflicts and understand important terms in  
105 those definitions.

106 Organizational conflicts can be defined as a situation occurs when one employee perceives that his or her  
107 interests are negatively affected by another party (Aquino, 2000). Also organizational conflict can be defined as  
108 any interaction between workers and clusters with irreconcilable differences or not compatible characters (Rahim,  
109 2001).

110 Based on the critical analysis of those above mentioned definitions, common elements can be identified with  
111 regard to definition of organizational conflicts. Organizational conflicts are involved with perceptions and beliefs,  
112 organizational conflicts can be derived between two individual, groups, departments or two organizations. One  
113 Party or both parties interest negatively affected.

## 114 **7 ii. Reasons for Organizational Conflicts**

115 Opatha (2015) presented more appropriate classification for the reasons for organizational conflicts. According to  
116 him, all the reasons for organizational conflicts can be categorized in to two main groups; they are organizational  
117 causes and personal reasons. Organizational reasons occurred due to issues in organizational structure and  
118 personal reasons can be occurred from the differences among employees. The examples for organizational reasons  
119 are competition for scarce resources, goal differences, role differences, ambiguous jurisdictions, status differences,  
120 dependence of one party, overspecialization. The examples for personal causes are perceptions, domination, greed  
121 or avarice, unwillingness to communicate, rudeness and incivility.

## 122 **8 iii. Types of Organizational Conflicts**

123 Various authors classified organizational conflicts into different ways. For example, Rahim (2001) classified  
124 organizational conflicts into two main levels as intra-organizational conflicts and interorganizational conflicts.  
125 Further he has classified intra-organizational conflicts into intrapersonal conflicts, interpersonal conflicts,  
126 intragroup conflicts and intergroup conflicts. As this research is limited to one organization, interorganizational  
127 conflicts are ignored.

## 128 **9 i. Definitions of Employee Turnover**

129 The generic purpose of Human Resource Management is to generate and retain best talented and appropriate  
130 employees in the organization who give maximum contribution to the success of the organization ??Opatha, 2009).  
131 Because of that, it is important to study employees' intention to leave from the organization in the field of human  
132 resource management and organizational behavior. According to the literature employees' intention to leave is  
133 the best predictor of employee turnover. Employee turnover and employees' intention to leave are most researched  
134 areas in the literature. As per the extensive research, employee turnover can be defined as the phenomena of  
135 employees leaving from an organization (Shaw et al., 2005). Employee turnover refers to the process in which  
136 employees leave an organization and have to be replaced by the organization (Mathis and Jackson, 2006). Also  
137 same authors argued that there are two types of employee turnover, namely voluntary turnover and involuntary  
138 turnover. On other hand Janssen et al., (1999) defined employee turnover as voluntarily leaving the organization.  
139 Those authors did not recognize the involuntary turnover.

## 140 **10 ii. Definitions of Employees' Intention to Leave**

141 Joo (2010) argued that employees' intention to leave from the organization is the best predictor of actual employee  
142 turnover. According to literature, employees' intention to leave from the organization can be defined as a conscious  
143 and deliberate willfulness to leave the organization (Tett and Meyer, 1993). In simple words, employees' intention  
144 to leave refers to individual's own expected chance that they will quit the organization permanently in near future  
145 (Vandenberg and Nelson, 1999).

## 146 **11 iii. Factors of Employees' Intention to Leave**

147 Since, there is a difference between employee turnover and employees' intention to leave and there are several  
148 factors or reason which affect to employees' intention to leave. Based on literature, there are three reasons can  
149 be identified that affect for employees' intention to leave. Current study selected three reasons as job hopping  
150 and perceived alternative employment opportunities of employees' intention to leave from organization.

## 151 **12 c) Association between Organizational Conflicts and Employees' Intention to Leave**

152 Based on the previous studies on organizational conflicts and employee's intention to leave in different study  
153 settings and different organizations, there are associations between Organizational Conflicts and Employees'  
154 Intention to Leave. There are major impacts of organizational conflicts including withdrawing from colleagues,  
155

156 performance decline, decline cooperation and health problems ??Tonder et al., 2008). Also Riaz and Junaid  
157 (2014) identified that organizational conflicts caused for low morale of employees, reduced productivity, excessive  
158 employee turnover, quality problems and inability to meet deadlines. Also several researchers emphasized that  
159 there is a positive relationship between organizational conflicts anxiety, psychosomatic problem, frustration,  
160 employee intention to leave and dimension of burnout (Spector and ??ee, 2007 and ??e Dreu et al., 2004).

