

Research Article

A crowd of three: Effect of Third Party Intervention as Conflict Resolution Strategy on Employee Performance in Kampala Capital City Authority (KCCA), Uganda

Tumwebaze Ester¹, Wandiba Augustine¹ and Olutayo K. Osunsan*²¹Department of Human Resource & Supplies, College of Economics and Management (CEM), Kampala International University, Uganda²Department of Business Management, College of Economics and Management (CEM), Kampala International University, Uganda**Article History**

Received: 08.02.2020

Accepted: 21.02.2020

Published: 29.02.2020

Journal homepage:<https://www.easpublisher.com/easjebm>**Quick Response Code**

Abstract: Conducted in 2019, this study sought to examine the effect of third party intervention on employee performance on Kampala Capital City Authority (KCCA). Quantitative descriptive cross-sectional survey design was employed in this study. The study targeted 498 technical staff using simple random sampling. Mean and Standard Deviations were used to compute the central tendency and measure of dispersion of conflict resolution and employee performance respectively. Specifically, linear regression analysis was used to determine the effect of the independent variables on the dependent variable. The findings reveal that the effect of third party intervention on employee performance ($F=47.245, p=0.000$) is significant and confirmed that every unit change in third party intervention would significantly predict a variance in employee performance by 42% ($\text{Beta}=0.420, p=0.000$). It was concluded that third party intervention significantly affects employee performance at KCCA due to the involvement of the third party whom the conflicting parties are well acquainted with hence the best way of resolving conflicts. KCCA management should encourage the use of third party intervention as a form of conflict resolution strategy is a recommendation from this study. It was also advised that the intervening party must maintain a neutral attitude to avoid worsening the problem.

Keywords: cross-sectional survey design, KCCA management.

Copyright @ 2020: This is an open-access article distributed under the terms of the Creative Commons Attribution license which permits unrestricted use, distribution, and reproduction in any medium for non commercial use (NonCommercial, or CC-BY-NC) provided the original author and source are credited.

1.0 INTRODUCTION

Contemporary businesses are operating in tumultuous environments, both internally and externally, where organizations are looking for measures that will allow them to advance their competitiveness in terms of performance. In the process of achieving organizational objectives, disappointments, disputes and conflict will surely arise. This strongly suggests that incidences of internal strife, infighting, blame shifting, gossiping and undermining of others can never be totally removed from any human society. It is inevitable in organizations as well (Donkor et al, 2015).

Conflicts are regarded as difference concerning interests or ideas. Conflicts are unavoidable parts of organizational life due to the fact that stakeholder and employee goals vary and are at times incompatible. Conflicts frequently arise when employees compete for scarce resources (Nneka, 2019). It has been advocated that managing conflict toward constructive action is the best method in resolving conflict in organizations.

When conflict arises, we need to be able to manage them properly, so that it becomes a positive force which can enhance performance and productivity, rather than a negative force, which would threaten the performance of employees and the organizations as a whole (Nneka, 2019).

Employee performance is defined by Podsakoff *et al.*, (1997) as the way to do the job tasks according to the prescribed job description. In this study, employee performance was operationalized as effectiveness, efficiency, and quality work. Globally, employee performance has over the years been affected by a number of factors such as high employee turnover, poor management, poor leadership style, low financial performance among others.

Nowadays, most serious conflicts make headlines in the newspapers, which might affect the public image of the organization. Such is case with KCCA, which is characterized by low level of performance as observed by Kafumbe (2017). The high level of inefficiency in the overall level of the

performance of KCCA as an organization is amplified by poor employee performance which is attributed to mainly a lack of motivational incentives, high employee turnover, political interference, poor leadership, lack of transparency and accountability, and high level of corruption among top officials (Kafumbe, 2017). The problem of poor leadership is a result of the conflicts among the Minister of Kampala, former KCCA Executive Director and Kampala Mayor (Kafumbe, 2017).

Conflicts have both negative and positive outcomes to the individual employees and the organization as a whole. There is no single source of conflicts which occurs in organizations at all levels of management (Donkor *et al.*, 2015). Strategies development is necessary in any organizations to harness and reduce the positives and negatives of conflicts, ideally at their infancy. These strategies can better help the organization to focus and harness employee effort and time in pursuit of the organizations objectives (Nneka, 2019). It is against this background that the current study examined the effect of Third Party Intervention as a Conflict Resolution Strategy on Employee Performance in KCCA, Uganda. This done by testing the null hypothesis: Third party intervention has no significant effect on employee performance at KCCA

