

**CONTEMPLATING BUREAUCRATIC OUTCOMES THROUGH MULTI-DIMENSIONAL  
ASSESSMENT OF ORGANIZATIONAL PERFORMANCE WITH MEDIATING ROLE OF  
CONFLICT MANAGEMENT EFFECTIVENESS: AN EMPIRICAL ANALYSIS OF PUBLIC  
SECTOR ORGANIZATIONS IN PAKISTAN**



**Thesis Submitted to  
The Superior College Lahore  
In Partial Fulfillment of the  
Requirement for the Degree of  
Doctor of Philosophy in Business Administration**

**By  
Haleema Tariq  
Roll No. PDBA-15118  
Session: 2014-2017**

**SCHOOL OF BUSINESS & MANAGEMENT SCIENCES  
THE SUPERIOR COLLEGE, LAHORE.**

### **Author's Declaration**

I Haleema Tariq, hereby state that my Ph.D. thesis titled “**Contemplating Bureaucratic Outcomes through Multi-Dimensional Assessment of Organizational Performance with Mediating Role of Conflict Management Effectiveness: An Empirical Analysis of Public Sector Organizations in Pakistan**” is my work and has not been submitted previously by me for taking any degree from this University

**The Superior College, Lahore.**

Or anywhere else in the country/world.

At any time if my statement is found to be incorrect even after my graduation, the university has the right to withdraw my Ph.D. degree.

Name of Student: Haleema Tariq Ch.

Date: \_\_\_\_\_

## **Plagiarism Undertaking**

I solemnly declare that research work presented in the thesis titled “**Contemplating Bureaucratic Outcomes through Multi-Dimensional Assessment of Organizational Performance with Mediating Role of Conflict Management Effectiveness: An Empirical Analysis of Public Sector Organizations in Pakistan**” is solely my research work with no significant contribution from any other person. Small contribution/help wherever taken has been duly acknowledged and that complete thesis has been written by me.

I understand the zero-tolerance policy of the HEC and University

### **The Superior College, Lahore**

Towards plagiarism. Therefore, I as an author of the above-titled thesis declare that no portion of my thesis has been plagiarized and any material used as a reference is properly referred/cited. I undertake that if I am found guilty of any formal plagiarism in the above-titled thesis even after awarding of Ph.D. Degree, the University reserves the rights to withdraw/revoke my Ph.D. degree and that HEC and the University have the right to publish my name on the HEC/University Website on which names of students are placed who submitted plagiarized thesis.

Student/Author Signature: \_\_\_\_\_

Name: Haleema Tariq Ch.

### Certificate of Approval

This is to certify that the research work presented in this thesis, entitled “**Contemplating Bureaucratic Outcomes through Multi-Dimensional Assessment of Organizational Performance with Mediating Role of Conflict Management Effectiveness: An Empirical Analysis of Public Sector Organizations in Pakistan**” was conducted by Haleema Tariq Ch. under the supervision of Prof. Dr. Muqqadas Rehman.

No part of this thesis has been submitted anywhere else for any other degree. This thesis is submitted to the Faculty of Business and Management Sciences, The Superior College, Lahore in partial fulfillment of the requirements for the degree of Doctor of Philosophy in the field of Business Administration/Conflict Management in Faculty of Business and Management Sciences at The Superior College, Lahore.

Student Name: Haleema Tariq

Signature: \_\_\_\_\_

**Examination Committee:**

a) External Examiner 1:

Signature: \_\_\_\_\_

b) External Examiner 2:

Signature: \_\_\_\_\_

c) Internal Examiner:

Signature: \_\_\_\_\_

d) Supervisor Name: Prof. Dr. Muqqadas Rehman

Signature: \_\_\_\_\_

e) Name of Dean/HOD:

Signature: \_\_\_\_\_

## **DEDICATION**

I dedicate my doctoral dissertation to our last Holy Prophet (P.B.U.H.) being “The Greatest Educator & Mohsin-e-Insaniyat” for mankind and His beloved daughter Hazrat Bibi Fatima-Tu-Zahra (R.A.) being the great role model for every woman in the world.

I also dedicate my doctoral thesis to those whose blood, tears, and sweat have allowed me to achieve my dreams i.e. my beloved family who is the flashlight of my eyes, my loving Parents i.e. Ch. Tariq Mahmood and Mrs. Nasreen Tariq, My younger Siblings Ch. Zahid Tariq, Saqib Tariq, Asif Tariq, and Sadia Tariq, in reverent recompense. I also pay my special gratitude and dedicate my doctoral thesis to Respected Ali Usman Sarwer (Adv) for his untiring efforts and unconditional belief that he made the hard pavement smoother for me. I own his selfless commitment to my degree. Without him, I could not reach this point.

Without these above-mentioned pearls, this work would never have been possible, and the patience and tolerance of these special people gave me ample time to concentrate on studies during the whole span of this research work.

## **ACKNOWLEDGMENTS**

To the ALMIGHTY ALLAH, All the Praises and Glory be Forever!

A thesis is a complicated masterpiece of one's hard work that demands the moral support of key individuals. I would like to extend my immeasurable gratitude to my University Chairman Prof. Dr. Ch. Abdul Rehman, for his dynamic leadership, my Supervisor, Prof. Dr. Muqqadas Rehman and co-supervisor Prof. Dr. Khyzer Bin Dost, for their vast knowledge, professional expertise, effective guidance, studious readership, constructive feedback and perpetual availability for consultation. I am equally indebted to all members of the Board of External & Internal Examiners for being instrumental to contribute positively to adding value to the final product. I am also indebted to the University administration for facilitating me at every step whenever I needed them.

I also want to acknowledge the sincere assistance and valuable directions of Adv. Ali Usman Sarwer Ch and Adv. Ch. Zahid Tariq for their dedication, cooperation, technical up-gradation, and formatting of the whole dissertation. Many thanks to all those who have somehow been a source of motivation, passion, and learning for me, whose insights helped to refine this study.

Thank you All, You have made it possible for me to get this great degree in my academic pursuit.

## ABSTRACT

The management of conflicts has long been of concern to government policy-makers, community-minded citizens, urban planners, researchers, and social scientists. Rapid changes in the global economy and political dynamics have imperatively focused on governance structures worldwide. Fewer studies advance the understanding of how conflicts are managed. It has been argued by some researchers that conflict is a symbol of vibrant organizations while others contend that it is destructive and capable of retarding stability and performance. An intensive literature review was undertaken on the causes, types, strategies, and implications for managing conflicts. This study highlights and addresses the problem which requires more scholarly attention to investigate the role of bureaucrats in the process of conflict management to keep the sustainability of power-sharing between politicians and bureaucrats. This study also verifies the impact of conflict management effectiveness on the organizational performance of mainstream public sector organizations of Pakistan. The purpose of this study is to articulate and test the hypothesized relationships and impact of factors of developmental culture, hierarchical culture, goal ambiguity, decentralization, relationship conflicts, task conflicts, and perceived organizational politics with perceived organizational performance in public sector organizations. The original contributions of this study are contextual, theoretical, and methodological.

Theoretically, this study fills the gap in the literature of conflict management and organizational performance by investigating measures of organizational culture, goal clarity, and decentralization. This study highlights whether effective management of conflicts contributes to organizational performance. Another theoretical contribution is in the literature of internal politics and conflicts by validating political-bureaucratic relationships, tasks, and internal politics. Contextually, this study primarily contributes to conflict management theory when applied in settings of public sector organizations that if conflicts among bureaucrats and politicians are managed properly, this effective management of conflicts can turn around the outcomes. The results of this study are also in conformity with the theory of organization identification that every organization is unique and situational. This study relies on the theory of representative bureaucracy to verify the role and responsibility of the bureaucratic elite in

conflict management to sustain power-sharing. Methodologically, the study is drawn on a quantitative approach consisting of statistical techniques of regression analysis and partial least square-structural equation modeling to analyze perceptual data of respondents. The measurement instrument of the questionnaire was adapted and validated with response data collected from bureaucrats and public employees working in public sector organizations. Initially, 1050 questionnaires were distributed and 815 questionnaires were duly filled in generating a response rate of 77.6%. The study has methodological contributions in terms of using Structural Equation Modeling (SEM). Consequently, the customized conceptual research model gets substantial support from the results and findings.

The findings revealed that conflicts have both negative and positive impacts on bureaucratic relationships with politicians and organizational performance. The developmental culture is positively significant, hierarchical culture is positively significant, goal ambiguity is negatively significant, decentralization is positively significant, perceived organizational politics is negatively significant, relationship conflict is negatively significant and task conflict is positively significant to organizational performance. The mediating variable conflict management effectiveness is partially mediating between developmental culture and organizational performance, hierarchical culture and organizational performance, decentralization and organizational performance, and lastly perceived organizational politics and organizational performance. The mediating variable conflict management effectiveness is fully mediating between goal ambiguity and organizational performance, relationship conflict and organizational performance and task conflict and organizational performance. The results provide varying support for the defined hypotheses. The findings confirm the tentative relationships of the study.

The study is highly important in the context of public sector organizations as it provides a comprehensive insight to disclose the role of the bureaucratic elite which influences the conflict management process for concealing the performance lapses. Another importance of this study is to integrate a multidimensional conceptualized model of mutual conflicts and internal politics under propositions based on executive decisions and in knowing the varying perceptions and attitudes of bureaucrats serving on key positions in mainstream organizations of Pakistan. The

findings of the study reinforce that civil service reforms should be based on perceptions of bureaucrats about organizational performance prevailing in their respective departments and have to adopt strategies to minimize the negative outcomes. Civil servants will have to take responsibility by focusing on performance loopholes. Hence this dissertation ascertains the discretionary extent available to the bureaucratic elite. The practical implications and future research horizons are also identified and discussed. It has been recommended that the ideal level of conflict resolution required to achieve optimum performance for bureaucrats in public organizations is situational and flexible. Hence managers are advised to establish the mechanism for effective management of conflicts arising during their performance.

**Keywords:** Organizational Performance, Conflict Management Effectiveness, Contemplating Bureaucratic Outcomes, Multi-Dimensional Assessment, Public Sector Organizations, Pakistan.

## TABLE OF CONTENTS

<b>DEDICATION</b> .....	<b>IV</b>
<b>ACKNOWLEDGMENTS</b> .....	<b>V</b>
<b>ABSTRACT</b> .....	<b>VI</b>
<b>TABLE OF CONTENTS</b> .....	<b>IX</b>
<b>LIST OF TABLES</b> .....	<b>XVI</b>
<b>LIST OF FIGURES</b> .....	<b>XVIII</b>
<b>LIST OF ACRONYMS</b> .....	<b>XIX</b>
<b>1 CHAPTER ONE: THE INTRODUCTION</b> .....	<b>1</b>
1.1 Purpose and Approach.....	1
1.2 Research Background .....	1
1.3 Role of Public Sector Reforms (PSRs).....	5
1.3.1 Restraints of Public Sector Organizations (PSOs).....	5
1.3.2 Role of PSOs in Economic Growth .....	6
1.3.3 Governance & Civil Bureaucracy .....	8
1.3.4 The Missing Element in Bureaucracy .....	10
1.4 Performance Management in Public Sector .....	12
1.4.1 Individual-Specific Issues .....	12
1.4.2 Organization-Specific Issues.....	13
1.4.3 Ministerial-level Issues .....	13
1.5 New Public Management (NPM) – A Management Paradigm .....	13
1.6 Public Sector Organizations (PSOs) in Pakistan .....	17
1.6.1 Civil Service Reforms in Pakistani Context .....	18
1.6.2 Organizational Control: A Challenge in Pakistan.....	19

1.7	The Theoretical Lens of Contemporary Theories of Organizational Performance For This Study.....	20
1.7.1	Theory of Representative Bureaucracy.....	20
1.7.2	Conflict Management Theory.....	21
1.7.3	Organizational Identification Theory.....	22
1.7.4	Results-Based Management (RBM) Theory.....	23
1.8	Statement of the Problem.....	25
1.9	Purpose Statement of the Study.....	27
1.10	Research Objectives of the Study.....	29
1.11	Research Questions of the Study.....	30
1.12	Significance of the Study.....	31
1.13	The Scope of the Study.....	33
1.14	Delimitations of the Study.....	34
1.15	The Thesis Structure.....	35
1.16	Definitions of Key Terms Used in the Study.....	36
<b>2</b>	<b>CHAPTER TWO: LITERATURE REVIEW.....</b>	<b>38</b>
2.1	Purpose and Approach.....	38
2.2	Performance Management.....	39
2.3	Components of Performance Management.....	39
2.3.1	Communication and Feedback.....	40
2.3.2	Managerial Commitment.....	40
2.3.3	Transparency and Fairness.....	40
2.3.4	Client Satisfaction.....	41
2.4	Performance Measurement (PM) Theory.....	42
2.5	Organizational Performance.....	48
2.5.1	Financial & Non-Financial Assessments.....	50
2.5.2	Organizational Structure-Performance Link.....	51

2.6	Organizational Environment .....	51
2.7	Benefits of Performance Measurement Theory for Bureaucracy.....	53
2.7.1	Clear Vision & Goals.....	53
2.7.2	Minimizing Internal Politics .....	53
2.7.3	Managing Conflicts & Strategic initiatives.....	54
2.7.4	Enhanced Learning & Feedback .....	54
2.8	Critical Analysis of Literature .....	59
2.9	Desired Benefits of Conflict Management .....	79
2.9.1	Communication & Cooperation .....	81
2.9.2	Rational Decision-Making .....	82
2.9.3	Coordination.....	83
2.10	Long Term Benefits of Conflict Management .....	83
2.10.1	Effectiveness & Efficiency .....	83
2.10.2	Culture & Environment .....	84
2.11	Bridging the Gaps Found in the Literature .....	84
2.12	The Hypotheses for the Study .....	86
2.13	Factors of Organizational Performance.....	86
2.13.1	Organizational Culture (OC) .....	87
2.13.1.1	Hierarchical Culture (HC) .....	89
2.13.1.2	Developmental Culture (DC) .....	92
2.13.2	Goal Ambiguity (GA).....	94
2.13.3	Decentralization (DCT) .....	97
2.13.4	Perceived Organizational Politics: A Sharp-Edged Sword (POP) .....	99
2.13.5	Organizational Conflicts: A Mixed Blessing.....	104
2.13.5.1	Task Conflict (TC) .....	105
2.13.5.2	Relationship Conflict (RC).....	107
2.13.6	Conflict Management Styles & Strategies.....	110

2.13.7	Conflict Management Effectiveness.....	113
2.14	Chapter Summary.....	115
<b>3</b>	<b>CHAPTER THREE: RESEARCH METHODOLOGY .....</b>	<b>117</b>
3.1	Purpose and Approach.....	117
3.2	Research Paradigm .....	117
3.3	Research Approach.....	118
3.3.1	Quantitative Approach .....	119
3.4	Description of Sampling.....	121
3.4.1	Type of Study, Unit of Analysis & Survey Method .....	122
3.4.2	Study Setting & Time Horizon .....	123
3.4.3	Population & Sample .....	123
3.4.3.1	Sample Frame.....	124
3.4.3.2	Subject, Procedure & Sample Size.....	124
3.5	Instrumentation.....	125
3.6	Measurement of Constructs .....	127
3.6.1	Independent Variables.....	127
3.6.1.1	Goal Ambiguity (Coded as GA).....	127
3.6.1.2	Development Culture (Coded as DC) .....	127
3.6.1.3	Hierarchical Culture (Coded as HC) .....	128
3.6.1.4	Decentralization (Coded as DCT) .....	128
3.6.1.5	Perceived Organizational Politics (Coded as POP).....	128
3.6.1.6	Relationship Conflict (Coded as RC).....	129
3.6.1.7	Task Conflict (Coded as TC).....	130
3.6.2	Mediating Variable .....	130
3.6.2.1	Perceived Conflict Management Effectiveness (Coded as CME) .....	130
3.6.2.1.1	Integrating (Coded as IN) .....	131