161 Relationship conflicts which come under organizational conflicts showed positive relationship between turnover  
162 intentions (Jehn et al, 1999; ??edina et al., 2005). Also relationship conflicts help to increase employees' affective  
163 reactions to their jobs in a negative way and to develop the thoughts of leaving from the job (Maertz and  
164 Griffeth, 2004). Khan and Junaid (2013) stated that relationship conflicts are negatively associated with affective  
165 reactions of employees and positive influence on the intention to leave from current job. As cited by Jehn (1994)  
166 Argyris (1962) stated when there are emotional conflicts/ relationship conflicts in the group, group members find  
167 uncomfortable and upset with other members in the group and they do not focus on task completion. Another  
168 study confirmed that there is a strong correlation between relationship conflicts and withdrawal behavior and also  
169 employees involve with withdrawal behavior in order to face the stressful situations due to relationship conflicts  
170 ??Spector et al., 2006). Jehn (1995) stated that not only relationship conflicts, both task and relationship conflicts  
171 were negatively associated with employee satisfaction, liking of other group members and intent to remain in the  
172 group. For example, high levels of task conflicts and relationship conflicts lead to high levels of propensity to  
173 leave from present job ??Medina et al., 2005). They have presented this finding after conducting the research by  
174 using one hundred sixty nine employees from six service organizations in Spain. De Dreu and Weingart (2003)  
175 stated that there is strong and negative correlation between task conflicts, team performance and team member  
176 satisfaction. Same authors suggested that relationship conflicts more than task conflicts negatively influence to  
177 turnover, absenteeism and organizational citizenship behavior. Most recent study from Cheong and Kim (2017)  
178 stated that not only relationship conflicts task conflicts are positively related with employee intention to leave  
179 and employee turnover. To support Cheong and Kim (2017) study, Jehn (1994) ii. Employees' intention to  
180 Leave from the Organization Intent to leave can be defined as employees' determination for intention to leave  
181 the current job and looking forward to find another one (Purani and Sahadev, 2007).

### 182 **13 a. Job hopping**

183 It refers to the behavior and attitude where employees transfer from one job to another job without any rationale or  
184 better alternatives (Kumar and Govindarajo, 2014). Based on the original scale of above authors and literature  
185 review job hopping measured through follow co-workers in switching jobs , leave without any intention and  
186 important for career progression.

### 187 **14 b. Perceived alternative employment opportunities**

188 It can be defined as individual's perception of the availability of alternative job opportunities in the job market  
189 (Kumar and Govindarajo, 2014) Also another findings suggest that task conflicts and relationship conflicts are  
190 positively associated with the employee performance (Weerarathna, 2014). All these findings proved that there  
191 is an association between organizational conflicts and employees' intention to leave.

## 192 **15 III.**

### 193 **16 Research Methodology a) Conceptual Framework**

194 The conceptual framework is developed based on the extensive literature review. It is described network of  
195 associations among the variables as well. According to the research objectives, two variables are selected as  
196 employees' intention to leave from the organization can be labeled as the dependent variable and organizational  
197 conflicts are selected as independent variable. scale of Intention to Leave Instrument (Kumar and Govindarajo,  
198 2014).

### 199 **17 c) Hypotheses**

200 The following hypothesis could be suggested and at the end of the findings, it could be determined the validity of  
201 the suggestions H1 0 = There is low level of organizational conflicts H1 1 = There is high level of organizational  
202 conflicts H2 0 = There is low level of employees' intention to leave H2 1 = There is high level of employees'  
203 intention to leave H3 0 -There is a no relationship between organizational conflicts and employees' intention to  
204 leave H3 1 -There is a relationship between organizational conflicts and employees' intention to leave

### 205 **18 d) Research Philosophy**

206 Research philosophies can be divided into pragmatism, realism, interpretivism and positivism (Saunders et al.,  
207 2012). As current study aims to test the relationship between organizational conflicts and employees' intention  
208 to leave by using hypothesis testing and also current study focuses on testing existing theory, this study adopted  
209 positivism philosophy.

210 Present study assumes that organizational conflicts is the only factor that caused for employees' intention to  
211 leave and this can be a one characteristic of positivists' paradigm as it applies factor control techniques. Also

212 present study targets to test the liner way of thinking based on testing two hypotheses. Also this study employs  
213 the deductive reasoning to test the theories which utilized by the current study.