2.0 LITERATURE REVIEW

2.1 Third Party Intervention

Third-party is often used to refer to a person or an entity that is not one of the two involved in some form of relationship. Richmond *et al.*, (2005) claim that third party intervention has been practiced as long as two people have fought, while another person tried to bring the fight to an end, and for them the definition of third party intervention is 'a process of conflict resolution, related to but distinct from the parties' own effort where the disputing parties or their representatives seek the assistance, or accept an offer of help, from an individual, group, state or organization to change, affect or influence their perceptions or behavior, without resorting to physical force or invoking the authority of the law (Simons & Peterson, 2000). A third party is defined as an actor that helps the conflicting parties resolve the conflict or regulate the level of violence (Arrow *et al.*, 2004). A third party might be needed because the parties to a conflict cannot find a solution without external assistance. They may need help with issues, process and substance (Henry, 2009). A third party assists in resolving the dispute by advising and providing information and options but leaves the final decision to the parties themselves since performance declines as the level of conflict increases (Jehn & Mannix, 2018). Third party intervention is a process that is used only when an impasse occurs between the employee and higher management levels or a co-worker. There are several definitions on the concept of a third-party. For example Jehn and

Bendersky (2016) assert that a third party is someone who provides procedural assistance to help individuals or groups in conflict to resolve their difference, where attention is placed on procedural assistance to the disputants.

2.2 Performance

According to Arinanye (2015), employee performance involves quality and quantity of output, presence at work, accommodative and helpful nature and timeliness of output. According to Sorsatakaro and Abera, (2014), organizations can use direct bonuses and rewards based on individual performance if employee performance is noticeable. To satisfy customers, firms do much effort but do not pay attention on satisfying employees. But the fact is that customers would not be satisfied until and unless employees are satisfied. Because, if employees are satisfied, they will do more work therefore ultimately customers will be satisfied (Ahmad and Shahzad, 2011). Employee performance is actually influenced by motivation because if employees are motivated then they will do work with more effort and by which performance will ultimately improve (Dukhan *et al.* 2017).

2.3 Third Party Intervention and Performance

Conflicts impact negatively on employee performance, and organizational conflicts should be dealt with effectively and expeditiously (Olang, 2017). There is therefore a need to have in place effective conflict resolution mechanisms to deal with them. This section examined the existing legal and institutional framework in place for the management of conflicts, emphasis being on third party intervention as a conflict resolution strategy and its influence on employee performance, with a view to identifying the challenges to the effectiveness in managing conflicts.

Conflict may have either a positive or a negative effect on employee performance, depending on the nature of the conflict and how it is managed (Armstrong, 2009). For every organization, an optimal level of conflict exists which is considered normal. On the other hand, if the conflict levels become too high and too low, the result is chaotic to an organization and also threaten its survival (Kazimoto, 2016). Thus for a group to be effective, individual members need to be able to work in a conflict-positive environment so if conflict is well-managed, it adds to innovation and productivity. Rahim (2002) asserts that litigation will be a resort for conflicts resulting from misunderstandings of more complex human right issues. Third party intervention as a conflict resolution strategy is therefore adopted when the conflict level is too high that it becomes dysfunctional to performance (Manning & Robertson, 2003).

Studies done in Kenya on Conflict Analysis of the 2007 Post-election Violence in Kenya, which led to a power sharing deal between the conflicting parties

involved revealed the role of third party intervention in fostering economic productivity (Roberts, 2009). Economic performance of Kenya was affected before the power sharing deal was concluded. Adversely, organizations use third party intervention to improve organizational performance.

Third-party intervention may worsen a conflict if the level of the intervention is not sufficiently high (Shmueli & Ben Gal, 2003). Conflict resolution behaviors have primarily been studied either as individual styles of the third party that are stable traits of individuals, as types of behaviors (such as threats or compromises), or as generalized behavioral orientations (Shelton & Darling, 2004). The history and establishment of third party conflict resolution system in Nigeria dates back to 2005, when the Negotiation and Conflict resolution Group (NCMG) initiated the concept in Nigeria with establishment of the Lagos Multi-Doors Courthouse in 2004. The introduction of the third party processes are attached in Nigeria is a response to the reform of judicial sector. Following the introduction, it is believed that performance output is increased when there is confidence in third party conflict resolution because once it is resolved, it becomes final, and there is no appeal to suggest that one party was dissatisfied with the initial outcome or court judgment.