3.6.2.1.2	Avoiding (Coded as AV) .....	131
3.6.2.1.3	Dominating (Coded as DO) .....	131
3.6.2.1.4	Obliging (Coded as OB) .....	132
3.6.2.1.5	Compromising (Coded as CO).....	132
3.6.3	Dependent Variable.....	132
3.6.3.1	Perceived Organizational Performance (Coded as OP).....	132
3.7	Psychometric Properties of Instrument used for this Study .....	133
3.7.1	Validity and Reliability of Instrument .....	133
3.8	Pilot Testing.....	134
3.9	Data Collection Procedure.....	137
3.9.1	Survey Instrument .....	137
3.9.2	Sampling Technique .....	138
3.9.3	Recruitment of the Sample.....	138
3.10	Methods of Data Analyses.....	138
3.11	Linear Regression Analysis .....	139
3.12	Structural Equation Modeling (SEM) Analyses .....	139
3.13	Chapter Summary .....	140
<b>4</b>	<b>CHAPTER FOUR: ANALYSIS AND RESULT .....</b>	<b>141</b>
4.1	Initial Findings, Responses & Reliability.....	141
4.2	Sample Description .....	141
4.3	Data Normality Tests.....	142
4.4	Frequency Distribution (Demographic Profile of Respondents).....	144
4.5	Reliability Tests & Confirmatory Factor Analyses (Uni-dimensionality) .....	146
4.5.1	Development Culture (DC).....	147
4.5.2	Hierarchical Culture (HC).....	148
4.5.3	Goal Ambiguity (GA) .....	150
4.5.4	Decentralization (DCT).....	152

4.5.5	Relationship Conflict (RC)	153
4.5.6	Task Conflict (TC)	155
4.5.7	Perceived Organizational Politics (POP)	156
4.5.8	Perceived Organizational Performance (OP)	158
4.5.9	Conflict Management Styles	160
4.5.9.1	Integration (IN)	160
4.5.9.2	Avoiding (AV)	161
4.5.9.3	Dominating (DO)	162
4.5.9.4	Obliging (OB)	163
4.5.9.5	Compromising (CO)	165
4.6	Pie Charts of the Demographics	166
4.7	Simple Linear Regression	171
4.8	Multiple Regression Analysis for Mediation	173
4.8.1	Pre-Assumptions of Mediation Analysis	175
4.8.1.1	Assumption 1: Direct Relationship b/w Independent & Mediating Variables	176
4.8.1.2	Assumption 2: Direct Relationship b/w Independent & Dependent Variables	178
4.8.1.3	Assumption 3: Direct Relationship b/w Mediating & Dependent Variable	179
4.9	Smart PLS SEM Model Assessment	179
4.9.1	Assessment of Measurement Model	182
4.9.1.1	Internal Consistency Reliability	182
4.9.1.2	Convergent Validity	182
4.9.1.3	Discriminant Validity	183
4.9.1.4	Indicator Reliability	183
4.9.1.5	Partial Least Square Algorithm	183
4.9.2	Assessment of Structural Model	195

4.9.2.1	Path Coefficients .....	195
4.9.2.2	Bootstrapping Routine to Assess Path Coefficients .....	195
4.9.2.3	Blindfolding to Assess Q <sup>2</sup> Values .....	205
4.10	Impact Performance Matrix Analysis (IPMA) .....	210
4.11	Model Fit Summary .....	214
4.12	Overall Summary of Results .....	215
<b>5</b>	<b>CHAPTER FIVE: DISCUSSION .....</b>	<b>216</b>
5.1	Culture Types & Organizational Performance .....	216
5.2	Goal Ambiguity & Organizational Performance .....	217
5.3	Decentralization & Organizational Performance .....	218
5.4	Perceived Organizational Politics & Organizational Performance .....	218
5.5	Task Conflict & Organizational Performance .....	219
5.6	Relationship Conflict & Organizational Performance .....	219
5.7	Conflict Management Effectiveness & Organizational Performance .....	220
<b>6</b>	<b>CHAPTER SIX: CONCLUSION .....</b>	<b>227</b>
6.1	Contributions of This Study .....	231
6.2	Limitations of the Study .....	233
6.3	Practical Implications, Recommendations & Future Research Horizons .....	235
	<b>REFERENCES .....</b>	<b>239</b>
	<b>ANNEXURES .....</b>	<b>259</b>

## LIST OF TABLES

Table 1.1: Global Indicators of Governance in Public Sector Organizations .....	10
Table 2.1: Some Relevant Research Evidences at a Glimpse .....	56
Table 2.2: Types & Nature of Conflicts .....	105
Table 3.1: Names of Participating Organizations of Pakistan.....	125
Table 3.2: Summary of Population & Sample Selection Process .....	125
Table 3.3: Variable-wise Reliability of Pilot Study .....	135
Table 3.4: Variable Description & Survey Questions .....	135
Table 4.1: Skewness & Kurtosis for the Test of Normality .....	142
Table 4.2: Shapiro-Wilk Statistics for the Test of Normality .....	143
Table 4.3: One Sample Kolmogorov-Smirnov Test.....	143
Table 4.4: DC Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained .....	147
Table 4.5: HC Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained .....	148
Table 4.6: GA Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained .....	150
Table 4.7: DCT Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained .....	152
Table 4.8: RC Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained .....	153
Table 4.9: TC Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained .....	155
Table 4.10: POP Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained .....	156
Table 4.11: OP Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained .....	158
Table 4.12: IN Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained .....	160

Table 4.13: AV Reliability, Descriptive Statistics, Factor Analysis & Total Variance	
Explained .....	161
Table 4.14: DO Reliability, Descriptive Statistics, Factor Analysis & Total Variance	
Explained .....	162
Table 4.15: OB Reliability, Descriptive Statistics, Factor Analysis & Total Variance	
Explained .....	163
Table 4.16: CO Reliability, Descriptive Statistics, Factor Analysis & Total Variance	
Explained .....	165
Table 4.17: Correlation Matrix.....	168
Table 4.18: Linear Regression Analysis.....	171
Table 4.19: Model: Andrew F. Hayes (Model 4) .....	173
Table 4.20: Construct Reliability and Convergent Validity .....	186
Table 4.21: Collinearity Statistics (VIF) Inner VIF values .....	189
Table 4.22: Discriminant Validity Heterotrait-Monotrait Ratio (HTMT).....	190
Table 4.23: Outer Loadings .....	192
Table 4.24: Model Fit Summary .....	194
Table 4.25: Path Coefficients for Direct Effects of Variables.....	200
Table 4.26: Indirect Effects of Variables .....	204
Table 4.27: Construct Cross validated Redundancy.....	206
Table 4.28: Mediation Analyses & Hypotheses Testing .....	207
Table 4.29: Importance-Performance Map Analysis (IPMA).....	210
Table 4.30: Result Summary .....	213

## LIST OF FIGURES

Figure 1.1: Examples of Asymmetric Information in Public Sector .....	20
Figure 1.2: A Multi-Theory Perspective on Performance Measurement of Public Sector.....	25
Figure 2.1: Conceptual Literature Findings.....	78
Figure 2.2: Strategies for Conflict Management .....	110
Figure 2.3: Research Framework of this Study .....	115
Figure 4.1: Bar Charts for Demographic Profile .....	145
Figure 4.2: Gender-wise Distribution of the Respondents .....	166
Figure 4.3: Educational Details of the Respondents.....	166
Figure 4.4: Experience-wise Distribution.....	167
Figure 4.5: Designation-wise Distribution of the Respondents.....	167
Figure 4.6: Organization-Type Distributions .....	167
Figure 4.7: Graphical Display Model for Mediation .....	175
Figure 4.8: Assumption 1: Direct Relationship b/w Independent & Mediating Variables .....	176
Figure 4.9: Assumption 2: Direct Relationship b/w Independent & Dependent Variables.....	178
Figure 4.10: Assumption 3: Direct Relationship b/w Mediating & Dependent Variable .....	179
Figure 4.11: Graphical Output of Conceptual Model of Study .....	181
Figure 4.12: Initial Model Output Image of Algorithm.....	184
Figure 4.13: Bar Chart R-Square Adjusted.....	185
Figure 4.14: Bar Chart of Composite Reliability.....	187
Figure 4.15: Bar Chart of Average Variance Extracted .....	188
Figure 4.16: Bar Chart of Cronbach Alpha .....	188
Figure 4.17: Bar Chart of HTMT Ratio.....	191
Figure 4.18: Inner Model Output: Relationships between Latent Variables .....	196
Figure 4.19: Final Path Diagram of SEM Model Output .....	198
Figure 4.20: PLS-SEM Model Output for Predictive Relevance .....	206
Figure 4.21: Graphical Representation of Impact-Performance Map .....	211

## LIST OF ACRONYMS

PSOs	Public Sector Organizations
PSRs	Public Sector Reforms
PM	Performance Management
PMS	Performance Management System
WB	World Bank
WTO	World Trade Organization
UN	United Nations
IMF	International Monetary Fund
ADB	Asian Development Bank
NPM	New Public Management
NGOs	Non-profit Governmental Organizations
HPOs	High-Performing Organizations
CME	Conflict Management Effectiveness
MBOR	Management By Objectives and Results

## **CHAPTER ONE: THE INTRODUCTION**

### **1.1 Purpose and Approach**

This chapter presents a comprehensive introduction to this thesis. Section 1.2 establishes the research background of this study. Section 1.3 explains the role of public sector reforms. Section 1.4 sheds light on performance management in the public sector. Section 1.5 puts light on the paradigm of new public management. Section 1.6 presents public sector organizations in Pakistan. Section 1.7 discusses contemporary theories for organizational performance. Section 1.8 provides the theoretical foundation for this study. Section 1.9 presents the statement of the problem. Section 1.10 mentions the purpose statement. Section 1.11 gives an overview of the research study by outlining the research questions and objectives used to conduct this research. Section 1.12 discusses the significance of the research. Section 1.13 provides the scope of this study and Section 1.14 discusses the delimitations of this study and section 1.15 explains the addition of current research into the body of knowledge. Section 1.16 outlines the overall structure of the thesis.

### **1.2 Research Background**

The civil service reforms have been a debatable topic for the last few years particularly in developing economies and civil servants themselves (Alfawzan, 2016). There has been a failure in administrative machinery to provide remarkable services to the public at large. Allegations were also made that these failures have in turn led to serious omissions and errors in national reforms and policies particularly lapses in civil service reforms (Cole, 2018). The Public Sector Organizations (PSOs) are entrusted with the responsibility of providing essential goods and services to the public at large to meet their needs, achieve their goals at both domestic and foreign levels (deHaaff, 2017). The major function of any public sector is to participate in key areas of service and facilitation, develop infrastructure, make the regulatory framework for businesses and people and reform comprehensive policies on social and economic development (Choi & Ha, 2018).

Public sector can play a more dynamic role in creating and developing a growth strategy for competitive inspirational culture i.e. overstretching the performance of bureaucrats, management capacity and national resources (Vickers, 2017; Hares, 2009). During the last few years, the public sector of both developed and developing countries is encountered substantial financial disorders (Daskin, 2013). The public sector of Great Britain, United States of America, Germany and France is facing serious administrative and governance issues due to which public over there agitate and ask for their basic rights (Fryer, Antony & Ogden, 2009). Corruption, political instability and mismanagement have rendered public sector organizations badly ineffective. Now public sector employees are supposed to be exploitative, corrupt, unresponsive and follow cumbersome bureaucratic procedures (Buschor, 2013). To overcome these impediments, Planning & Development ministries have put forth some core initiatives for workable solutions and benchmark outcomes (Waeyenberg & Decramer, 2018).

This research is mainly based on the theory of Performance Management (PM) as this particular area has been neglected for the last many years due to tense situations globally (Philbin, 2017). In a situation of scarce resources and rising demands of growing population, the developing countries require improved performance of their public sector offices for landmark growth (Sangwa & Sangwan, 2018). The traditional systems of managing performance in Pakistan focus on strategies to improve overall performance of public sector along with the individual employee performance. The role and relationship of bureaucrats highly depends on the politicians to achieve the objectives and mission of public sector organizations (Pang, 2014). Resultantly, the link of individual efforts with development strategies leading to organizational performance of public sector has been very weak and not given due importance in past (Ingrams, 2017; Field, 2013; Mothusi, 2008).

The public sector is being strengthened on a larger scale through the endeavors of external bodies called World Bank (WB), World Trade Organizations (WTO), United Nations (UN), International Monetary Fund (IMF) and Asian Development Bank (ADB) (Rice, 2017; Ofori, 2014). Literature is critically evaluated to reveal that the performance of PSOs is not up to the expectations of general public at large. The need for 'change' exists to adapt according to the public sector reforms in their true spirit to improve their overall output. The public sector reforms (PSRs) are also named as New Public Management (NPM) reforms (Castelli, 2016; Dijkstra, 2010).

The revolution of performance measurement is a current buzzword rapidly emerging for the last many decades. Performance measurement needs to become a core part of overall management strategy to foster betterment. Performance management is led by performance measurement with a revolutionary change in behaviors of organizations and decisions for general public at large (Gorane & Kant, 2015; Othman & Said, 2007). Government offices might have better performance through PM utilization by focusing on internal management.

- Internal management: Data of performance measurement is used by the public managers and mid-level staff for strategic planning and information evaluation regarding goals and role expectations being service providers in public offices (Almatrooshi, Singh & Farouk, 2016; Shepherd, 2008).
- Budgeting: Data of performance budgeting is used by the policy makers to increase the policy quality, decisions of service priority and resource allocation (Johansson & Siverbo, 2014; Drucker, 2001).
- Reporting: Public managers prepare accomplishment reports to facilitate the citizens for active participation in reasonable decision-making for justifying their roles as owners in government departments (Goh, Elliott & Quon, 2012).

Restructuring of public sector organizations globally have led to the improvement in public service provisions in UK, USA, New Zealand, Australia along with other developing countries. This study is significant as it verifies factors that stand critical in success as well as failure of implementing these PSRs. This study develops an associating framework comprising a set of crucial factors like perceived organizational support, relationship and task conflicts, goal ambiguity and other organizational dynamics to assess the of performance in Pakistani public sector organizations (PSOs) specially with respect to their client satisfaction. The focus is on both the stakeholders and managers who actually have to implement the PSRs to ensure good governance in their respective departments (Rice, 2017; Healy, Ledwith & O'Dwyer, 2014).

The public reforms and the foreign governance trends to manage the public sector have been introduced in advanced industrialized countries such as U.S., England and Australia. In order to ensure proper utilization of limited resources, there is a need to define and measure the performance of PSOs for making them proactively responsive and accountable to the societal needs and general public (Ingrams, 2017). In developing

countries, it has been quite difficult to define and measure a subjective concept like performance of public sector organizations. The performance management systems could be introduced in our country. World Bank initiated a 'Signaling system' for performance evaluation of public sector to give awareness to developing countries like Pakistan (Jafari & NiliPourTabataba'i, 2017; Edmiston, 2003). This system continued its operations in public manufacturing sector for many years but not in public non-manufacturing sector. The political support and willingness may extend the PM systems in other PSOs (Gupta & Chopra, 2018). The available literature on this subject surveyed for purpose of this study is to test the relationships between organizational factors and perceived organizational performance to devise a comprehensive framework of performance management of Pakistani public sector (Mehrad, 2015; Fernandez, Cho & Perry, 2010).