## 214 **19 e) Research Approach**

215 As stated before this research study adopted positivists' paradigm. As a main feature of positivism, this study  
216 utilizes deductive research approach. Deductive approach can be defined as it involves the testing of a theoretical  
217 proposition with utilization of research strategy (Saunders et al., 2012). There are other characteristics that  
218 can be used to justify that this current study comes under deductive approach. On feature is, with the  
219 support of literature review this study built clear theoretical position before the data collection. And with  
220 the extensive literature review, researcher was able to build conceptual framework. Also this study explains the  
221 casual relationships between variables and this study involves with collection of data. In addition, researcher  
222 has operationalized the concepts of organizational conflicts and employees' intention to leave. With the results  
223 of collected data, researcher will aim to generalize the results of gathered data to other organizations of same  
224 industry. Those can be characterized as features of deductive research.

## 225 **20 f) Research Strategies**

226 Current study also adopted the survey strategy which is closely linked to deductive research approach to achieve  
227 the research objectives. There are other reasons which support for selection survey method as research strategy.  
228 Survey strategy helps to gather data from most of the staff assistants in ABC Merchant Bank in a cost effective  
229 manner. According to the research objective, to test the relationship and generate descriptive and inferential  
230 statistics, it is necessary to have quantitative data. Researcher has selected questionnaire method and interview  
231 methods, under the survey research strategy.

232 i. Questionnaire Method This research study planned to collect data from primary sources and secondary  
233 sources. Present study is purely founded on primary data which collected through questionnaire for the research  
234 analysis. This research is completed with the support of questionnaires which prepared according to the measures  
235 of dimensions based on literature review.

236 ii. Questionnaire Design Questionnaire method was adopted as a research strategy as it provides speedy  
237 responses, responses for questionnaires can be analyzed in more scientifically method and data can be gathered  
238 from large sample.

## 239 **21 g) Methods of Measurements**

240 Variable of this study were measured through questionnaire with 5-point Likert scale. A scale is tool or mechanism  
241 by which individuals are distinguished as to how they differ from one another on the variables of interest for the  
242 study. Two types of scales were used for the current study. To measure the demographic factors, researcher used  
243 nominal scale.

244 i. Methods of Measuring Organizational Conflicts Rahim Organizational Conflicts Inventory (ROCI-I) was  
245 used to measure organizational conflicts. This scale consists with twenty four statements under three dimensions  
246 (intrapersonal conflicts, intragroup conflicts and intergroup conflicts). Also it is 5 point likert scale instrument.  
247 In that instrument, there are positive statements as well as negative statements in this scale. Researcher used  
248 reverse scale to measure the negative questions.

249 ii.

## 250 **22 Methods of Measuring Employees' Intention to Leave from 251 the Organization**

252 In order to measure the dependent variable, researcher has included twelve (12) statements. Researcher has  
253 adopted Intention to Leave Instrument (Kumar and Govindarajo, 2014) to measure the dependent variable. This  
254 is also 5 point likert scale instrument. This scale consists with eight statements under three dimensions (Job  
255 hopping, perceived alternative employment opportunities).

256 Kumar and Govindarajo (2014) used confidence in finding other job and present job is a stop gap arrangement  
257 to measure perceived alternative employment opportunities dimension.

## 258 **23 h) Purpose of the Study/ Type of the Investigation/ Study 259 Setting and Unit of Analysis**

260 Based on the purpose of this study, it can be taken under hypotheses testing. In the present study there are  
261 two hypotheses developed based on the relationship between organizational conflicts and employees' intention to  
262 leave. This research study attempts to establish a relationship between independent variable and the dependent  
263 variable. When the researcher is interested in identifying the important variables associated with the problem the  
264 study is called a correlational study Correlational studies conducted in organizations known as field studies. Since  
265 the current study was correlational; study setting can be known as a field study where the study has arranged in  
266 noncontrived setting with minimal disturbance of the researcher. Sekaran and Bougie (2010) categorized unit of

## 31 A) CHARACTERISTICS OF THE SAMPLE

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267 analysis to individuals, dyads, group, organizations and cultures. Since the main issue of this study focuses on  
268 the identification of the relationship between organizational conflicts and employee intention to leave in staff level  
269 employees. The researcher is interested in individual employees (Staff Assistants) in the selected organization.  
270 Present research study is aimed to collect data in one month period, it can be consider as crosssectional study.