Muigua (2012) conducted a study on Conflict resolution in East Africa. The study showed that disputes within organizations can be resolved by the use of a third party in three different ways, mediation, arbitration and litigation. Conflict resolution refers to a process where the outcome is based on mutual problem sharing with the conflicting parties cooperating in order

$$n = \frac{N}{1+N(\alpha)^2}; \text{ Where } n=\text{sample size; } N=\text{target population; } \alpha=0.05 \text{ level of significance. } n = \frac{498}{1+498(0.05)^2},$$

n = 222. Therefore, the sample size of this study was made up of 212 technical staff and 10 Managerial staff.

The study preferred to use a five Likert Scale questionnaire because of its universal nature. The five Likert scale included: 1=strongly disagree; 2=disagree; 3=not sure; 4=agree; and 5=strongly agree. The questionnaire was subdivided into three sections, namely: Section A included information about the profile of the respondents (i.e. gender, age, education

and work experience); Section B included information regarding third party intervention (4-items); and Section C captured information regarding employee performance which was measured using efficiency (5-items), effectiveness (5-items), and quality of work (5-items).

Amin (2005) says, if the CVI is ≥ 0.70 , the instrument can then be considered valid. Content Validity Index formula:

$$CVI = \frac{\text{Number of items rated relevant by all judges}}{\text{total number of items in the instrument}}$$

$$CVI = \frac{31}{34}$$

$$CVI = 0.91$$

The study found that the CVI of the instrument was 0.91 thus using the recommendation by Amin (2005), the instrument was confirmed as valid.

On the basis of literature reviewed the null hypothesis:

H₀: Third party intervention has no significant effect on employee performance at KCCA

3.0 METHODOLOGY

Quantitative descriptive cross-sectional survey design was employed in this study, because it aims at studying a particular phenomenon (or phenomena) at a particular time. Cross-sectional studies often employ the survey strategy (Mugenda and Mugenda, 1999). Out of the study population of 1,425, the study targeted 498 technical staff using simple random sampling technique from only two directorates, namely: administration and human resource management, and Office of the Executive Director because they are most knowledgeable of the study elements than other categories of directorates. The sample size was 222 determined using Slovene's formula;

The analysis was conducted using frequency and percentage distribution tables to analyze data the profile of the respondents. Mean and Standard Deviations were used to compute the central tendency

and measure of dispersion of conflict resolution and employee performance respectively. To interpret the mean values, the following numerical values and descriptions were used as indicated in table 3.1 below.

Table 3.1: Mean Interpretation Values

Mean Range	Response Mode	Interpretation
4.21-5.00	Strongly agree	Very satisfactory
3.41-4.20	Agree	Satisfactory
2.61-3.40	Not sure	Fairly satisfactory
1.81-2.60	Disagree	Unsatisfactory
1.00-1.80	Strongly disagree	Very unsatisfactory

Furthermore, inferential statistics was used to determine the variations in the dependent variable. Specifically, linear regression analysis was used to determine the effect of the independent variables on the dependent variable. In addition, multiple linear regression analysis was used to determine the highest predictor variable in the independent variable. Similarly, the null hypothesis was determined at $p=0.05$

4.2 Descriptive Statistics of Third Party Intervention

Table 4.1: Third Party Intervention

Third Party Intervention	Mean	Std. Deviation	Interpretation	Ranks
Neutral person	4.25	0.599	Very satisfactory	1
Trusted friend or supervisor	4.17	0.525	Satisfactory	2
Settle conflict in court	4.16	0.592	Satisfactory	3
Mediator (e.g. guidance counselor)	4.13	0.621	Satisfactory	4
Average Mean	4.18	0.584	Satisfactory	

Table 4.1 shows that third party intervention was assessed by the respondents as satisfactory (average mean=4.18, Std=0.584). This was attributed to the fact that majority of the respondents strongly agreed that they preferred to involve a neutral person to make a resolution on their behalf during a conflict (mean=4.25, Std=0.599). Similarly, respondents agreed that they tend to involve a trusted friend or supervisor to settle a conflict between them (mean=4.17, Std=0.525). On the other hand, some respondents agreed that they preferred to go to court to settle any conflict (mean=4.16, Std=0.592); though some preferred a mediator (e.g. guidance counselor) to address their conflict (mean=4.13, Std=0.621). This implies that the employees of KCCA tend to resolve conflicts by involving different entities so as to help solve any impending clashes amongst themselves. For instance some of the most used strategies in this context included but not limited to involvement of a neutral person, trusted friend, or mediator, or at extreme cases seeking court injunction.