Another aim of this research is to advance and review the prior performance measurement models proposed by (Jung & Kim, 2014; Petrovsky & Ritz, 2014; Soni, 2011). These models have been used as an underlying theoretical basis to determine the main contributing factors in implementing the PSRs. In past, major researches have been put forth in descriptive, normative forms and less empirical evidence exists to identify the relationships between organizational factors and perceived organizational performance and a multivariate model has been designed (Philbin, 2017; Mensah, 2013). This is rigorous empirical evidence that explains the variations of critical human and organizational dimensions to reap the benefits of perceived conflict management effectiveness and perceived organizational performance management pertaining to PSOs (Park & Kim, 2016). This research project studies the core impact of organizational factors on perceived conflict management effectiveness and perceived organizational performance of mainstream Public Sector Organizations (PSOs) in a developing country like Pakistan. At present, Pakistani public sector is facing high uncertainty and continued inefficiency in terms of natural resources, economic indicators, political instability, leadership weaknesses, vast mismanagement and unprecedented expansion of employment in government sector.

### **1.3 Role of Public Sector Reforms (PSRs)**

#### **1.3.1 Restraints of Public Sector Organizations (PSOs)**

The term ‘organization’ has been precisely defined so that subsequent debate could be clarified. PSOs establish the structure for incentives and individual behaviors. New researchers refer to “Organizations are forums that shape the behaviors of individuals in a society. Organizations include set of actors and factors which are used to pursue common objectives collectively.” PSOs formally include constitution, internal procedures, government contracts, regulations and laws (Staniok, 2016). Informally, they include norms, values and trust. It is helpful for economic analysis to distinguish between two organizational sets: hierarchies and markets. *‘Hierarchies’ are set of rules to make transactions on the basis of vertical lines of decision-making authority. Markets are set of factors which set the stage to conduct impersonal and discrete transactions.* (Petrovsky & Ritz , 2014 ; Greiling, 2006).

The governance of PSOs is of paramount importance around the globe. It is required to study on governance and infrastructure of public sector particularly in developing countries (Staniok, 2016; Hares, 2009). The public sector reforms are devised to improve governance mechanisms in larger interest of general public. ‘Governance’ refers to the style in which power is exercised in managing a country’s social and economic resources (Vakharia, Vecco, Srakar & Janardhan, 2018; Shepherd, 2008). Strong checks and balances on public infrastructure reflect good governance with the flexibility of politicians and bureaucrats to work collectively in good faith for improvement of society (Husain, 1999). The indicators of governance and performance are required to be objectively evaluated by the civil servants in PSOs. The call for PSOs to be able to achieve sustainably high performance is getting louder and louder (Piening, 2011). The work dynamics of PSOs are changing and demand an eye to improve them by diverse demographic profiles of public servants (Ryu & Johansen, 2015).

Well-functioning public organizations are result of good governance and a current buzzword with a couple of well-designed public investments and sensible public policies for facilitating efficient markets, getting comparative advantage and resource allocation, more productivity and equitably distributing the growth benefits around the economy (Almatrooshi, Singh & Farouk, 2016; Chen, 2015; Hoffman, & Klepper, 2006).

### 1.3.2 Role of PSOs in Economic Growth

A number of interesting results have been seen in recent empirical researches on performance dimensions that affect overall development and economic growth (Haas & Yorio, 2016; Johansson & Siverbo, 2014; Fitzsimons, 2008). Regressions on cross-country growth by some researchers have used largely available secondary information. The influences of organizational culture, goal ambiguity, perceived internal politics, mutual conflicts and decentralization have been focused in this research (Ford & Andersson, 2017; Jung & Kim, 2014). Extensive literature broadens our horizons and provides fresh insights regarding the reform implementation in organizational development process. Some factual information is beyond the prescriptions of policy for which researchers are interested and it falls in the realm of business administration, social sciences and politics. However, numerous organizational dimensions are amenable to change as per organizational settings (Chun & Song, 2016; Millar & Doherty, 2016; Sulle, 2014; Guimaraes, Odelius, Medeiros & Agosto, 2011).

In cross-country regressions on growth, four sets of organizational-political variables were given importance like a country's socio-economic characteristics like religious or ethnic composition and initial income inequality, country variables like democracy, enforcement of contracts and protection of property rights and quality indicators of public sector like measures of corruption. The organizational-political variables show high correlations (Castelli, 2016; Alas & Vadi, 2003; Lan & Rosenbloom, 1992). This observation could be interpreted. Firstly, it is easier to maintain efficiency and political stability of PSOs because well-performing public sector facilitates economic growth. Secondly, organizational performance features have a strong correlation with per capita income. Lastly, good things go together like an efficient bureaucracy, political stability and lower corruption levels have a positive link (Appelbaum, Calla, Desautels & Hasan, 2017; Northcott & Taulapapa, 2012; Cunningham & Kempling, 2009).

Organizational factors that measure government fragility like frequency of government changes, military coup and political instability can be distinguished from factors of sociopolitical instability like riots, revolutions and political assassinations (Hawke, 2012). A sample gave striking findings about the political-organizational variables on comparison of ten slowest economies with ten fastest growing economies (Martocchio, 2006). The ten

slowest-growing economies were politically unstable with poor indicators of the organizational quality and rule of law, greater income inequality and higher black market premiums (Ryu & Johansen, 2015). The uncertainty in survival of governments is measured by expectations due to underlying probability of a government collapse. This can help in finding that the growth is negatively affected by government fragility collapse. Socio-political instability put a negative influence on growth. Corruption tends to worsen the composition of public expenditures and reduce private investments (Moon, 2017; Hood, 2000).

Economic growth is destroyed by variables measuring social conflict like strikes, demonstrations, assassinations while significantly causing instability (Spano & Monfardini, 2017; Young & Denize, 2008). A plausible interpretation is that political instability undermines investors' confidence and causes uncertainty for two reasons. The policy environment becomes instable due to frequent government changes creating uncertainty in policies. The property rights may be threatened due to symptoms of extreme instability causing even more acute loss of confidence of investors. Clearly strong results can be noticed on rule of law, corruption and bureaucratic quality (Cosenz, 2018; Wayne, 2004). These factors have significantly strong impact in a sense that growth is negatively and significantly affected by weak institutions. Bureaucratic quality draws a borderline of difference between the East Asian economies in terms of success. Growth is affected by and bureaucratic inefficiency and organizational quality (Rice, 2017; Ulbrich, 2010; Fitzsimons, 2008).

Since public sector organizational efficiency persists over time, the PSOs which do not perform properly, lead to low economic growth leading to poverty (Ofori, 2014). A robust determinant of economic growth is an investment and is lowered by corruption (Fitzsimons, 2008). Growth is positively affected by measures of trust and social capital. In advanced societies, people divert some of the resources for their protection like bribes, tax payments and illegal violations of property rights. Innovation is discouraged due to lack of trust. When credibility of policy environment was assessed, it was found that it determines the quality of public offices and their officials are considered trust worthy (Hailesilassie, 2009; Owusu, 2006). Organizational quality is comparatively more important than the size of a government. No matter whether a government is small or large, the thing that only matters is its organizations.

A large government with its weak organizations is of no use as compared to a small government with its efficient organizations (Maré, 2014; Hood, 2000). Such small governments can rapidly double their per capita income than a large one which will take more time to do so (Jas & Skelcher, 2005). Employment opportunities and investment is enhanced by a functioning legal system as it supports overall economic expansion (Bournakis & Tsoukis, 2016). The recent studies on the 'Voice of Poor' reveal shocking results on the relationship of Governance with Poverty Reduction. The grievances against humiliation, harassment and extortion in the hands of the state functionaries and arbitrary behavior of the state organs like Police make the poor feel powerless. This powerlessness is an aspect of their persistent poverty (Castelli, 2016; Kelman, 2006).

### **1.3.3 Governance & Civil Bureaucracy**

Governance means the way of exercising power to manage social and economic resources of a country. The monopoly of state on access to information not available generally to public coupled with coercion gives opportunities to public officials for promoting their vested interests or those of family and allies at the expense of common interest (Villmer, 2015). The probabilities for corruption and rent seeking are considerable. Good governance is characterized by checks and balances in organizational infrastructure of a country as the bureaucrats and politicians restrain corruption and arbitrary actions and they have the flexibility in pursuing the common good (Spano, 2014; Sardana 2008).

Within the state structure beyond the PSOs, civil society's participation and voice such as public dissemination of governance benchmarks, user participation survey, impartial and independent media, professional watchdog bodies, think tanks and vigilant non-profit governmental organizations (NGOs) exert external pressures to reduce corruption and improve performance of PSOs (Sumadilaga, Soetjipto, Wahyuni & Wijanto, 2016). Apart from formal organizational aspects, there exist informal aspects which are equally powerful in many instances. Informal aspects include norms, values and trust. Political norms generally constrain the behaviors of bureaucrats and politicians where as it has been found that trusts positively influence the functioning of large public and private sector organizations (Haas & Yorio, 2016; Girard, 2005).

Corrupt and inefficient bureaucracies involve costly and long procedures for performing as per the reforms due to which foreign investment is reduced and domestic investment is channelized towards the underground economy (Calciolari, Prenestini & Lega, 2017). An inefficient bureaucracy makes investment activities uncertain, risky and expensive for domestic and foreign investors, law enforcement and taxation, provides low productive levels of public goods (Kuipers & Giurge, 2016; Fritzen, 2007). Foreign investment is discouraged by corruption. To lure foreign investors, substantial tax incentives are offered by many developing countries (Arogundade, 2016). It was estimated that if developing countries could curb their domestic corruption, they can have remarkable levels of foreign investments even without offering any tax heavens (Moon, 2017; Neely, 2008).

Public sector organizations can be broadly classified into three main categories regarding functions i.e., policy making, service delivery & oversight and accountability. Combined with the participation and voice from civil society and external bodies to which Pakistan belong to, these organizations of accountability and oversight in public sector are regarded as *organizational restraints* (Ford & Andersson, 2017). Power has a horizontal distribution among the executive, the legislative and the judiciary while has a vertical division among central, provincial and local authorities. Numerous organizational mechanisms give checks and balances which lead to reduced corruption and good governance. To be credible and enduring, these mechanisms must be anchored in core organizations of state (Varkarolis & King, 2017; Piening, 2013; Soni, 2011).

Numerous subjective and objective indicators of PSOs quality have been identified in literature on governance. Surveys to collect data on subjective indicators are the perceptions of domestic and foreign interests from economic and political consultants dealing with the business in these countries (Spano, 2014; Ishrat & Kumar, 2010). The participants responded using a categorical scale for governance to present as average country ratings. The biases and knowledge of respondents determine the rating quality (Hughes, 2018; Rice, 2017; Jones, 2010). Tax administration and legal systems were taken as robust objective indicators. Recent studies have shown the aggregate set of governance indicators around the globe. Indicators are grouped into six clusters of indicators for specific categories: The process of selecting, monitoring and replacing governments, the government capacity for effective formulation and implementation of sound reform policies and organizations governing social and economic interactions with respect to state and citizens (Hawke, 2012; Esteban & Dalehite, 2008).

**Table 1.1: Global Indicators of Governance in Public Sector Organizations**

---

Extent of Tax Evasion

Security of Property Rights

Law and Order

Independent Judiciary

***Regulatory Burden***

Regulations on Foreign Currency

Government Intervention in Economy

Business Development and Foreign Trade Regulations

Independent Bank Supervision

***Political Instability***

Terrorism

Social Unrest

Change in Government

***Government Effectiveness***

Government Policy Credibility

Independent Civil Services from Political Pressure

Civil Servants Competency

Bureaucracy Quality

Public Service Quality

***Corruption***

Use of public power for Private Gains

***Accountability & Voice***

Civil Society

Independence of Media

Political Rights

Political Process

---

*Source: Adopted from (Choong, 2013; Bellou, 2009).*

### **1.3.4 The Missing Element in Bureaucracy**

Performance Management (PM) is formally defined as ‘*a systematic process to involve members, employees and individuals of organizations to improve organizational effectiveness in accomplishing goals and mission of organizations.*’ Performance management is all about continuous process to identify, measure and develop the performance of individuals, groups and performance alignment with strategic organizational goals (Hughes, 2018; Halkos & Tzeremes, 2014).

Governments of developing countries have introduced concept of new public management in public administration with focus on results and efficient and effective public services (Waeyenberg & Decramer, 2018; Choong, 2013; Wright, 1994). Governments have been trying to figure out key factors strongly affecting performance management systems (Yesil & Kaya, 2013). Performance management gives a broader view to act on performance issues and understand levels of an organization starting from the individuals then teams then departments and lastly the organization itself. The issues revolve around risk-taking, encouraging innovation, motivation, decision-making and leadership. Strengths and weaknesses of employees come under systematic description of PM (Gorane & Kant, 2015; Widener, 2007). PM could be undertaken at different governmental levels and its purpose may be varying at each level. Individual units may be improved in terms of performance. It can be proved as an effort for improving overall performance of public sector (Philbin, 2017).

Performance Management System (PMS) is now a global reform which is now being adopted in developing countries like India, Bangladesh and Botswana. There are varied results in success of PMS implementation across the PSOs (Park & Kim, 2016; Ukko, Tenhunen & Rantanen, 2008). A framework for high performance organizations (HPOs) has been introduced to add value to society and it includes these 5 measures like culture of renewal and continuous improvement, action-oriented and open culture, long-term orientation, high quality workforce and quality management (Moon, 2017; Taylor, MacKinnon & Tein, 2008). The research calls now emerge to focus on performance measurement application in PSOs and investigate the indicators of performance measurement (Das & Kapil, 2015). The idea behind performance management is that under what circumstances the public servants use performance data for continuous service improvements for the general public (Healy, Ledwith & O'Dwyer, 2014; Sole, 2009). Performance management systems consist of some effective components as follows:

- Performance management process has the most crucial component called performance planning which forms a basis of performance appraisals. The key targets and areas of performance are decided within the performance budget (Rice, 2017; Stephen, 2002).
- The performance is appraised and reviewed for evaluation of employees. The reasons for performance loopholes are identified and analyzed so that they may be overcome (Vickers, 2007). The process of performance management is facilitated by counseling

and feedback. Employees become aware for improving the performance to meet the expectations. A transparent and open feedback develops the employees (Castelli, 2016; Stanley, 2001).

- The work motivation of employees is determined by this component. To publicly recognize an employee for performing well is appreciable (Pollitt, 2005). A sensitive stage may directly influence achievements and self-esteem. The duly recognized organizational contributions are by which employees try to cope up the failures.
- Employees are informed about the new set of goals and deadlines given to achieve those goals. The employee gets a clear communication regarding areas supposed to be improved and stipulated time (Moon, 2017; Hailesilassie, 2009). Employees can be moved vertically using performance appraisals. Potential appraisal is performed after assessing and implementing competency mapping. Job rotation and succession planning require crucial inputs provided by potential appraisals (Choong, 2013; Flynn, 2002).

## **1.4 Performance Management in Public Sector**

### **1.4.1 Individual-Specific Issues**

- a) No clear link between individual and organizational performance
- b) Lack of motivating mechanisms to appreciate good performance
- c) Frequent transfers and neglecting job fitness in recruitments
- d) Vague performance standards
- e) No evaluation for target achievement
- f) Dichotomy between budgets and plans

#### **1.4.2 Organization-Specific Issues**

- a) Neglect true negotiations
- b) Less focus on long term interests
- c) Absence of accountability mechanisms to the grass root level

#### **1.4.3 Ministerial-level Issues**

- a) Ambiguity in action plans regarding objectives and purpose
- b) No proper measurement of performance indicators
- c) Grant of funds not linked with targets of performance budget

A concept namely New Public Management (NPM) confirms that if the public sector organizations adopt and implement the PSRs fully, the efficiency and effectiveness would be improved (Ryu & Johansen, 2015). The emphasis of private sector in NPM is on customer choice rather than bureaucratic rules. Competition and markets are incentives under the umbrella of NPM. Market efficiency is featured by flexible organization culture, participatory decision-making, pay for performance and performance measurement. There is a strong criticism on NPM that it does not work well in public sector (Staniok, 2016; Hawke, 2012; Greiling, 2005).