### 271 24 i) Population and Sample of the Study

272 ABC Merchant Bank consists of 681 employees. As staff assistant record the highest employee turnover, 243 staff  
273 level employees are selected as the population of this research. As cited by Sekaran and Bougie (2010) Krejcie and  
274 Morgan (1970) and Cohen (1969) stated that 148 respondents should be selected as sample, if the population is  
275 240. 148 staff assistants were selected as the sample by using SPSS version 17 based on simple random sampling  
276 .According to the selection, researcher has initially circulated 148 questionnaires and 102 respondents filled the  
277 questionnaires which counted 69% response rate.

### 278 25 j) Reliability of the Measures

279 Reliability can be defined as the degree to which your data collection techniques or analysis procedures will  
280 yield consistent findings (Saunders et al., 2012). Before conducting the survey, a pilot study was implemented  
281 to check the reliability. Cronbach's alpha was counted to measure the reliability and internal consistency of the  
282 measurement scales.

### 283 26 k) Validity Test of the Measures

284 Validity refers to the degree to which data collection methods accurately measure what they were intended to  
285 measure (Saunders et al., 2012). Researcher has used content validity, external validity and construct validity  
286 to check the accuracy of the measurements. Mat Roni (2014) suggested that there are two methods available to  
287 test the content validity of the research as comprehensive literature review and expert review. According to that  
288 researcher, to build the content validity of the scales experts' reviews of literature survey were implemented.

289 Researcher used Kaiser-Meyer-Olkin (KMO) test to check the external validity as well as sample adequacy.  
290 Also researcher used Kaiser-Meyer-Olkin (KMO) test to check the suitability of gathered data to run construct  
291 validity.

292 Researcher expected to calculate average variance extracted values to prove discriminant validity and expected  
293 to calculate average variance extracted values and composite reliability values to prove convergent validity.

### 294 27 l) Data Presentations and Data Analysis Techniques

295 The collected data were analyzed by using Statistical Package for Service Solution (SPSS) version 17. Also to test  
296 two hypothesis, researcher used one sample t-test. Under the inferential statistics, researcher has used correlation  
297 coefficient to test the hypothesis.

### 298 28 m) Limitations of the Study

299 Firstly, this study ignored the relationship between inter-organizational conflicts on employees' intention to leave.  
300 The possibility of receiving filed questionnaires from respondents might be low. As expected, researcher was able  
301 to achieve only 69% response rate. And it would be better to study the entire population to identify the  
302 relationship between organizational conflicts and employees' intention to leave.

### 303 29 IV.

### 304 30 Data Analysis and Discussion

### 305 31 a) Characteristics of the Sample

306 From the findings, it proved that majority of the selected sample, belongs to the age category of 31 years to 40  
307 years which counts 56.9% from the sample. figured that the most of the respondents are females, comprising  
308 54% and it is 55 persons from the total respondents while only 46% respondents are males. Most employees  
309 of the selected sample posse degree level qualification which counts 49 staff assistant and as a percentage as  
310 48%. As per the below table that the half the respondents married and other half of the respondents are single.  
311 Findings of the study exhibited that 58% of the sample was laid in the category of 0-5 years as service period  
312 and it is 60 from the total respondents. Above table shows the allocation of 102 employees to the departments of  
313 selected bank. 16 According to table 4.9 and table 4.10, employees in ABC Merchant Bank experience high level  
314 of organizational conflicts as it recorded mean value / average score as 3.81. With that results, researcher can  
315 reject H1 0 = There is low level of organizational conflicts and accept H1 1 = There is high level of organizational  
316 conflicts.

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### 317 **32 iii. Correlation between Organizational Conflict and Em-** 318 **ployees' Intention to Leave from the Organization**

319 The correlation coefficient measures the strength of a linear relationship between two variables. The correlation  
320 coefficient is always between -1 and +1.

321 The closer the correlation is to +/-1, the closer to a perfect linear relationship. According to the results of the  
322 Pearson's correlation shown in the table 4.13, there is a positive significance relationship between organizational  
323 conflict and employees' intention to leave. For this analysis the organizational conflicts is correlated against the  
324 employees' intention to leave scores. According to the table 4.13 the correlation coefficient is 0.820 at significance  
325 level of 0.01 (2tailed test). This is a positive value and the value is significant at 0.01 (p=0.000). So there  
326 is a strong positive relationship between organizational conflicts and employee's intention to leave from the  
327 organization. Thus, there is statistical evidence to claim that organizational conflicts and employee's intention  
328 to leave from the organization are positively related. Therefore hypothesis H3 1 -There is a relationship between  
329 organizational conflicts and employees' intention to leave is accepted and also based on the results, there is  
330 positive relationship between organizational conflicts and employees' intention to leave.