Table 4.2: Employee Performance

Employee Performance	Mean	Std. Deviation	Interpretation	Ranks
Efficiency	4.07	0.587	Satisfactory	
Effectiveness	4.02	0.604	Satisfactory	
Quality of Work	4.04	0.614	Satisfactory	
Mean	4.04	0.602	Satisfactory	

Table 4.2 shows that the overall assessment of employee performance at KCCA was satisfactory (overall average mean=4.04, Std=0.602). This was attributed to the fact that all the measurable of employee performance used in this study were all assessed as satisfactory, i.e., efficiency, effectiveness, quality of work, and timelessness.

level of significance. The **decision rule** was that: if $p \leq 0.05$, the null hypothesis would be rejected, and the alternative hypothesis accepted.

4.0 RESULTS

4.1 Demographic Characteristics of the Respondents

Majority (36.9%) of the respondents were within the age group of 30-39 years, followed by 34.2% who were within the age group of 40-49 years while the respondents within the age group of 20-29 years and 50 and above were represented by 14.4% respectively. majority, 64% of the respondents were male while 36% were female. majority, 39.6% of the respondents were Diploma Holders, followed by 29.2% Degree Holders, and 27.5% Certificate Holders. Only 3.6% had Master's Degree and none of the respondents had a PhD. majority, 45% of the respondents have more than 10 years of work experience, followed by 27.5% with 6-10 years of work experience, while those with 1-5 years and less than 1 year work experience were represented by 25.2% and 2.3% respectively.

Table 4.3: Effect of Third Party Intervention on Employee Performance in KCCA

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
	(Constant)	2.681	.200	13.407	.000
	Third party intervention	.328	.048	6.873	.000
R	0.420				
R²	0.177				
Adjusted R²	0.173				
F	47.245				

Table 4.3 shows that third party intervention significantly affects employee performance at KCCA. This is attributed to the fact that third party intervention can explain a total variance of 17.3% in employee performance (Adjusted R Square=0.173, $p=0.00$). This implies that the use of a neutral person, a trusted friend, guidance counselor, or court in settling conflicts can cause an improvement in employee performance by 17.3%.

Null Hypothesis: There is no significant effect of third party intervention as a conflict resolution strategy on employee performance in KCCA.

The decision rule was that: if $p \leq 0.05$, the null hypothesis would be rejected, and alternative hypothesis accepted.

Therefore, the finding in table 4.3 shows that the null hypothesis that there is no significant effect of third party intervention on employee performance in KCCA was rejected, and the alternative hypothesis that there is a significant effect of third party intervention on employee performance in KCCA was upheld. Furthermore, the study revealed that the regression model was the best fit for predicting the effect of third party intervention on employee performance ($F=47.245$, $p=0.000$). Similarly, the study revealed that every unit change in third party intervention would significantly predict a variance in employee performance by 42% ($Beta=0.420$, $p=0.000$). This implies that the intervention of a third party strategy is very instrumental in conflict resolution and therefore should be used in case employees' performance is in crisis.

5.0 CONCLUSIONS AND RECOMMENDATIONS

This study agrees with that of Olang (2017), Manning and Robertson (2003), and Muigua (2012). For example, Olang (2017) conducted a study on the influence of conflict resolution on employee performance found a positive relationship between third party intervention and employee performance. In addition, Manning and Robertson (2003) found out that third party intervention as a conflict resolution strategy is adopted when the conflict level is too high that it becomes dysfunctional to performance. Likewise, Muigua (2012) conducted a study on conflict resolution in East Africa and found out that disputes within organizations can be resolved by the use of a third party

in three different ways, mediation, arbitration and litigation.

Therefore, third party intervention should be known to be a strategy that digs deeper in ascertaining the root causes of the conflict between the parties by aiming at a post conflict relationship. However, the outcome of third party strategy is enduring, non-coercive, mutually satisfying, addresses the root cause of the conflict and it is also not zero-sum since gain by one party does not mean loss by the other; each party's needs are fulfilled. These advantages make resolution potentially superior to settlement.

Third party intervention significantly affects employee performance at KCCA due to the involvement of the third party whom the conflicting parties are well acquainted with hence the best way of resolving conflicts. This can be a trusted friend, superior leader, say, manager or a neutral but well respected person by both parties. However, sometimes, if such people fail to address such a conflict, the aggrieved parties can still seek redress in the courts of law and must be satisfied with the court ruling or at least appeal to a higher court until the matter is amicably resolved. It is likely that once the matter is well settled to the satisfaction of the conflicting parties, they can easily concentrate on their jobs thus improving their performance.

KCCA management should encourage the use of third party intervention as a form of conflict resolution strategy is a recommendation from this study. The intervening party must maintain a neutral attitude to avoid worsening the problem. The size of the intervention should be more than adequate to guarantee success. Sensitivity to potential conflicts makes it easy to apply different conflict management strategies within the organization. The overall impact is an improved employee performance because employee morale is high and the cost of conflicts is reduced.