#### **1.5 New Public Management (NPM) – A Management Paradigm**

Valuable contributions have been given by various organizational theories in understanding the PSOs. A strong criticism is put on element of efficiency and organizational progress is omitted in achieving policy objectives. Efficiency is not a single performance indicator to manage the performance of PSOs. Public office holders tend to be more market-oriented and business-like i.e. audit-, efficiency-, cost- and performance-oriented (Ford & Andersson, 2017; Flyn, 2002;). Organizational structures and strategic objectives require systems of performance measurement. Public sector is featured by control systems and bureaucratic procedures yet there exist some issues with this notion (Brignall & Modell, 2000).

There are methodological concerns to create multi-dimensional systems to capture other aspects of performance than technical or financial ones (Sumadilaga, Soetjipto, Wahyuni & Wijanto, 2016). Measurement systems of managerial performance are related to productivity, efficiency, performance and accountability. Due to these narrowed parameters, there are negative effects. Performance radar has been unable to capture social impact of initiatives, innovation, knowledge-sharing, internal cooperation, creativity, trust, commitment, participation, freedom, security, quality of life, justice, equality, dignity, fairness, social capital and human capital (Kuipers & Giurge, 2016; Jones, 2010). Performance management is a strategy-based management style and tool for making decisions not only about financial inputs but ultimate outcomes (Dixon, 2004). Performance measurement under NPM allows for delegating the operative management to the bureaucratic administration (Amayah, 2013; Cho & Kim, 2009). Devolution of powers enables a state model for democratic local regimes which include devolution and delegation. Performance measurement moves from inputs, outputs, outcomes, strategy to its mission (Calciolari, Prenestini & Lega, 2017). Performance regimes struggle more with the increasing governance complexity. Generally, innovation positively affects performance in the presence of performance management systems (Jacobsen & Andersen, 2017).

In process of budgeting and reporting information, the performance measurement is getting popular. Performance measurement has been criticized in terms of high cost and limited measurability of qualitative aspects of outcomes (Ryu & Johansen, 2015). Unquantified results are driven out of quantified goals. In a zero-sum game, the improved public services management and accountability should justify the high cost of PM. NPM is still in its evolutionary process (Waeyenberg & Decramer, 2018). The NPM model encompasses dimensions like entrepreneurial systems, marketability, new public management and managerialism (Osborne & Gaebler, 1992; Lan & Rosenbloom, 1992; Hood, 2000; Pollitt, 1990; Philbin, 2017). He even proposed a cultural transfer to an entrepreneurial government being customer driven and competitive rather than the bureaucratic government. The conventional public administration has various paradigms. The marketability approach has a main aim of achieving the response towards public and efficiency using competition (Lan & Rosenbloom, 1992). Critics are of the view that NPM has in-built inconsistencies (Castelli, 2016). It focuses on institutionalization of change but at the same time seeks for formalized and standardized operational and strategic management. Centralization as well as the decentralization is emphasized simultaneously. Less hierarchy as well as more management

layers are focused. NPM is wholly a poorly defined theoretical concept with real implications for public organizations (Park & Kim, 2016).

The Organization for Economic Cooperation and Development (OECD, 1995) include European EU member countries focused on service quality for improvising response in local agencies through result-oriented performance. Administrative rules need to be replaced by client-oriented approach. It is agreed to improve the service quality. The purpose of government departments is the service delivery to end users while making the clients empowered (Ryu & Johansen, 2015). There has been a paradigm of result-oriented, power & authority devolution, strengthened control, accountability, client & service-centric framework, stronger strategic position, policy-making and healthy competition (Ford & Andersson, 2017). Reforms are expected regarding these aspects to be continued in upcoming times, so a public sector would be well-performing to differ radically in behavior and encompassing decentralized governance, concentration towards flexible procedures for enabling economic activity to participate; periodical assessment of effective policies; establish planning and leadership towards upcoming socio-economic calls (Choong, 2013; Borins, 1999).

World Bank (2000) proposed that the main theme of NPM is to see PSOs have to enhance the efficiency, the procedure and expertise and the relationship with the private sector. The traditional approach of public administration had given greater emphasis on rules and procedures whereas the new paradigm places more emphasis on the attainment of results and outputs. Mwita (2000) proposed that under the umbrella of NPM, developing performance measurement system (PMS) is highly important, widely accepted and adopted as an ingredient for improving performance of public sector caused by bureaucratic government. So PMS is regarded as one of the key dimensions of NPM. Developing countries still have some reservations in implementing the standard reform packages either the problem fits the solution or not. Previously NPM policies have not depicted proper viability specifically in developing countries and the higher degree of limited resources might increase the problems of adoption and implementation enormously. Human resources, government machinery, managerial systems and procedural policies are severely needed to be reformed in a productive manner in context of developing countries (UNDP, 2004).

Petrovsky and Ritz (2014) suggested that public sector enterprises tend to promote the economic development and growth, create infrastructure necessary for economic development, redistribute income & wealth, generate job opportunities, boost regional development, useful in establishing small scale industries and bring foreign exchange. The public sector provides various public services (Moon, 2017). Mostly the public sector is composed of such areas as the military, police, public transport, infrastructure and roads, education, healthcare and those working for the government itself, such as elected officials (Ingrams, 2017; Conaty, 2012). The private sector mainly includes business organizations (Pollanen, Abdel-Maksoud, Elbanna & Mahama, 2016). The private sector consists of profit-seeking business firms supposed to earn reasonable profits for the stakeholders and owners of enterprise and lastly, is the voluntary sector, which comprises of charitable organizations (Millar & Doherty, 2016; Edmiston, 2003).

Chun and Song (2016) categorized approaches opted by Europe and pointed out 3 groups as internal and evolutionary reforms (Germany); negotiated reforms and reformist (France & Spain); imposed radicalism (UK) while (Varkarolis & King, 2017; Halachmi & Bouckaert, 1996) concluded about substantial variations in establishing performance management with other reforms like traditional, managerial, cultural, environmental and political needs. Park and Kim (2016) emphasized public reforms have a significant influence on making the state more committed as well as effective mechanisms for obtaining an efficient supply of goods and services. Globalization processes spread reform movement, reformers were stuck into choosing between older public administration and new public management and the state is supposed to be accountable for effectively managing the social and economic growth.

Ford and Andersson (2017) highlighted that during past twenty years, both in case of non-profit and public organizations, leaders and managers have grappled with closely related problems that include institutional, ideological and economic variations along with the criticisms regarding costly and inefficient government sector, low levels of public reliability on public sector and this increases accountability demand. Proper implementation of Public sector reforms have become an international phenomenon

## 1.6 Public Sector Organizations (PSOs) in Pakistan

In 1990s, Pakistan also adopted reforms in public sector organizations. The aim behind reforms was to enhance the output and workability of PSOs and overall protect the public interests. The focus in this study is mainly the civil service reforms which demand merit-based recruitment and promotional criteria of civil servants, increased professional skills, flatter structure of civil service and compensation based on performance (Amayah, 2013; Rahim, 2008). Summing up, Pakistani economy grows and influenced by well-functioning PSOs through following channels:

- a) Strong PSOs focus and assist poor segments of the population in availing basic social services (Bournakis & Tsoukis, 2016; Flyn, 2002; Johnsen, 1999).
- b) The tax collection, honest and efficient bureaucracy, law enforcement and transparency curb flow of domestic investment underground economy and encourage foreign investment inflows (Opute, 2014; Cho & Kim, 2009; Midwinter, 1994).
- c) Lesser corruption increases growth of per capita rate (Mehrad, 2015; Fritzen, 2007).

In previous researches, there is lack of unanimously agreed definitions of all organizational factors (Sangwa & Sangwan, 2018; Castelli, 2016; Piening, 2013). The bureaucrats were quite reluctant while giving responses on sensitive dimensions like employee mutual conflicts and internal politics. Although limited data exists on governance indicators and these indicators have a subjective nature yet an effort has been made for assembling data at one point particularly in context of Pakistan. The availability of data drives the choice of indicators. In Pakistan, formal organizations are state-centered and civil society-centered. The major focus has been given on state-centered organizations despite of their failure in acting effective countervailing forces against executive organs for misuse and abuse of power (Varkarolis & King, 2017; Soni, 2011).

### **1.6.1 Civil Service Reforms in Pakistani Context**

After partition in 1947 from the colonial British rules, in the region of South Asia, Pakistan is a developing country marked with political instability and dictatorship regimes, turbulence, poverty, violence, social and economic disparities. The Pakistani public sector has not been proved to be an efficient one due to inadequate transparency procedures, political influences, scarce resources, delayed tactics in projects, malicious practices, unskilled & less motivated workforce and inexperienced labor, inequitable and lesser wages and compensations, less equal employment opportunities and lack of fair criteria for promotion (Gupta & Chopra, 2018). While it is imperative to observe that public sector is to facilitate and serve the general people at large securing their basic rights and interests in an indiscriminate and impartial manner (Staniok, 2016). That's why, the public offices should avoid mal practices and ensure good governance having fair organizational mechanisms for becoming more productive, effective and efficient (Pakistan Development Forum, 2006).

These public reforms in Pakistan include educational, power sector, banking sector, tax administration, revenue administration, corporate governance, police reforms and civil service reforms which capture more attention. Public sector reforms have broadly three purposes in Pakistan i.e., effective and efficient regulation of public sector, demand of better public service through accountability and improving supply of public goods. Recent developments prevail in PSOs like performance assessment systems, right sizing of bureaucracies, open culture, flexibility in working conditions, 'value for money' movement in public sector organizations (Busler, 2014, Soni, 2011). It is difficult to explain and measure the 'performance' in PSOs. The range of performance indicators mentioned by prior researchers is yet under debate. A rationale blend of core human and organizational factors those stand critical in predicting overall performance of PSOs (Ingrams, 2017; Chun & Song, 2016).

During the last couple of years, many researchers have greatly emphasized that civil services reforms contributed to designing and implementing the performance measurement systems (Hughes, 2018; Johnsen, 1999). Multidimensional approaches to (PM) have been proposed, indicating the broad interests of stakeholders, expanding the concept of performance of PSOs through efficiency and financial measures (Moon, 2017; Kloot &

Martin, 2000; Ballantine et al., 1998). Successful reform implementation increases cooperation between administration and politicians, result-oriented public satisfaction, service quality and autonomy i.e. job satisfaction, transparency, flexibility, increased productivity, improved service delivery and cultural change to serve the public and performance regimes struggle more with increasing governance complexity (Kossova & Sheluntcova, 2016; Kelly, 2004).

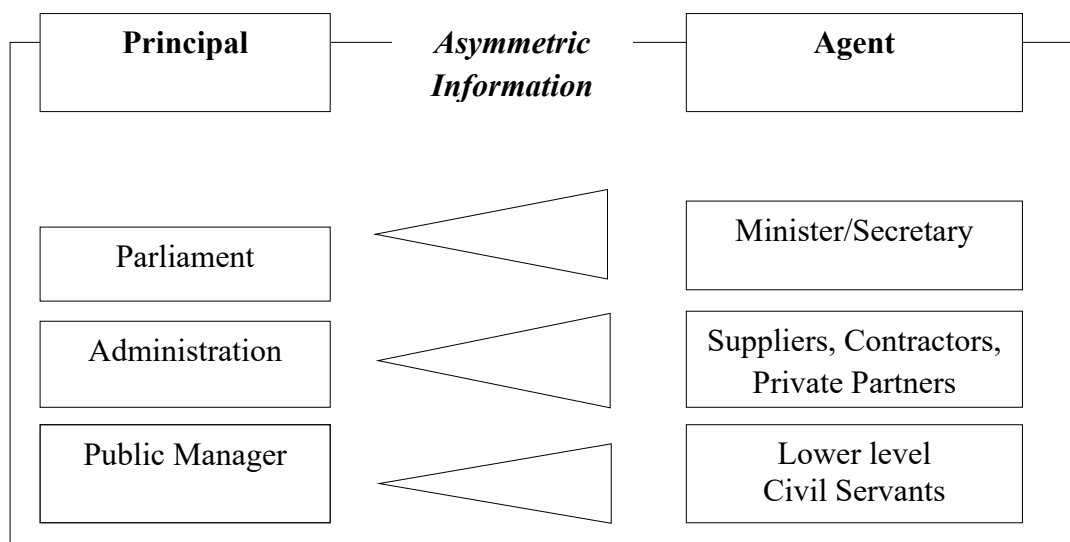
The holistic framework for organizational performance is medium and long-term, uses budgeted information extensively, focuses on real strategic objectives, process-oriented and lacks measurable aspects vary from accountability framework of outputs-outcomes covering all departmental activities and is comprehensive, short-term, contract-specified and measurable. There is a shift now that management of public sector is essential than management in the public sector (Spano & Monfardini, 2017; Pandey & Garnett, 2006).

After introducing the public sector reforms in developing countries, performance management systems are developed as a central element and they create a balance between political control and professional and institutional autonomy (Otmazgin, 2013). One such system is Management by Objectives and Results (MBOR) which presumes that there are clear public goals, easy to define instruments, east to establish incentives, measurable and reportable results (Moon, 2017). The focus here is on such modern management systems which are neither objective nor neutral, they are discretionary and complex structures embedded in a political-organizational context. To fit into the new spirit of capitalism, PSOs require a change to have a new orientation (Al-Weshah, Al-Manasrah & Al-Qatawneh, 2018; Ospina & Zaltmans, 2004).

### **1.6.2 Organizational Control: A Challenge in Pakistan**

Problem of asymmetric information arises when agent (bureaucrat) takes benefit of the fact that the principal (representative government) has lesser information at his disposal also called moral hazard (Vickers, 2017). This is the basic economic downside of asymmetric information. So it is quite challenging to coordinate PSOs but also the interests of bureaucrats must need to be brought closer to the interests of representative government. By far, this issue is not just limited to the link between political leaders and public administrations but same happens within the administrations. The public sector organizations are characterized by

specification. Within administrations, hundreds of processes need to be coordinated in more locations. All the information cannot be processed and overseen at one single place so specialized working is the necessity of time. Hence it gets challenging to coordinate all the employees and processes (Vakharia, Vecco, Srakar & Janardhan, 2018) (See Figure 1.1).



**Figure 1.1: Examples of Asymmetric Information in Public Sector**

*Source: (Vickers, 2017; Mayer, 2012; Bellou, 2009)*

## **1.7 The Theoretical Lens of Contemporary Theories of Organizational Performance for This Study**

According to academic perspective, so far, major research work on organizational performance of public sector organizations has been done by adopting either a mixed view, coping up the core problems or considered a theory-based perspective (Park & Kim, 2016).

### **1.7.1 Theory of Representative Bureaucracy**

This theory focuses on fundamental transformation in technology, environment, processes as well as people (Alfawzan, 2016; Opute, 2014). This dissertation heavily relies on the theory of representative bureaucracy to verify the elite bureaucratic role in managing

conflicts while sustaining power-sharing. This theoretical lens implies that performance of civil servants is vital in attaining the organizational goals. Public organizations get sustainable results by representative civil service (Kuipers & Giurge, 2016). Bureaucratic organizations underline the usefulness of culture, management and structure where each person takes part in a shared vision and innovative leadership (Ryu & Johansen, 2015). The challenges of 21<sup>st</sup> century require public sector to be arranged as high-performing. Public offices have to outperform because partnerships can change the game. Scholarly interest has been absent in past to analyze the role of civil servants in sustained mechanisms of conflict management (Waeyenberg & Decramer, 2018).

The interactions between organizations and bureaucrats are better explained by organizational theorists through the ideas like legitimacy, isomorphism, and organizational pressures (Hughes, 2018). Public sector organizations are more resource-dependent. In organizational environments of public sector organizations, the environmental factors have the power to enforce the organizational practices on subordinates (Chun & Song, 2016). Private enterprises might be especially convinced by logical reasoning appealing to financial efficiency and appropriateness may impact public sector organizations (Halkos & Tzeremes, 2014; Bason, 2010; Oliver, 1991). The researchers hardly take a strong theoretical stance to practically enlighten the findings. For addressing this sort of criticism, three organizational theories have been taken under consideration i.e. resource dependence, organizational and agency theories.