### 331 **33 f) Discussion**

332 The primary objective of this research study is to find the relationship with organizational conflicts and employees'  
333 intention to leave from the organization with special reference to staff assistants of ABC Merchant Bank. The  
334 effects of organizational conflicts have been studied from long period of time. Also as mentioned under the  
335 extensive literature review, the relationship between types of conflicts (task conflicts and relationship conflicts)  
336 and employee turnover intentions have been tested during the past few years. In this study, researcher has  
337 selected intrapersonal conflicts, intragroup conflicts and intergroup conflicts to identify their relationship with  
338 employee turnover intention.

339 In present study proved that there is a positive relationship between organizational conflicts and employees'  
340 intention to leave. Also researcher has discovered that staff assistants in ABC Merchant Bank has experienced  
341 high level of organizational conflicts and as the same time they possess high level employee turnover intentions  
342 as well. Those findings are consistent with most of previous studies which focused about conflicts and employee  
343 turnover.

344 For example, previous studies found that there is negative association between relationship conflicts and  
345 employee affective reactions while there is no direct association between task conflicts and employee affective  
346 reactions and the same study proved that conflicts directly influence to employees' propensity to leave ??Median  
347 et al., 2005)

### 348 **34 Conclusions a) Level of Organizational Conflicts**

349 One of the secondary objectives of this study is to investigate the level of organizational conflicts in ABC  
350 Merchant Bank of Sri Lanka. After analyzing the collected data, researcher was able to determine that ABC  
351 Merchant Bank experiences high level of organizational conflicts with mean value of 3.81. Based on the literature,  
352 the selected organization should properly manage the level of organizational conflicts inorder to eliminate the  
353 negative consequences of organizations as well as to utilize positive benefits of organizational conflicts. Finally  
354 the results of onesample-t-test proved that research has achieved one of secondary objective in this study.

### 355 **35 b) Level of Employees' Intention to Leave**

356 As per the research objectives of the present study, to understand the level of employees' intention to leave can  
357 be considered as another secondary objective of this study.

358 With the aid of one-sample-t-test researcher was able to determine the level of employees' intention to leave  
359 from the organization as high level, moderate level or low level. With the results of one sample-t-test researcher  
360 found that there is high level of employees' intention to leave with the mean value of 3.80. Selected organization  
361 should take immediate actions to minimize the high employee turnover and high employees' intention to leave. As  
362 a conclusion, the results of one-sample-t-test of employees' intention to leave proved that research has achieved  
363 one of secondary objective in this study.

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### 366 **37 Year ( ) c) Association between Organizational Conflicts and** 367 **Employees' Intention to Leave**

368 The main aim of this study is identify the relationship of organizational conflicts and employees' intention to leave  
369 from the organization. Researcher has used correlation analysis to test the relationship between two variables.  
370 The findings of this study proved that there is a strong positive relationship between organizational conflicts

371 and employees' intention leave from the organization with the Pearson correlation value of 0.820. With those  
372 statistical findings researcher was able to achieve the main objective of this study.

373 According to the results organizational conflicts are also positively associated with employees' intention leave  
374 from the organization which is the similar to past studies. It means all the types of organizational conflicts  
375 increases the employee intention to leave and actual employee turnover. As per the previous studies when  
376 employees have disagreements with the co-workers, if their job does not competencies of job holder and conflicts  
377 with other group and organizational units, it increases the employee intention to leave from the organization.

### 378 38 d) Recommendations

379 Those findings can be significant to the banking sector in Sri Lanka which has been facing an improvement in  
380 the last few years. Normally intra group conflict is becoming a more common scenario in banking sector as they  
381 are working with different people. Employees are experiencing more occupational stress and banking firms are  
382 facing more turnover. These results can be important for the employers, top management and are also useful for  
383 regulatory institutions such as Central Bank of Sri Lanka and Ministry of Finance.