REFERENCE

1. Ahmad, S., & Shahzad, K. (2011). HRM and employee performance: A case of university teachers of Azad Jammu and Kashmir (AJK) in Pakistan. *African journal of business management*, 5(13), 5249.

2. Amin, M. E. (2005). *Social science research: Conception, methodology and analysis*. Makerere University.
3. Arinanye, R. T. (2015). *Organizational factors affecting employee performance at the College of College of Computing and Information Sciences (CoCIS), Makerere University* (Doctoral dissertation, School of Business and Management-UTAMU).
4. Armstrong, M. (2009). *Armstrong's handbook of performance management: An evidence-based guide to delivering high performance*. Kogan Page Publishers.
5. Arrow, H., Poole, M. S., Henry, K. B., Wheelan, S., & Moreland, R. (2004). Time, change, and development: The temporal perspective on groups. *Small group research*, 35(1), 73-105.
6. Donkor, P., Afriyie, S., AdjeiDanquah, B., & Nimsah, W. K. (2015). Effect of Conflict on Employees Performance: Evidence from Coca Cola Company Limited, Kumasi Branch. *American Scientific Research Journal for Engineering, Technology, and Sciences (ASRJETS)*, 14(3), 44-53.
7. Dukhan, N. R., Mohamad, N., & Ali, A. B. (2017). Factors Affecting on the Employees' Performance Study on the Al-Zawiya University of Libya. *International Review of Management and Business Research*, 6(1), 145
8. Henry, O. (2009). Organizational Conflict and its effects on Organizational Performance. *Research journal of business management*, 2(1), 16-24.
9. Jehn, K. A., & Mannix, E. A. (2001). The dynamic nature of conflict: A longitudinal study of intragroup conflict and group performance. *Academy of management journal*, 44(2), 238-251.
10. Kafumbe, N. M. (2017). Grounded in Practice: Authentic Transformational Leadership A Case Study of Jennifer Semakula Musisi the First Executive Director of Kampala Capital city Authority (KCCA) in Uganda.
11. Kazimoto, P. (2016). Analysis of Conflict resolution and Leadership for Organizational Change. *International Journal of Research in Social Sciences*, 3(1), 16-25.
12. Manning, T., & Robertson, B. (2003). Influencing and negotiating skills: some research and reflections—Part I: influencing strategies and styles. *Industrial and Commercial Training*.
13. Mugenda, O. M., & Mugenda, A. G. (1999). *Research methods: Quantitative and qualitative approaches*. Acts press.
14. Muigua, K. (2012). *Resolving conflicts through mediation in Kenya*. Nairobi: Glenwood Publishers Ltd.
15. Nneka, A. J. (2019). CONFLICT MANAGEMENT AND ORGANIZATIONAL PERFORMANCE. *INTERNATIONAL JOURNAL OF MANAGEMENT AND ENTREPRENEURSHIP*, 1(1), 1-22.
16. Olang, B. A. (2017). *The Influence of Conflict resolution on Organizational Performance: A Case of Stima Sacco Society Limited* (Doctoral dissertation, United States International University-Africa).
17. Podsakoff, P. M., Ahearne, M., & MacKenzie, S. B. (1997). Organizational citizenship behavior and the quantity and quality of work group performance. *Journal of applied psychology*, 82(2), 262.
18. Rahim, M. A. (2002). Toward a theory of managing organizational conflict. *International journal of conflict management*, 13(3).
19. Richmond, V. P., McCroskey, J. C., & McCroskey, L. L. (2005). Organizational communication for survival: making work. *Work, Allyn and Bacon, Needham Heights MA*.
20. Roberts, M. J. (2009). Conflict analysis of the 2007 post-election violence in Kenya. *Managing conflicts in Africa's democratic transitions*, 141-155.
21. Shelton, C. D., & Darling, J. R. (2004). From Chaos to Order: Exploring New Frontiers in Conflict Management. *Organization Development Journal*, 22(3).
22. Shmueli, D. F., & Ben-Gal, M. (2003). Stakeholder frames in the mapping of the Lower Kishon River Basin conflict. *Conflict Resolution Quarterly*, 21(2), 211-238.
23. Simons, T. L., & Peterson, R. S. (2000). Task conflict and relationship conflict in top management teams: the pivotal role of intragroup trust. *Journal of applied psychology*, 85(1), 102.
24. Sorsatakaro, G., & Abera, M. (2014). The Contribution of Business Process Reengineering Factors towards Employee Performance: The Case of SNNPRS Transport Bureau, Hawassa. *IFSMRC AIJRM*, 2(3), 1-28.