### **1.7.2 Conflict Management Theory**

In public administration researches, conflict management literature lacks valuable evidences on bureaucratic role, norms, values and identities in resource allocation (deHaaff, 2017). This theory implies that bureaucrats regularly contribute in decision-making but rarely examined in research of conflict management. This theory now portrays the bureaucratic effect on governance to build a comprehensive understanding of role of bureaucracy in governance within the arrangements of power-sharing (Cole, 2018). Conflict management is not a single process or technique but consists of set of processes that focus on employee development, employee knowledge about managers' expectations and employee motivation to perform well (Chun & Song, 2016). There is a need to monitor and measure the performance of public sector organizations to find out the weaker areas which demand

serious attention (Fritzen, 2007). Performance management is concerned with procedures of performance evaluation and removal of constraints (Bovaird & Loffler, 2009).

The philosophical concept of conflict management says that conflicts may not be necessarily resolved but odds of non-productive escalation can be minimized through their management (Sumadilaga, Soetjipto, Wahyuni & Wijanto, 2016). It serves 2 main purposes: it asserts when people are involved in goal setting, they will assume the responsibility for the results and the goal achievement depends on the extent of support given to employees by the management. Task conflict is the mutual association of supervisors and employees regarding goal generation, job activities and dialogue of working together (Staniok, 2016). In effective management of conflicts, the performance measurement is getting attention (Ryu & Johansen, 2015). Conflict management has been criticized in terms of high cost and limited measurability of qualitative aspects of outcomes. Un-quantified results are driven out of quantified goals. In a zero-sum game, the improved public services should justify the high cost of conflict management which is still in its evolutionary process (Varkarolis & King, 2017).

### **1.7.3 Organizational Identification Theory**

Organizational theorists take a stance that organizations are far beyond being a tech-friendly system. All organizations which are included in the social systems also have the organizational environment which clearly explains the social realities (Castelli, 2016). The organization-oriented view point is beneficial as it helps to avoid irregularities, organizational environment and values to design and legitimize the interactions and actions of individuals and organizations. Human interaction occurs through the frame of organizational constraints (Calciolari, Prenestini & Lega, 2017; Bason, 2010). The type and nature of any organization is a valuable tool and specifically depends on the work environment and conditions in a specific public or private setting. The identification of any organization purposefully constructs and designs its structure, strategy and culture for maximizing the potential for organizational performance (Cosenz, 2018). The management of organizational conflicts is organization-dependent and hence situational and unique. Organizational identification is the process of knowing the organizational personnel to manage the working environment and decision-making that improves organizational effectiveness (Jacobsen & Andersen, 2017). Due to the advanced global working demands, the organizational identification can make

organizational manageability possible (Hall, 2008). Currently, future changes can be anticipated through a valuable instrument of organizational identification being proactive and adaptive to enhance organizational performance (Hughes, 2018; Soni, 2011; Jones, 2010).

The theory of organizational identification could be elaborated using the agency theory (Choong, 2013). The notion behind agency theory implies that agents normally work on behalf of their principals who are the real owners of organizational assets in spite of having their own agenda and vested interests, agents yet pursue this agenda which might not be in line with the interests of principals (Moon, 2017). Controlled mechanisms are needed to design like rewards, incentive systems and conflict management which could confirm consistency and alignment between the principals' interests and the agents' activities (Staniok, 2016; Gorane & Kant, 2015; Carmeli & Tishler, 2004). Framework of performance assessment comes across implementation problems when there are conflicts among the ruling bureaucracies and stakeholders of public sector organizations. There arises a need to manage progressive discipline and organizational conflicts (Brooks, 2002). At times, it is argued that the indicator selection must be valid, reliable and scientific and the performance assessment methodology should be transparent enough to address pertinent organizational issues (Pollanen, Abdel-Maksoud, Elbanna & Mahama, 2016).

Much theoretical aspects have been written on the conflict management and organizational performance in public sector but there are lesser evidences on the empirical testing of conflict management particularly in public sector of developing countries. Very few studies have observed whether the objectives and goals of government organizations have been achieved through these measures of performance or not (Chen, 2015; Helden & Huijben, 2014).

#### **1.7.4 Results-Based Management (RBM) Theory**

RBM is one comprehensive management approach to performance management, a hybrid of NPM and TQM, started in the mid-1990s, widely related to management by objective (MBO); expressed as a strategy of management which emphasize on obtaining performance impacts, outputs and outcomes regarding public service provision. It is also called "managing for results" (Sumadilaga, Soetjipto, Wahyuni & Wijanto, 2016). RBM is based on either a control-orientation or principal-agent theory or it can be adapted to TQM's

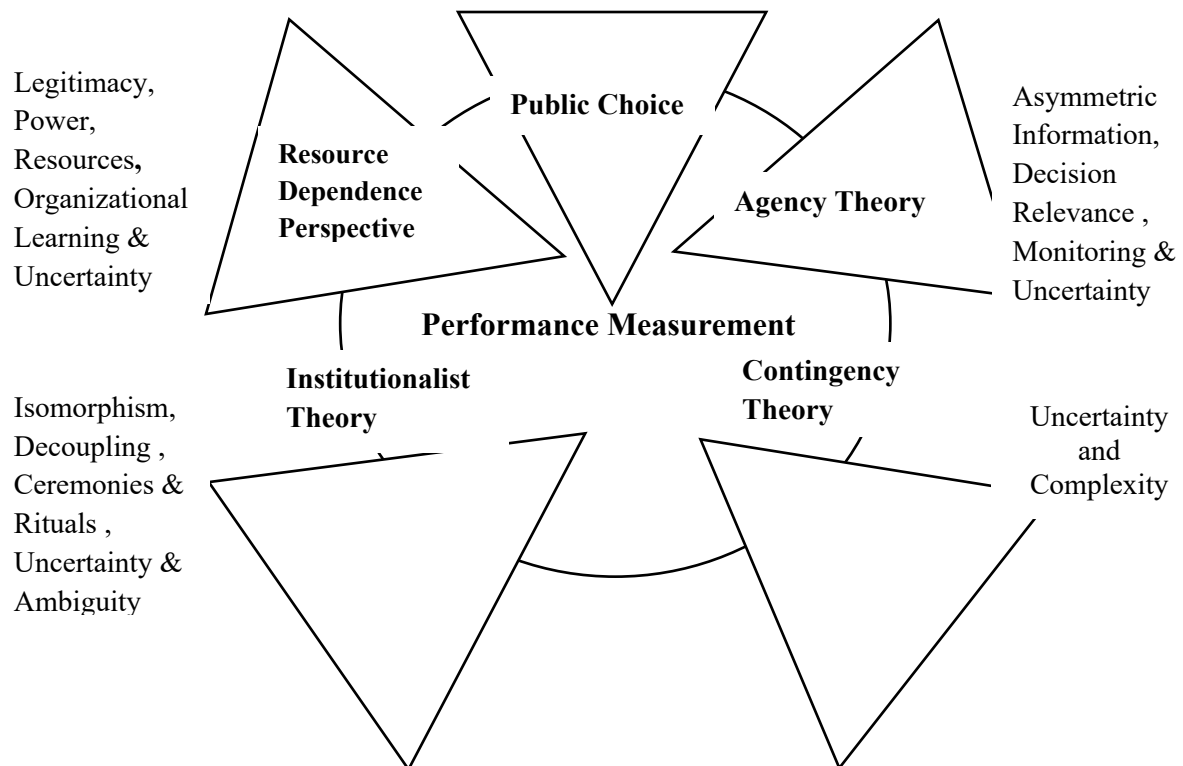
focus on continuous monitoring. RBM is valuable at any level of the organization i.e. the governing body, chief executive or department heads. Participation of citizens in performance measurement has a potential limitation that government services cannot be easily measured (Gupta & Chopra, 2018).

Many advanced and developing countries like Cambodia, Mongolia and Malaysia had tried to refine public sector using RBM theory. Canada implemented RBM in 1994. It focuses on outcomes and obtaining the right design throughout the process (Jafari & NiliPourTabataba'i, 2017). Mostly four key elements of RBM approach are: strategic planning, monitoring performance indicators, reporting, evaluating results, information for management decisions and lesson-learning (Waeyenberg & Decramer, 2018; Luoma-aho, 2008). Greiling (2006) examined the factors which promote performance measurement for boosting the efficiency of public service provision. PSOs can efficiently deliver their services if they are in a position to measure their performance systems. The systematic measurement of performance efficiently drives the overall outcomes and results of an organization. Another research horizon comes at the surface that such elements of PM should further be empirically investigated which may ensure smooth service delivery (Gorane & Kant, 2015; Hares, 2009).

Gorane & Kant (2015) analyzed the organizational theories and concluded that PM consists of 2 perspectives i.e. the minimized government role and society and to improve the internal performance of public sector organizations. An explanatory empirical research needs to be conducted for growing reform variances within developing countries to investigate which determinants affect the decisions of governments (Almatrooshi, Singh & Farouk, 2016). Yet some countries are of the view to implement the public reforms either by introducing the performance management or by downsizing. In past decades, due to this increasing variance, evidence for public reforms is required different from the administrative stance as compared to the one-size-fits-all approach (Gorard, 2013; Mayer, 2012).

Performance Management (PM) is a strategy-based management style and tool for making decisions not only about financial inputs but outputs and outcomes (Goh, Elliott & Quon, 2012). Performance measurement allows for delegating the operative management to the bureaucratic administration. Devolution of powers enables a state model for democratic local regimes and delegation (Balaboniene & Vecerskiene, 2015; Flyn, 2002). Performance

measurement moves from inputs, outputs, outcomes, strategy to its mission. Generally, Innovation positively affects the performance in the presence of performance management (Vakharia, Vecco, Srakar & Janardhan, 2018). The resource dependence perspective and agency theory are deemed as the core of performance measurement of public sector for the research aspects (See figure below).



**Figure 1.2: A Multi-Theory Perspective on Performance Measurement of Public Sector**

*Source: (Robin & Rice, 2017; Soni, 2011)*

### 1.8 Statement of the Problem

A research problem is referred to as a discrepancy between a person’s conception of current reality and a desired state of reality. It is a perceived gap between existing and desired states (Vickers, 2017). Public sector organizations are stuck in the midst of human capital crisis while delving into the conflicts threatening for smooth performance and confronted with the targets to achieve high performance results (Cole, 2018). This study attempts to reveal the relationship of conflicts and internal politics with organizational performance in public sector and to verify that conflict management can be proved to be a win-win approach

for bureaucratic organizations. This study also intends to investigate the role of civil servants in management of conflicts in public sector organizations. Conflicts tend to be proved very disastrous to public sector organizations in terms of high cost and inefficient performance (Leedy & Ormrod, 2019). The organizational performance has got due importance to balance the negative outcomes of internal politics and mutual conflicts while sustaining power-sharing between politicians and civil servants (deHaaff, 2017).

Past studies have not paid substantial attention to conflict management specifically in settings of public sector organizations (Erdenk & Altuntas, 2017; Mohamad, 2014). Previously numerous researches have been unable to empirically answer the bureaucratic role and its relationship with politicians around the globe. Furthermore, this study analyzes the perceived organizational performance of public sector organizations in Pakistan being anchored on the factors of conflicts and internal politics (Vickers, 2017; Field, 2013; Soni, 2011; Mellahi & Wilkinson, 2004). Since researchers have descriptively tried to evaluate the impact of organizational dimensions on organizational performance. Numerous external and internal factors affecting performance of PSOs, give challenging and practical complexities in performance management (Alfawzan, 2016). This study also attempts to examine the relationship and effect of intraorganizational conflicts and internal organizational politics on perceived organizational performance is not a simple and straight forward activity (Cole, 2018; Hall, 2008). Biased and negative media reporting and published sources about poor service delivery of public sector organizations tend to influence the minds of general public at large. This study addresses another problem to identify the mediating role of conflict management effectiveness on the perceived organizational performance of public sector organizations (McKibben, 2017). There exists a research gap on suitability of method to measure and monitor the performance among managers and employees (Koh & Coles, 2019).

It is pertinent to seek the answers whether conflict management approach can be useful in Pakistan as it involves strong human dimensions i.e., skills of managers and their mutual conflicts and organizational factors and their effect on organizational performance. The performance for public service delivery is under debate in this study (Mesling, 2017). The subjectivity of certain human perceptions and organizational constructs and their links is noteworthy (Kuipers & Giurge, 2016). In context of civil service reforms, this study has been carried out in public sector organizations using a conflict management perspective. Since last decade, the arrangements of decentralized service delivery have been arising from delegation

and sharing of powers (Choong, 2013). Under the globalized working environment, the best service-delivery and customer-orientation now tackle the dilemma of bureaucratic organizations. The rationale behind this study is to develop a responsive and robust framework of public service delivery (Healy, Ledwith & O'Dwyer, 2014). There is a challenging endeavor in this study to mitigate the dysfunctional results of conflicts among bureaucrats because effective management of conflicts is contingent upon the prevailing organizational environment, approach being adopted and nature of conflicts (Philbin, 2017).

The study attempts to analyze the task and relationship conflicts which are inevitable owing negative consequences being phenomenon and toxic (Moon, 2017). In managing public sector organizations, the process of conflict management could be proved favorable for Pakistan (Staniok, 2016). The global phenomenon of performance management is noteworthy in public administration. The performance management process might achieve benchmark outcomes with bureaucratic quality. As a matter of the fact, the optimal performance mechanisms of Pakistani government could be ensured using information provided by variables of organizational performance (Vickers, 2017). This dissertation intends to provide insights into the aftermaths and role of interpersonal conflicts for the organizational settings in public sector (Gupta & Chopra, 2018; Castelli, 2016; Field, 2013).

## **1.9 Purpose Statement of the Study**

The politicians tend to legislate the laws and policies for government institutions and the civil servants tend to implement those laws and regulations in public sector organizations. The purpose of this study is to understand that conflicts are common in organizations and can have both adverse and beneficial effects depending upon their management. Bureaucratic and political interactions are inter-dependent in organizational settings of public sector (Leedy & Ormrod, 2019; Petrovsky & Ritz, 2014). In a democratic society like Pakistan, performance management has got a wider scope in political and legal fraternity (deHaaff, 2017; Cole, 2018). Performance management of any organization is concerned with compliance of rules. Political and legal responsibility demand smooth and fair working of civil servants (Ford & Andersson, 2017). The purpose of this study is to identify the linkage between factors of organizational performance and to verify the role of conflict management effectiveness on organizational performance of public sector organizations. Public sector organizations need

to provide best services to general citizens in a satisfactory manner (Ingrams, 2017; Gorard, 2013).

In past, there have been lesser studies focusing on organizational performance of public sector (Hughes, 2018; Chun & Song, 2016; Bason, 2010). Many practitioners and scholars were unable to recognize that conflicts and internal politics which are common to organizational life and inherent to social interactions (Ingrams, 2017; Boipono, Tsomele, & Mogadime, 2014; Melkers & Willoughby, 2005). Employees in both private and public sectors are commonly encountered with internal politics and mutual conflicts in routine tasks (Mothusi, 2008). These factors put a noticeable impact on organizational performance so there is a need to productively shape internal organizational politics and conflict management effectiveness among civil servants (Hughes, 2018; Mihaiu, Opreana & Cristescu, 2010). However, in past, no comprehensive studies exist pertaining to relationship of employee conflicts, conflict management and internal politics with organizational performance in context of public sector organizations of Pakistan (Koh & Coles, 2019). Previous researches examined the impact of internal factors (red tape, leadership, organizational structure, human capital capacity, reorganization, centralized decision making, goal clarity and organizational culture) and external factors (relationship with stakeholders, media influence, client influence and political support) on performance of private sector organizations for determining their performance (Coles, 2018; Schwartz & Deber, 2016). It is also to ensure that performance is managed on consistent grounds for goals and objectives according to set standards. The intention is to ensure that public-office holders are well-equipped with knowledge, competencies and skills required for meeting the ever-changing tasks and roles within a public organization (Waeyenberg & Decramer, 2018; Rise, 2017; Gorard, 2013).