384 Though it is difficult to avoid those conflicts in groups, departments and organization, it is recommended that  
385 managers of ABC Merchant Bank should maintain low level of organizational conflicts to minimize present  
386 employee turnover. According to the results of the study, selected organization could not manage their  
387 organizational conflicts successfully. In order to reduce employee turnover and organizational conflicts, HR  
388 department should play major role. Firstly Human Resources department should conduct awareness sessions for  
389 employees about the consequences of workplace conflicts. Awareness session should conduct for Managers as well  
390 in order to educate them about the conflict management styles.

391 Researcher of this current study recommends that managers of this selected organization should encourage  
392 open discussion within their departments and managers should provide supportive team environment. Also  
393 immediate supervisors should conduct one to one meetings with their subordinates in monthly basis. Sometimes  
394 subordinates are hesitate reveal their grievances at the open forums and staff meetings. Also selected bank  
395 provide variable reward opportunities to employees who build positive relationship with their co-workers and  
396 superiors in the organization.

397 In addition, ABC Merchant Bank should manage conflicts continuously, because any kind of disagreement can  
398 lead to higher organizational conflicts. Also manager's capabilities to handle the situation also became prominent  
399 in certain cases therefore, developing managers to handle conflicts in the workplace.

400 Researcher used intrapersonal conflicts, intragroup conflicts and inter-group conflicts. Simply inter group  
401 conflicts can be defined as the conflicts in between different department or groups in same organization.  
402 Management of ABC Merchant Bank should pay attention to build strong relationships in between the  
403 departments in a way to increase cross functional cooperation.

### 404 39 e) Directions for Future Research

405 There are certain suggestions for future researchers in this field from the findings of present study. This study is  
406 limited to only one selected organization to test the practical issue (high employee turnover and conflicts) of ABC  
407 Merchant Bank, future researchers can expand the study to different sectors and different organizations. Future  
408 researchers should find the relationship between the each type of organizational conflicts and the employees'  
409 intention to leave separately, for example the relationship between intragroup conflicts and employees' intention  
410 to leave. Also future researchers can study the relationship between organizational conflicts and other employees'  
411 affective reactions in Sri Lankan context.

1 2 3

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<sup>1</sup>© 2017 Global Journals Inc. (US)

<sup>2</sup>A Study of the Relationship between Organizational Conflicts & Employees' Intention to Leave with Special Reference to Staff Assistants in ABC Merchant Bank of Sri Lanka

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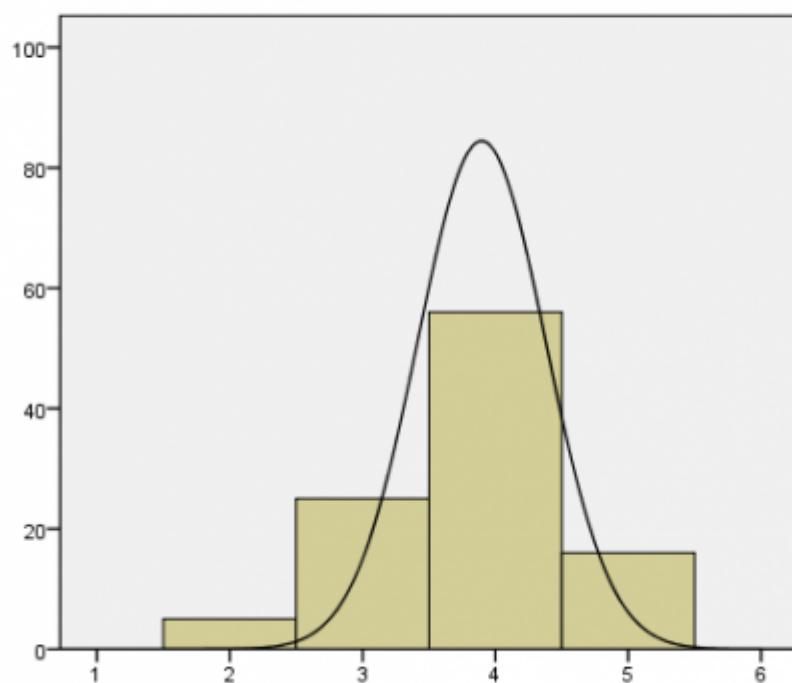
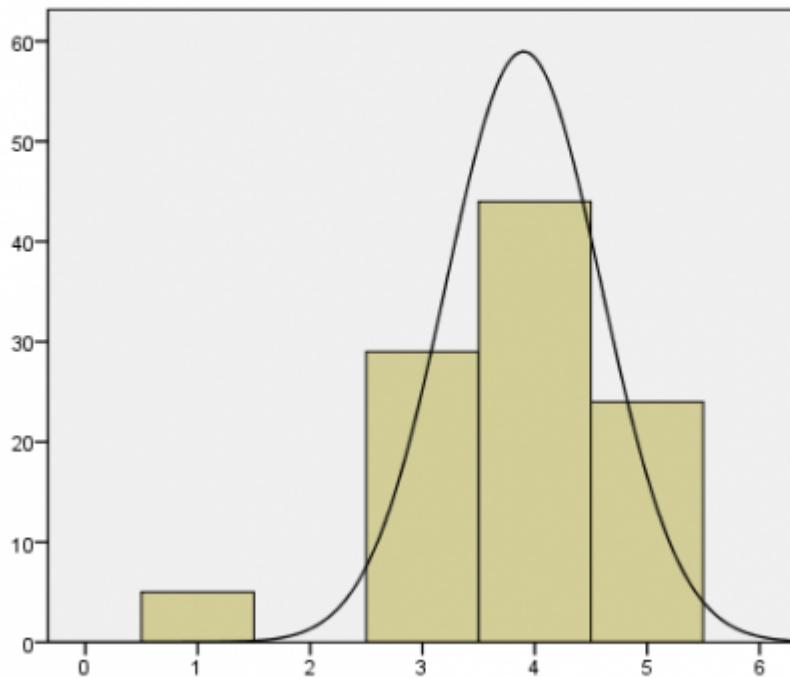