In the field of business administration, researches were conducted with a viewpoint to identify the influence of conflicts and organizational politics on organizational outcomes. The conflict has a negative connotation with aspects of turmoil. Some researchers argued that organizational politics is stemmed from mutual conflicts. Depending upon varying situations and power-using strategies, the relationships among internal organizational politics, employee conflicts and organizational performance can be mixed i.e., positive or negative (Daskin, 2013; Miller, 2005). Rarely any empirical studies exist in past literature which can incorporate organizational politics, conflicts & its effective management and organizational outcomes in one single conceptual model (Jacobsen & Andersen, 2017). Thus, a

comprehensive assessment is done for explaining the links of employee conflicts, internal politics with perceived performance of public sector organizations in Pakistan (Erdenk & Altuntas, 2017). This research study employs a structural equation model to empirically analyze the organizational dynamics such as conflicts, internal organizational politics and five strategies of conflict management are related to and shape the organizational outcomes such as performance of public sector organizations (Cosenz, 2018).

### **1.10 Research Objectives of the Study**

This research study encompasses core objectives having academic and knowledge-oriented aspects. The following objectives are related to the research questions developed from the literature of this study. The leading objectives of this research are listed below:

1. To ascertain the understanding of perceived organizational performance in public sector organizations in Pakistan
2. To build a framework based on types of conflicts and internal organizational politics to create a holistic picture of organizational dynamics in public sector organizations
3. To develop a comprehensive conceptual model featuring the variables of organizational performance of public sector organizations
4. To highlight the effect of demographic factors on responses of participants of the study
5. To unearth role of organizational and structural strengths and weaknesses of conflict management strategies in public sector organizations
6. To sort out prevailing issues of performance management in context of public sector organizations in Pakistan

7. To examine the role of civil servants in managing conflicts at workplace and relationships with politicians while sustaining power-sharing in a developing country like Pakistan regarding implications of administrative reforms
8. To figure out remedies for the obstacles faced by civil bureaucracy in implementing civil service reforms in public sector organizations in Pakistan
9. To provide insights on usefulness of conflict management effectiveness in reducing the odds of nonproductive escalation on organizational performance
10. To identify the role of conflict management effectiveness and reap its benefits on bureaucratic performance

### **1.11 Research Questions of the Study**

To achieve the research agenda, following research questions have been formulated. The study aims at these main research questions:

RQ1: What are the core influencers of perceived organizational performance to be institutionalized in public sector organizations in Pakistan?

RQ2: How the task conflict, relationship conflict and internal politics are related to organizational performance of public sector organizations?

RQ3: When is the set of core factors affecting organizational performance that stand critical in service delivery of public sector organizations in Pakistan?

RQ4: How the demographic characteristics impact the performance of civil servants in public sector organizations in Pakistan?

RQ5: What is the role of conflict management effectiveness in assessing perceived organizational performance of public sector in Pakistan?

RQ6: What are the main obstacles in implementing the performance management systems in public sector?

RQ7: What is the key role of bureaucrats in managing conflicts in sustainability of power-sharing?

RQ8: What are the factors hindering in smooth implementation of civil service reforms in public sector organizations of Pakistan?

RQ9: How the conflict management techniques can be proved useful in attaining optimum performance targets?

RQ10: To what extent the civil bureaucracy and political elite are unanimously agreed sustaining power-sharing?

In chapter two, the literature related to above questions has thoroughly been reviewed. Based on extensive literature, hypotheses and a proposed model are presented.

## **1.12 Significance of the Study**

The study has got due vitality in the field of civil bureaucracy which requires implementation of civil service reforms for service quality in large national interest. This dissertation is highly significant and speaks to both researchers and practitioners mainly in two literatures i.e. to public administration research and to conflict management research within the organizational settings (McKibben, 2017; Field, 2013; Stephen, 2002). This study advances the understanding on theory of conflict management in public sector and identifies the role of conflict management effectiveness in civil services that can affect the client satisfaction and organizational performance (Chun & Song, 2016). The study signifies the role of conflict management effectiveness and performance management in public sector in Pakistan. In practical terms, the study also signifies the applicability of representative bureaucracy, organizational identification and results-based management theory. The study signifies that conflict management can turn the things around in case of strict, formal and bureaucratic organizations of developing countries (Leedy & Ormrod, 2019). The

organizations remain on track by continuous performance management because the deviations could be easily diagnosed thereby adjusting the results (Erdenk & Altuntas, 2017).

This research work is also vital not only for public sector but for healthcare organizations, banking, technological and manufacturing sector because the operational and structural hurdles in public sector are unfolded through conflict management process (Chen, 2015). The study highlights that there is a need to ensure optimal social welfare in order to yield maximum contribution to national economy (Castelli, 2016). The strategic planners and policy-makers have complete information on organizational dynamics under conflict management approach. The organizational performance with the perception of first-line stakeholders i.e. bureaucrats and mid-level employees depict a holistic view of the real scenario (deHaaff, 2017). The research is useful for academia, consultants and civil administrations to understand that conflicts are ongoing phenomenon (Vickers, 2017; Soni, 2011). This study, in the long run, could be proved as a blue print for government sector to channelize the conflict management because it is encountering with countless obstacles in attaining success (Alfawzan, 2016).

This knowledge-oriented research study, in the long run, is of paramount significance as a blue print for government stakeholders to channelize civil service reform implementation and conflict management (Hughes, 2018). Governments which face administrative challenges and economic disruptions, require new directions being an employer and talent crisis looms. The PSOs should search out new ways for better performance and productivity using technological innovations (Vries & Nemeč, 2013; Verbeeten, 2008). The inefficiency of public sector could be fixed by adopting tools borrowed from private sector of advanced world (Toor & Ogunlana, 2010). Innovation in public sector is categorized by devolution, regulatory changes, improved fiscal management, transparency, accountability, management innovation, service quality, research and development and good governance. Conflict management styles have been previously taken in descriptive or normative terms to get better performance (Cosenz, 2018). This dissertation advances the previous researches by analyzing conflict management in a customized multivariate model to assess human and organizational factors in context of government organizations. This research has got significance by employing smart structural equation modeling being a robust technique to develop and test the mediating relationship in regression model. The multivariate research model in this study is significantly closer to the real-time issues in field of public administration.

### **1.13 The Scope of the Study**

It is indispensable to comprehend the word ‘public’ as the inhabitants of a public domain and the word ‘public sector’ which necessarily enables the choices of public in an authoritative manner. Shortly, public interests and aims are properly constituted, clarified and achieved through it. The public sector has to establish a society or a political community which may facilitate the choices of public and there needs such a group which can fulfill the societal needs through dialogue and reconciliation (Appelbaum, Calla, Desautels & Hasan, 2017).

Pakistan Development Forum (2006) quoted that Pakistan has gone through a range of economic transformation phases and development and has been selecting various set of economic policies during every phase. Here an attempt has been made to bridge the gap in organizational variables and methodological limitations present in the prior literature. During the era of 1999-2002, Pakistan embarked on an ambitious reform program in order to have the economic stability, sustained growth and to get rid of the heavy financial payment crisis situation and poverty alleviation. Although these reforms tough and harsh on general public at large, but these were essential (Leedy & Ormrod, 2019).

It has been viewed that in spite of globalization, deregulation, economic liberalism, and privatization, for the economic growth of a country, the efficiency of public sector is yet vital (Erdenk & Altuntas, 2017). There has been a strong alliance between developed and developing states so Pakistan has shown its inclination more towards the adoption of liberated economic policies. Since in decades of 1990s and onwards, several economic reforms have been introduced by successive governments of Pakistan. This study tests and advances the prior models presented in this regard (Ingrams, 2017; Moon, 2017; Ishrat & Kumar, 2010). This research is going to study the organizational dynamics which is a continuous process to strengthen resources and enhance employee performance. It covers that how an organization manages and promotes strategic management, better business practices and organizational learning.

### **1.14 Delimitations of the Study**

This study is delimited in a manner to avoid the improper research planning and vague generalizations. The study design has clearly defined boundaries here. The field of study is the contextual settings of Pakistani public sector organizations and the bureaucrats serving on key positions are targeted for the purpose of the study. Bureaucrats are chosen because they are the officials who play a major role in implementing the public sector reforms and policies while serving the general public (Koh & Coles, 2019). The study is specifically narrowed down to civil servants in public sector organizations. The scope and subject-matter of the study is extended to the intraorganizational conflicts, internal politics and organizational performance of PSOs. The respondents of the study participated in survey questionnaires to share their perceptions regarding organizational factors which they face and experience on regular basis in their respective offices. Delimitations of the study clearly restrict the research boundaries and a proper research orientation is taken up to achieve the purpose and objectives of the study (Gorard, 2013).

Renowned scholars argue with a mixed viewpoint in favor of and against the performance management of public sector organizations (McKibben, 2017). This thing induces to select such a topic for research purpose. This study tries to provide valuable insights in field of public administration and prove to be a milestone in field of organizational behavior and performance management.

- a)** The study is delimited to measure the performance of public sector and meet specific objectives, global interest has risen with a focus on transparency and accountability in public sector. The clarity in goals and effective utilization of public expenditures has become even more important now.
- b)** It is rational to set criteria to properly allocate societal resources in an era of budget constraints with financial cuts, to maximize the operational efficiency and accountability.
- c)** Performance Management (PM) draws a clear line between good and bad performance. The operational improvements are identified by PM application. Furthermore, contribution of PSOs in national output can be evaluated by the yardstick of PM.

- d) The study is delimited by performance management because it is imperative being a striking attribute of civilized, negotiating and modern societies wherein every individual is assumed to demonstrate a national contribution in a calculable form.
- e) Political institutions put a continuous pressure to make PSOs answerable for resource usage. Performance management on regular grounds will make general public quite satisfied. General public wants to know the performance of public sector. The democratic governments try to incorporate public opinion in major government initiatives.
- f) Policy makers and top management will find several remedial steps after identifying the flaws in perceived organizational performance. Public sector organization can't ascertain their weaknesses without observing organizational factors that stand critical in evaluating overall performance.
- g) The study is delimited by construct of performance management which brings forth the rational combination of organizational factors like internal politics and conflicts. Politicians are also interested in implementation and evaluation of public policies and legislation.

### **1.15 The Thesis Structure**

The composition of this thesis into 6 chapters is outlined given below:

**Chapter 1** gives a background for this research, history and identified problems of the concept of conflict management and performance measurement of PSOs to be addressed in this study.

**Chapter 2** includes the pertinent and vast literature on performance measurement theories, performance management notion, human and organizational dynamics. Extensive literature on both individual and organizational factors on mutual conflicts and internal politics is included in this study in detail. A conceptual framework has been designed and proposed and hypotheses have been developed from the literature of this study.

**Chapter 3** presents methodology part. This chapter provides research underpinnings in ontological and epistemological terms and outlines the methods by which research has

been carried out. It also describes the research approach (a quantitative design), the procedures of data gathering, sampling, the strategy of inquiry and operationalization of study constructs.

**Chapter 4** outlines the quantitative research analysis, description of sample, results and findings. The variables and survey items are tested to confirm constructive validity. Preliminary findings assist in the verification of tentative relationships between human and organizational factors to establish a structure equation model. Moreover, the links between organizational dynamics and outcomes are duly examined. Additionally, the hypotheses of the study are investigated based on statistical results of SEM.

**Chapter 5** provides a thorough discussion on study findings in the light of previous literature and attempts to elaborate the consistency and discrepancies in results with respect to previous empirical researches and theoretical arguments.

**Chapter 6** presents the conclusion with research implications, provides contribution in management theory and recommends how research results can be well generalized to other private and non-profit organizations. The study provides practical implications to address bureaucrats and managers and it also includes limitations and recommendations for future research inquiry.

## **1.16 Definitions of Key Terms Used in the Study**

Organization: “An association, institution or entity consisting of multiple people having a collective goal” (Widener, 2007; Temfn & Lec, 2018)

Administrative Leadership: “A structural work group sharing a common agenda under a leader” (Villmer, 2015; Soni, 2011).

Performance: “Fulfillment of an obligation or accomplishment of a task against known standards of speed, cost and accuracy” (Yesil & Kaya, 2013)

Organizational Culture: “The shared attitudes, beliefs and perceptions pertaining to an organization’s values and expectations”(Young & Denize, 2008).

Conflicts: “ A inevitable discord, disagreement of friction arising among group members” or

“A broad term having an interactive process manifested in perceived disagreements between or within organizations, groups and individuals” (Veries & Nemec, 2013).

Internal Politics: “An informal approach to gain power through means other than luck or merit” or “intentional act of someone for protection of vested interests”(Sulle, 2014)

Conflict Management: “To design effective strategies for enhancing constructive functions of conflicts and minimizing the dysfunctions of conflicts and to improve learning of an organization (Sachs & Kayser, 2017; Rahim, 2011)

ROCI-II: “refers to the Rahim Organizational Conflict Inventory developed to assess conflict management styles”(Rahim, 2011)

Service Quality: “An evaluation of service delivery as per the client’s expectations”(Staniok, 2016)

Conflict Resolution: “Finding a peaceful and effective solution to some emotional, political, financial or personal disagreement among two or more parties”(Weeks & Erasmus, 2013)

Organizational Target: “The desired state to operate an organization” (Yesil & Kaya, 2013; Staniok, 2016)

## CHAPTER TWO: LITERATURE REVIEW

### 2.1 Purpose and Approach

This chapter provides an extensive literature review with critical analyses and other relevant researches for establishing a theoretical foundation and to develop a conceptual research model of factors of organizational performance with mediating effect of conflict management effectiveness among civil servants in public sector organizations. This chapter sheds light on core factors which lead to success or failure of implementation of civil service reforms theory in public sector organizations (Leedy & Ormrod, 2019; deHaaff, 2017). The horizon of work dynamics is changing for public sector organizations to meet their needs and it is a question raised by the inescapable demographic facts. The public sector organizations seek to search out new ways for better performance and productivity using technological innovations (Cole, 2018). At the end of this chapter, hypotheses have been developed on the basis of reviewed literature.

A few decades ago, many reforms were introduced for the public sector in developing nations like Pakistan (Villmer, 2015; Husain, 1999). The aim was to secure the public interests and increase the productivity. The attempts were taken in adopting various reforms like new public management, strategic planning, reinventing government, contracting out or privatization. This covers both subjective and objective dimensions with the perceived benefits of performance management and measurement. In this chapter, review is presented based on internal and external contributors of performance measurement in public sector organizations (Amayah, 2013). The inefficiency of the public sector has been fixed by implementing some core ideas and tools of civil service reforms. Innovation in PSOs is categorized by devolution, regulatory changes, fiscal management, transparency, accountability, improved service, research and development and governance (Hale, 2004). Many studies focused on dimensions of perceived organizational politics, relationship conflicts, task conflicts, organizational culture, goal ambiguity and organizational performance from objective perspective (Chen, 2015). Organizational culture is vital for innovative changes in institutions. The construct of organizational performance is perceptual and measured through critical factors. The performance of public sector organizations is categorized in two categories i.e. human and organizational factors. The study focuses on role

of human and organizational dimensions in perceived organizational performance in Pakistani public sector. The worldwide aspirations and premium delivery of public services has made the general citizens to believe and expect utmost good service in every public department and office (Koh & Coles, 2019).