Figure 1:



41

Figure 2: Figure 4 . 1 :

11

S/N	Nature of grievance	Number of Employees	Percentage (%)
01	Salary Issues	20	33
02	Interpersonal Issues	17	28
03	Requests for Transfers	05	08
04	Requests for Promotions	10	17
05	Heavy Workload	08	14
Total Employees		60	100

[Note: Source: ABC Merchant Bank of Sri Lanka and Finance PLC]

Figure 3: Table 1 . 1 :

---

Year

( ) A

b) Definitions of Key Dimensions

i. Organizational Conflicts

As independent variable organizational conflicts

can be defined as a cohesive framework of behavior of organizational members or perception of organizational members which is maintained by the feelings of being deprived with an awareness of incompatibility with others organizational members (Chaudhry and Asif, 2017).

a. Intrapersonal conflicts: Intrapersonal conflicts can be defined as conflicts occur when individual is unable perform role which does not match with his or her expertise and skills (Rahim, 2001)

b. Intragroup Conflicts: Rahim (2001) defined intragroup conflicts as conflicts among two sub groups in the same organization and it is known as interdepartmental conflicts.

*[Note: c. Intergroup Conflicts: According Rahim (2001), intergroup conflicts can be referred as conflicts between two departments or two organizational units in the same organization.]*

Figure 4:

mentioned that if there are high level of task conflicts and relationship conflicts, there is high level of propensity to leave from the organization. As cited by Jehn (1994) Baron (1990) mentioned that when group members identify personality clashes in the group, they find that they are unsatisfied with fellow group members and entire group. As cited by Jehn (1994) Roloff (1987) stated that task conflicts can be a reason for uncomfortable feelings for group member though task A Independent Variable conflicts help to increase the performance of the group. Organizational Conflict ? Intrapersonal Conflicts ? Intragroup Conflicts ? Intergroup Conflicts

Dependent Variable	Year
Employees' intention to leave ?	2017
Perceive alter-native employ-ment oppor-tunities ?	Volume XVII Issue IV Version I
Job hopping	( ) A
	Global Journal of Management and Business Research

Figure 3.1: Conceptual Framework Source: Researcher's original construction

Figure 5:

**41**

Year  
 Volume XVII Issue IV Version I  
 ( ) A  
 Global Journal of Management and Business Research

Figure 6: Table 4 . 1 :

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**42**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.750
Bartlett's Test of Sphericity	Approx. Chi-Square 543.242
	Df 10
	Sig. .000
b. Construct Validity	4.3 composite reliability value is 0.913 and average variance extracted value is 0.643. As per Hair et al. (2014), CR values should be greater than 0.6 while AVE
Construct validity can be assessed through convergent validity and discriminant validity. In order to check the convergent validity, researcher calculated composite or construct reliability (CR) and average variance extracted value (AVE). According to the table	should be above 0.5 to protect the convergent validity concept.

Figure 7: Table 4 . 2 :

**43**

Dimensions	Composite Reliability (CR) Values	Average Variance Extracted (AVE) Values
Intrapersonal Conflicts	0.982	0.860
Intragroup Conflict	0.965	0.812
Intergroup Conflicts	0.975	0.920
Perceived Alternative Employment Opportunities	0.932	0.890
Job Hoping	0.860	0.910

Source: Survey data

[Note: A]

Figure 8: Table 4 . 3 :

**44**

\*\*. Correlation is significant at the 0.01 level (2-tailed).

Source: Survey data

c) Frequency Distribution Analysis of Organizational Conflict

This research study has obtained a mean score of 3.81

Figure 9: Table 4 . 4 :

### 39 E) DIRECTIONS FOR FUTURE RESEARCH

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45

	N	Valid	102	0
		Miss-		
		ing		
Mean			3.81	
Median			4.00	
Mode			4	
Std. Deviation			.754	
Variance			.569	
Skewness			-.382	
Std. Error of Skewness			.239	
Kurtosis			.052	
Std. Error of Kurtosis			.474	
Minimum			2	
Maximum			5	

Source: Survey data

Figure 10: Table 4 . 5 :

46

	Organizational Conflicts		Valid	Percent	Cumulative Percent
	Frequency	Percent			
Valid	2	4.9	4.9	4.9	
3	25	24.5	24.5	29.4	
4	56	54.9	54.9	84.3	
5	16	15.7	15.7	100.0	
Total	102	100.0			

Source: Survey data

Figure 11: Table 4 . 6 :

47

Year	N	Valid	Missing	102	0
Volume XVII Issue IV	Mean	Median	Mode	Std. Deviation	3.80
Version I	Variance	Skewness	Std. Error of	Skewness	.931
( )	Kurtosis	Std. Error of	Kurtosis	Minimum	-.942
Global Journal of Management and Business Research	Kurtosis	Maximum			.239
					1.394
					.474
					1 5

Source: Survey data

[Note: A]

Figure 12: Table 4 . 7 :

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	5	4.9	4.9	4.9
3	29	28.4	28.4	33.3
4	44	43.1	43.1	76.5
5	24	23.5	23.5	100.0
Total	102	100.0	100.0	

Figure 13: Table 4 . 8 :

A Source: Survey data

Frequency	Histogram	2017
	Mean=3.8	Year
	Std.Dev. = 0.965	
	N=102	
INTENTION TO LEAVE		Volume XVII Issue IV
9: One-Sample Statistics One-Sample Statistics		Version I
		( ) A
Organizational Conflicts	N	Global Journal of Management and Business Research
	Mean	
	Std. Deviation	
102	.754	
	Std. Error	
	Mean	
	.075	
		Source: Survey data

Figure 14: Table 4 .

10: One-Sample Test

t	df	Sig. (2-tailed)
Organizational Conflicts	10.896	.000

## ii. One Sample T-Test of Employees' Intention to Leave

As mentioned above, researcher used one sample t-test to determine the level of employees' intention to leave.

If EIL&lt;3, then employees' intention to leave level is Low.

If EIL=3, then employees' intention to leave is Moderate.

Figure 15: Table 4 .

**4**

11: One-Sample Statistics					
One-Sample Statistics					
	N	Mean	Std. Deviation	Std. Mean	Error
Intention to Leave	102	3.80	.965	.096	

Source: Survey data

Table 4.12: One-Sample Statistics

t	df	Sig. (2-tailed)	Test Value = 3		
			Mean Dif- ference	99% Confidence Interval of the Difference	Lower Up
Intention to Leave	101.000	.804	.55	1.05	

Source: Survey data

Figure 16: Table 4 .

**413**

Organizational Conflicts

Intention to Leave

Figure 17: Table 4 . 13 :

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One  
of

contemporary research studies on organizational conflicts by Cheong and Kim (2017) stated that relationship conflicts and task conflicts which come under intra-group conflicts positively related to the employees' intention to leave. Finally, De Dreu and Weingart (2003) pointed out that relationship conflicts more than task conflicts negatively influence to turnover, absenteeism and organizational citizenship behavior.

With all this support from the previous research finding it can concluded that irrespective type of organizational conflicts such as intrapersonal conflicts, intra-group

conflict  
group

contributed in positive way for employees' intention to leave or actual employee turnover. As per the research findings of gathered data proved that selected organization has high level of employees' intention to leave due to the various types of organizational conflicts.

V.

Figure 18:



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