## **2.2 Performance Management**

Performance management focuses on organizational goals and it links up the work of managers and individual employees to the mission of work unit so employees play an important role in the overall success of their organizations. The performance of an organization is also affected by the style in which individual employees' performance is managed. When employees have due support and are clear about the expectations from them, their motivation, self-worth and sense of purpose will enhance (Sangwa & Sangwan, 2018; Flyn, 2002). The organizational environment is a focus of performance management. There is an iterative process of both performance measurement and performance management. Measurement is preceded and followed by management. The main aim of performance management is to have such an organizational culture in which the groups of employees assume responsibility for the continuous improvement of performance to achieve goals of an organization. There is a need to coach employees to instill the desire in them for continuous improvement (Vakharia, Vecco, Srakar & Janardhan, 2018). The performance management has objectives such as developing performance culture, performance motivation, individuals' skill development, focusing on business strategies, promotion decisions and discouraging poor performance. Performance management does not focus on blame and punishments but it leads to service improvement and shared learning among employees (Jafari & NiliPourTabataba'i, 2017).

## **2.3 Components of Performance Management**

The multiple meanings of performance management were defined and have now been adopted from various studies of authors ((Koh & Coles, 2019; Erdenk & Altuntas, 2017; Buschor, 2013; Neely, 2008).

### **2.3.1 Communication and Feedback**

Communication is a two-way process and a source to exchange ideas and shared beliefs and norms where all the stakeholders are connected to perform efficiently (Haas & Yorio, 2016). Communication is a glue to bind the employees, coordinate, and facilitate people to act productively (Dixon, 2004). Feedback is essential to motivate and evaluate organizational activities (Vickers, 2017). People are encouraged through feedback to show positive behaviors. Manager, who periodically review and track the performance, let their employees know where they stand (Soni, 2011). The expectations must be communicated to the employees, recognizing their success, providing feedback and facilitate them in handling their routine based issues (Martocchio, 2006). Open communication is vital to help employees for developing adequate expectations and motivating them to trust the system (Koh & Coles, 2019).

### **2.3.2 Managerial Commitment**

Previous researches have shown that organizational management must be committed under some formal authority to perform their activities and need to design such an organizational set-up for issuing directions to the subordinates (Erdenk & Altuntas, 2017; Buschor, 2013). The serious attitude of group of people in any organization can save the organization from detrimental effects. The managerial commitment had led to supportive organizational climate and feasible working conditions to new comers (Neely, 2008; Flyn, 2002). It was suggested that managerial commitment and involvement of government is essential to obtain the successful outcomes in the long run. The formulation of an exit strategy for the committed management is needed. Committed management in public sector may vary as per the prevailing crisis. A gap still exists as to devise such an adequate structure for committed staff in economic development. Organizational politics increases due to personal influences and centralization in an organization.

### **2.3.3 Transparency and Fairness**

These are required in performance management. The whole cycle is started from performance planning and until the rewards to the best performance as it demands objective

discussion between supervisor and employee and effective communication (Neely, 2008). If there is no transparency and fairness, the employees will be demoralized and performance would be affected. Perceptions of organizational politics influence the states of mind like job burnout and anxiety, and perceptions of justice and fairness are correlated to these mind states (Villmer, 2015).

#### **2.3.4 Client Satisfaction**

Satisfaction and work motivation are core contributors regarding identity, quality, managing effectiveness and organizational culture. Well motivated employees lead to enhanced productivity. A good leader has the motivation being a major indicator of high performance, empowerment of taking decisions and gives feedback. The major lever of managers to enhance the work effectiveness is employee motivation. When typical managers observe the quality output below the expectations, they pressurize workforce to do hard work and give more incentives for good outcomes rather than improving the work systems. It is like driving a car with a foot simultaneously on both brake and accelerator, and brake is an inadequate work system. Jordon and Malone (2002) explained performance management and performance measurements are the two dimensions in New Public Management paradigm. PM encompasses all those key elements which boost the individual as well as group performance. Systems of Performance management are deeply rooted in political and administrative context where decision making and the implementation is embedded in complex blend of cultural norms, external environmental factors and diversified interests in organizations. The organizations must have these distinctive features in order to have successful PM-systems such as committed leadership styles, proper accountability systems, strategic procedures, effective coordination and communication patterns and an encouraging culture.

Busler (2014) identified the attributes which depict the successful public-private partnerships in enhancing the economic development and the involvement of public on short and long term basis. Under grounded theory, case study was examined. The developing countries have a weakness of less private capital and investment which restricts the development of economy. On the other hand, the investments and capital on large scale and risky factors hinder the economic development. In these scenarios, the input and involvement of public sector is highly required.

## 2.4 Performance Measurement (PM) Theory

The theory of performance measurement was earlier introduced for government organizations to enhance the effectiveness and efficiencies after changing the managerial procedures. Performance measurement has gained importance in reform agenda in the public offices worldwide (Cole, 2018). High degree of pressure and demand put by the common citizens and officials for the proper checks and balances, transparency and quality responsiveness (deHaaff, 2017). Appraisal and supervisor effectiveness are negatively related to perceptions of organizational politics. The organizational performance is a notion which comes under the performance measurement (PM) theory. This theory has a wide scope which includes three sub-theories namely organizational identification theory, conflict management theory and results-based management theory (Fritzen, 2007). The organizational performance is a construct discussed in context of public agencies which are proficient in discharging and delivering the operational and administrative tasks in compliance with its mission and execute its activities in line with its institutional mandate (Vickers, 2017).

This theory assumed the challenges emerged for bureaucracies of public sector. Such information and systems of performance measurement are required to be developed which could facilitate anti-corruption efforts. World Bank also emphasized to support anti-corruption activities for global information systems. The analytical framework relates to performance measurements contexts and functions to strengthening requirements for conflict management. The internal operations substantially lead to achieving goals. The performance dimensions can be categorized into individual-level, internal and external variables of performance (Gorard, 2013). The set of factors needed to be examined for organizational performance have underlying assumptions of PM theory (Kossova & Sheluntcova, 2016). Political support and authority of decision-making seem to be vital factors for enhancing managerial commitment in implementing PM. Adoption refers to develop indicators and measures while implementation refers to actually using measures of performance to analyze the factors impacting performance measurement (PM) utilization in local governments (Leedy & Ormrod, 2019; Villmer, 2015; Moynihan, 2006; Nurkholis, Mohamad & Ismail 2000; Rainey & Steinbauer, 1999).

The theory is related to current study by creating a linkage between intraorganizational conflicts, internal politics, political will and resource availability under PM implementation and the mediation by conflict management and goal orientation being inevitable elements of results-based management (RBM) theory. Service quality is another outcome of performance measurement (PM) utilization. For benchmark results, managers must be given authority of decision making and provided with reliable systems of performance information in departments of organizations. The Data gathered through self-administered survey to civil servants and managers of public sector organizations. Structural equation model (SEM) analysis was conducted to examine the organizational factors. The findings of this study could be validated by considering more studies on performance of local offices of developing countries.

Fitzsimons (2018) showed the performance measurement theory using single variable in the research design. The performance measurement system, being a dependent variable, may be investigated by institutional, organizational, structural or cultural factors. It may act like an independent variable by affecting the organizational environment. In order to adopt and implement the performance measurement, some explanatory variables were organizational factors i.e. goal and target oriented practices, organizations' output and organizational environment. The theory might be progressed by rigorous confrontation along with practice.

Fernandez, Cho and Perry (2017) explained PM theory that the managers and employees working at various hierarchical levels in public organizations perform 5 roles of leadership. This performance measurement includes culture, diversity, conflicts in relations and task-oriented roles. Published data were chosen from federal reports and it was analyzed that how integrated leadership is related to the performance of federal programs. Econometric tests showed that the performance of federal sub-agencies is positively affected by the dimensions of integrated leadership. A role in governance arena called collaborative leadership and management which covers resource mobilization, prioritizing public polices, conflict-handling and mutual trust, is to be investigated further. Some scholars support that relationship between job performance and organizational politics is moderated by goal congruence. The current study has included the set of factors to seek influence of conflicts and perceived politics and role of bureaucracy in implementing the civil service reforms.

Koh & Coles (2019) recently found that a number of organizations are inclining towards systems of performance measurement for organizational integrity. Organizations must be held answerable to corruption control and fiduciary standards, support organizational learning of what works and vulnerability in operations of multi-faceted public offices. Corruption could not be easily captured as managerial blind spots, inadequate incentives for enforcing and adhering to standards and informal practices give rise to corruption vulnerabilities. Corruption control can be effectively contributed by performance measurement arrangements for multi-directional and effective accountability coupled with improved information systems. Organizations are less vulnerable to public backlash and corruption if managerial attitudes and incentives are reassessed and information systems are improved. The bureaucracy always tries to institutionalize public commitment for high anti-corruption standards.

Arfeen and Khan (2009) unearthed the capability of innovation for projects of e-government in Pakistan. A case study of automation in Hajj process was used to study the prospective benefits of information and communication technology (ICT) diffusion in government sector. Technological advancements are the outcomes of practicing innovation worldwide. Private firms find profits and survival in innovation but the public sector still lacks in recognizing the importance of innovation. The public satisfaction was dependent variable and organizational processes were independent with moderating effect of information and communication technology. The organizations and individuals are rarely aware of this innovation in governance and service delivery. Due to high uncertain and chaotic environment, the results were frustrating. Pakistani government is spending million rupees on e-projects but the results are not up to the expectations. There is less skilled and tech-friendly manpower and even buying various hardware, user-friendly software can't be developed yet. E-governments are facing issues like inter-departmental conflicts, lesser resources, employee resistance, cultural, political and funding issues. There is a need to check the willingness of government employees in paperless environment. Initially civil secretariat should be automated as a pilot IT project.

Toor and Ogunlana (2010) examined the framework and indicators of performance for mega projects of construction in Thailand. 80 questionnaires and 35 face-to-face interviews were conducted from project managers for the purpose of the study. ANOVA, t-test and correlations were applied for indicators. The criteria for performance measurement are

project-specific. The significant perceptions of stakeholders for development projects were explored. It was found that mega development projects do not require any iron-triangle comprising (customized, on-time, within budget) measures. The performance indicators like stakeholder satisfaction, less disputes and conflicts, effectiveness, efficient resource usage and safety played a significant role in developmental projects. The construction industry in Thailand focuses on a mixture of qualitative and quantitative measures for large developmental public projects.

Bulawa (2011) identified that education sector in Botswana has inadequate PMS implementation. There is a room for PMS models which are developed in western world to be applied in less developed countries like Pakistan. An approach of grounded theory was used to collect interview data for exploring the perceptions of 94 senior managers about performance management systems in 22 secondary schools. A repetitive process of coding was used to develop and analyze categories for theory development which can explain the experiences of participants about process of implementation. The PMS reform was not rejected by the senior management as it might benefit the schools. The PMS has a valued potential to perform better. PMS is identified as strength as it can be used as a tool of strategic planning and to hold people accountable for their performance.

Soni (2011) elaborated that there is a lack of consensus on the systematic relationship between organizational performance and structure. This research views this particular trend as organizational structuralism for analyzing the effects of factors of organizational structure on employees and organizations. The dimensions particularly red tape, work autonomy and managerial leadership have not been tested before empirically. Local enterprises face adverse circumstances and have poor performance management and due to their internal features, they are possibly more inclined towards the failures because of having weaker political and managerial leadership. Job performance is negatively affected by the organizational politics perceptions.

Field (2013) described the differences of motivational constructs for private and public employees in banks of KPK, Pakistan and how the employee motivation is influenced by certain factors. The work place motivation is a multifaceted concept. 150 private and public banking employees were surveyed about differences through convenience technique. Descriptive and inferential statistics were used to analyze data. Results depicted that work-

related factors influence the motivation of employees. Government bankers experience work and family life balance and work contents motivate them more while friendly environment, opportunities of career development and financial rewards motivate the private employees. Other factors are to be explored further for enhancing work motivation of employees. The results of banking industry can't be generalized to other public and private industries. So the motivational factors should further be analyzed in public institutions.

Buschor (2013) explained that public management covers new dimensions in terms of outputs and outcomes through performance management. There is a need to develop multi-dimensional strategic planning. The complex and dynamic politics scenario demands such management systems which can better consider non-economic political dimensions. The internal administration and external parliamentary communication need different performance information. Public authorities ask for information as per their levels and context. Future research calls must focus on patterns between management and politics and limits of performance management such as less parliamentarians' interest in complex issues and limited measurability of outcomes. The inherent complexities in implementing performance management must further be considered.

Choong (2013) identified the factors essential to conceptualize the dimensions of effective and efficient systems of performance measurement (PMS) in modern organizational settings. Heavy research has been carried out in PMS Field yet PMS core fundamentals such as concrete meanings and implementation of attributes of data measuring and measurement methods are still vague. Existing systems of PM were examined and reviewed using a systematic approach and citation analysis. The PMS literature is updated and contributed in terms of gap identification in academic research and practical usefulness, framing a conceptual model which may provide correct solution for PMS and further directions for these systems. Organizational effectiveness and satisfaction of employees declines due to organizational politics.

Coste and Tudor (2013) explored that the information and measurement of performance is essential for public sector organizations. There is a need to develop service performance into core features. Measurements should be adequate enough to use and the transparency of public funds must be ensured to satisfy the social needs of public. Some core dimensions which define the service performance concept were identified in settings of

public institutions. The information usage and measurement of service performance is noticeable for public sector. A comprehensive framework was proposed for interested stakeholders of service performance such as citizens, managers, governments and foreign fund donors. An evolutionary process is required to improve the quality of service performance. A transparent way of allocating funds, resources must be used efficiently while minimizing the distrust in service quality and high quality information must be provided by public entities in form of service performance. There needs to empirically examine the service performance having 2 areas: objectives and performance indicators including inputs, outputs, outcomes, effectiveness and efficiency.

Makanyeza, Kwandayi and Ikobe (2013) suggested the strategies for improving the service delivery of local authorities. Both employees and service users were separately given 2 self-administered questionnaires to know their perceptions. Convenient sampling was used for the purpose. Data were analyzed using a mixed method approach. The respondents i.e. service providers (employees) and the service users (customers) identified the main reasons behind poor service delivery such as improper planning, inability to manage change, poor human resource policy, lack of transparency and accountability, inadequate participation by citizens, political manipulations, lack of employee capacity, corruption, poor monitoring and evaluation and interference by councilors. Results show that the improvement strategies for service delivery include strategic planning for service delivery, managing change, flexible response, outsourcing services, stakeholder partnerships with community, duty segregation between local authorities' management and councilors, sound policy for human resource like employee motivation and capacity building, encouraging participation of citizens in local authority affairs and minimizing corruption.

Piening (2013) synthesized and reviewed the theoretical perspectives of vast literature comprising dynamic capabilities of public organizations. The government organizations dynamically need to change responding to the turbulent external circumstances. Lesser attention has been given to these capabilities which could be responsive enough to the complex external environments. He advanced a model analytically capturing the micro-foundations, antecedents and consequences of these dynamic capabilities which act as facilitators and mediators in particularly in context of public institutions. There is a need to push the government organizations for meeting the growing and changing service demands and performance-oriented management with exposure to financial constraints. Employers

share the goal priorities with their employees, this goal sharing moderates organizational politics and puts positive effect on job performance and organizational commitment.

On the other hand, in literature of private sector, these dynamic capabilities such as integrating and reconfiguring the diverse competencies in order to redress the turbulent external environments and the private firms are sustained to attaining competitive advantage and survival of organizations for a longer period. A lot of structural and environmental variations exist between the public and private sector firms. Organizational dimensions must be given due considerations which could be utilized for managing the change. The literature existing on this subject is more controversial regarding the impact of dynamic capabilities on performance of organizations. Organizational routine activities serve as micro-foundations and certain trajectories are followed by public organizations for developing diverse competencies. Some studies explained that internal politics, at times, gets lower significance because of the other external political pressures.

## **2.5 Organizational Performance**

There has been a very severe criticism on governments regarding organizational performance. Researches argued that although the public institutions are supposed to be bungling entities or cumbersome, yet many of them are actually performing well. There have been different models and theories which pinpointed the problems of government sector (Cole, 2018; McKibben, 2017; Petrovsky & Ritz, 2014; Piening, 2013). However there are also some defenders of government organizations (Goodsell, 1994; Rogers, 2006; Chen, 2015). No one ever denied that the organizational performance is supposed to be a central point in public management and Wilson (1887) had published, "The Study of Public Administration." Many researchers agree the management in field of public administration is a core variable in institutional performance of governments. The aim of managerial systems is performance and the management matters to effectiveness and performance (Soni, 2011). There is an issue that organizational performance is highly dynamic and is affected by various factors. "Organizational performance is a socially constructed phenomenon that is complex, subjective and hard to measure in the public sector" (Brewer & Seldon, 2000).

In the “black box” of public administration, the institutional performance is complex due to the complexity of management systems of a government. In other words, there is less extensive explanations about processes of government offices. Hence it is important how the black box of institutional performance is approached by the scholars (Moynihan, 2005).

The ecological model in theories of public organization explains that the organizational performance is actually the ability to meet its demands and goals from their environments (Alfawzan, 2016 & Warwick, 1975). Thus administrative, socio-economic and legal dimensions focus on explaining both the internal and external factors of performance of public organizations. Many scholars admit the fact that organizational performance is affected by the internal as well as the external factors. However, some tried to develop a multidimensional model to analyze the performance. Hence, necessarily, controllable factors of management and some external influences and generic management systems must be specified (Moynihan & Pandey, 2004). Numerous scholars agree that the management variables, organizational health and some internal dimensions put significant influence on organizational performance (Walker, 2011). Motivation, professionalism, technology, task design, human resource, mission valence, autonomy, stakeholders’ characteristics, oversight authorities and organizational culture lead to the effectiveness of organizational performance (Rainey & Steinbauer, 1999).

The organizational performance is affected by strategic management, human resource management, organizational culture and leadership. Instead of rules and regulation, effective communication, good management practices, and organizational culture lead to effective performance (Boyne, 2003). It is proposed that environmental dimensions influence the performance of public institutions is also influenced by such as (public influence, the clients’ influence and the elected officials’ support) and also due to the organizational factors like (goal clarity, centralized authority of decision-making, barriers to reorganization and culture) (Moynihan, 2005; Ulbrich, 2010).

Similarly, there are some key indicators like individual performance, task structure, leadership, political support, red tape, organizational culture, human capacity and other organizational characteristics (Brewer & Seldon, 2000; Piening, 2013). It is also pinpointed that resources, leadership and political support are the crucial factors which impact organizational performance (Amayah, 2013). Three standards (managerial capacity,

performance outcomes and information systems) were tested through empirical measures (diverse services offered, annual performance evaluation, mission statement and voluntary turnover) and perceptual measures (service quality, feedback, training, salary and job satisfaction). It is found that managerial effectiveness of public organizations is negatively influenced by goal ambiguity. The individual level factors like (grade, wage, status, tenure) goal ambiguity dimensions (priority, evaluative and directive ambiguity and mission) and organizational factors (competing demands, location, age size and financial publicness) (Mothusi, 2008).

Many scholars tried to figure out inner buzzword of institutional performance, picked up only few internal or external dimensions but in reality there are numerous factors inside the black box (Hawke, 2012). Lesser attention has been paid on the crucial factors like organizational politics, personal relationships, power struggles, employees' psychological factors and the organizational conflicts in government organizations. These relational and psychological aspects have been overlooked both in literature and the researches on institutional performance of government. Due to this very cause, the research puts questions for the effect of perceived politics, conflicts and some more factors on performance of public institutions (Chen, 2015; Piening, 2013).

### **2.5.1 Financial & Non-Financial Assessments**

Brewer and Selden (2000) investigated that in the firms of private sector, the empirical research regarding the effects of planning had covered the financial measures of performance like the return on investment, sales growth and profits and it is a narrow sort of operationalization of the performance concept. The other vital dimensions cover the corporate social responsibility, betterment of society and employee welfare. In case of government organizations, it is improper to exclusively focus on financial measures. The reasons might be that several government departments lack in bottom line, thus profitability measures are not the true performance reflectors. Various dimensions like technical efficiency are partially financial. The other organizational performance measures would include the effectiveness of services provision and both the quantity and quality of outputs. In the public sector, the good governance is sensitively and inescapably a political issue. The importance of measures of institutional success varies relatively across the groups of stakeholders. This implies that

checking the influence of planning in government organizations captures a range of interpretations of subjective and objective measures of performance.

It has been decided to assess the perceptions regarding different influential measures for the theoretical, conceptual and practical reasons. The handful of previous research studies are based on the government sector performance and they have either emphasized on published data using objective measures or subjectively measuring the perceptions of members of organizations.

### **2.5.2 Organizational Structure-Performance Link**

Every sort of organization has its own structure. Structures tend to influence the individual behaviors as well as the overall performance of organizations (Koh & Coles, 2019). Behavior of individuals vary from person to person and structures help to regulate and tackle the individual differences after all the structures provide such a platform where decisions are taken, activities of organizations are undertaken and power is exercised. Flat hierarchy, personnel size, span of control, formalization, intensity of administration and centralization are the most identified dimensions of organizational structuralism (Salge, 2011). More empirical research is required testing the underlying nexus between the 2 variables both in public and private firms. It has been widely argued that the changes in structures remain insignificant for the performance of blue collar employees. But these variations may cause an impact on the managerial level employees and this is needed to be confirmed. It has been recently found in an empirical study that all the structural measures negatively and significantly affect the performance of organizations but the span of control has a positive impact on expected performance (Jung & Kim, 2014).

### **2.6 Organizational Environment**

(Midwinter, 1994; Kluvers, 1998) conducted surveys in local governments of Australia, Scotland and the United States respectively and reported less usage of performance indicators of government sector and underlying reasons are like ambiguity in defining what is to be measured (ambiguous goals) and fear of reporting. Cole (2018) identified that often the statistics of local departments were unable for measuring performance regarding policy

objectives and may not necessarily be performance indicative. Shortly, productivity is valued by means of efficiency in the private sector whereas the government sector has got an obligation of serving the general good and resulting into highly redundant and inefficient systems. Private enterprises are more finance-driven but public organizations are politically driven. The criteria of assessing the effective privately owned firms which are more closely related to the financial constraints, retaining customers and satisfying customers for long time rather than in case of government sector. Because of these differences of quality which prevail in both the sectors, it is reasonably assumed that organizational effectiveness measures may be quantitatively different between public and private organizations (Sardana 2008; Schacter, 2000).

Parhizgari and Gilbert (2004) investigated and compared the internal structures factors and processes related to organizational effectiveness (OE) in public and private sectors. They used a sample based on 11,352 cases representing 41 government and 28 private organizations. They identified and empirically derived 9 measures relating to organizational effectiveness in each sector. Then the dimensions were compared in these two sectors. Employee survey instrument on 47 or more internal performance measures were used and after applying the rigorous statistical procedures, it was concluded that the applied measures for effectiveness in both governmental and market sectors differ significantly. Henceforth, they found fewer consensuses in prior literature based on defining and measuring organizational effectiveness (OE).

Andrews, Boyne and Enticott (2006) examined that UK's central government implemented various methods to categorize and assess the government institutions performance. The underlying assumption behind the procedural methods was that instead of external circumstances, the organizational decision-making attributed the performance. It means that instead of misfortune and operational mismanaging causing failure to provision of services. They used data collection from 4,000 politicians and officers through mailed questionnaires and also used secondary sources in order to observe the effects of both internal and external features and constraints on standards of service delivery in 120 local English authorities. They tested the argument by developing and applying a model to statistically assess and analyze the English local departments' performance outcomes. Their findings suggest that the organizational failure up to some degrees is characterized under problematic scenarios like poverty and diversified needs of services and managerial attributes like poorly

managed performance and inactive leadership. Hence failed performance relates more to mismanagement rather than misfortune.

## **2.7 Benefits of Performance Measurement Theory for Bureaucracy**

Using PM theory, various social outcomes have been identified for civil servants in PM literature to improve the organizational performance. This study is conducted to analyze and reap the benefits of using PM theory in large perspective. After regressing the models of this study, the findings will confirm or contradict these outcomes particularly for bureaucrats. Below mentioned literature depicts that PM has been an important concept when the research is to verify the organizational performance (McKibben, 2017). The major research question is concerned about the role of bureaucrats in managing conflicts effectively (Cole, 2018).

### **2.7.1 Clear Vision & Goals**

- To Build teamwork in public organizations (Leedy & Ormrod, 2019; de Waal et al., 2009)
- To create consensus on strategy (Cole, 2018)
- Enhanced communication of vision (deHaaff, 2017)
- Identification of weaknesses and competitive advantages of a business
- More focus on public & customers (Othman, 2006)
- Stakeholders' consideration (Chung et al., 2006)

### **2.7.2 Minimizing Internal Politics**

- Goal clarity (Hall, 2008)
- Enhanced communication between management and staff (Ukko et al., 2008)
- Promote relationships with external stakeholders & business units (Eckerson, 2006)
- Consensus on desired results (Lawson et al., 2007)
- Departmental communication & knowledge sharing (Ukko et al., 2008)

### **2.7.3 Managing Conflicts & Strategic initiatives** Healthy organizational culture (Lawson et al., 2007)

- Proactive decision-making (Chung et al., 2006)
- Conflict management (Hall, 2008)
- Encourage cross-functional collaboration (Chung et al., 2006; Eckerson, 2006; Greiling, 2005; Lawson et al., 2007)
- Speedy and quality decisions (Taylor et al., 2008)
- Discouraging command & control management style (Eckerson, 2006)
- Increased satisfaction and employee morale (Othman, 2006)
- Greater autonomy (Hall, 2008; Greiling, 2005)

### **2.7.4 Enhanced Learning & Feedback**

- Enhanced Performance of bureaucrats (Nudurupati & Bititci, 2005)
- Increased organizational knowledge (Eckerson, 2006)
- A consensus between employees and managers on performance drivers (Othman, 2006)
- Promote a sense of both personal and collective accomplishment (Hall, 2008)

Most of the studies have been descriptive or normative so a considerable research has emphasized on this issue (deHaaff, 2017; Field, 2013; Hall, 2008). A fewer studies empirically examined and designed the bivariate and multivariate models and relationships to investigate the factors which promote performance measurement (PM). The most relevant multivariate models which serve as theoretical lens for this study, are as follows:

- a) In the federal government, Kong (1998) examined the factors promoting PM utilization comprising the leadership, clear goals, organizational culture, stakeholders' involvement, training, data quality and measurement capacity.
- b) In local governments, Wang (2002) explained the differences in benefits of using PM. The improved communication, coordination and decision-making were included in immediate benefits. The effectiveness, improved efficiency and accountability were included in the long-term benefits.

- c) In local governments, Melkers & Willoughby (2005) described communication, budgeting and long lasting effects of PM utilization. The explanatory factors included the respondent characteristics, the community characteristics, the performance measurement characteristics and the organizational culture.
- d) Ammons and Rivenbark (2005) conceptualized and developed hypotheses that apart from reporting systems, services are greatly improved if performance measurement is used in key management systems having comparative benchmarking and strategic planning with high quality data i.e. the efficiency measures. This study will advance and add value to the prior studies.

These reflections might be evident from practitioner sort of studies and body of literature. Public departments have an image of being non-profit firms and less focus on generating income. Furthermore, systems of PM which are to be explained particularly in government sector are always subjected to socio-political choices and are limited to improvement and change and up to which extent these systems are externally imposed. Resource Dependence Theory complements to Institutional Theory, as it implies that organizations become more stable by exercising the authority, negotiations and control in order to achieve inflows of vital resources in a predictable and adequate manner while reducing the uncertainty of overall environment. The academicians have been focusing that these two theories have a complementary nature and these might be used jointly and mostly in a theoretical manner.

The organizational performance of public sector implies that performance measurement systems (PMS) are closely related to bureaucratic will, internal political advocacy, power sharing and conflicts. The research area is also concerned about the role of bureaucrats in managing conflicts effectively. The public sector comprises of interdependency of tasks and the acquisition of critical resources which differentiate this sector from the market enterprises (McKibben, 2017; Amayah, 2013). For instance, usually the politicians have no direct concern for the repercussions of actions performed. Furthermore, to utilize the concepts of resource dependence theory, the pro-active and passive behaviors of civil servants towards the exerted pressures by government organizations along with organizational efforts for obtaining legitimacy, could better be understood and explained by studies below (See Table 2.1)

**Table 2.1: Some Relevant Research Evidences at a Glimpse**

Research Study	Research Approach	Method & Sample	Focus of Research	Core Findings
(Cosenz, 2018; Field, 2013; Carmeli & Tishler, 2004)	Quantitative	Survey instrument and Secondary data; 99 local agencies of Isreal	To examine the relationship between different Performance measures and capabilities (intangible assets).	The performance of public departments in terms of employment rate and self-income ratio is significantly influenced by the intangible assets like capabilities of managers, organizational culture and human capital along with the geographical location and unpredictable environment.
(Hughes, 2018; deHaaff, 2017; McNulty & Ferlie, 2004)	Qualitative	Case Study of UK National Health Service (NHS) hospital	To analyze the implementation process of business process reengineering (BPR)	Found that instead of obtaining desired redesigning of radical processes, hospital has incremental change having path dependency.in an organization, a more rhetoric concept BPR has limited influence on the measures of performance like duration of patient stay. Resistance of employees to change, inadequate satisfaction regarding operational processes, less pressure of customers, rigid structures, conflicts of interests, lesser collaborative linkage among middle managers, physician, senior management and external change agents) negatively affect the implementation of BPR
(Waeyenberg & Decramer, 2018)	Qualitative	Case study; Officials of IOG project in 15 cities in N.C.	To analyze the effects of core measures of performance systems on performance improvement	Measures of Strategic planning in terms of target setting, competition, data quality and evaluative procedures have significant influence on systems of performance management
(Jacobsen & Andersen, 2017; Melkers & Willoughby, 2005)	Quantitative	Multiple Regression, Sample of 194 public managers.	To test the effect of culture and characteristics of organizations	Supportive Styles of leadership, quality of information and measurement capacity of management significantly

			on organizational performance	impact the budgeting performance and place long term benefits in organizations.
(Spano & Monfardini, 2017; Jas & Skelcher, 2005)	Qualitative	Longitudinal case study; 15 low-performing local authorities in English sector	To testify the association between turnaround antecedents of Dynamic Capabilities (DCs) and low performance.	Key findings were that government organizations have cyclical performance with passing time. Poor performance exerts a pressure for improving it and initiating the turnaround. Successful firms have lower continuous improvement incentives. The managers or senior politicians because of having dynamic capabilities could adopt adequate measures for poor organizational performance. Highlighted that capabilities which are reshaped, positively impact the implementation of innovation and perceptions of employees pertaining to organizational readiness to change. The employee resistance to change is reduced by the capabilities reshaping which confirm that information is effectively provided to the target users of innovation and they actively take part in process of implementation.
(Ingrams, 2017; Jones <i>et al.</i> , 2005)	Quantitative	67 personnel in a state government department of Queensland, Australia	To investigate the impact of capabilities on implementing a new ultimate user computing systems.	Found that assessing, evaluating and reporting the measures of performance has positive influence on strategic planning
(Rice, 2017; Poister & Streib, 2005)	Quantitative	512 public managers; Stepwise Regression	To inquire the effects of usage of measures of performance	
(Moon, 2017; Ridder <i>et al.</i> , 2007)	Qualitative	Multiple case studies of 6 German municipalities	To test the underlying mechanism of the factors implementing the result-oriented budgeting and accrual basis accounting	Concluded that changes in municipalities occur on the basis of history or path dependency. Specifically the processes of implementation are attributable to various dynamics pertaining to the distinguished routines of organizations like principles of collaboration and

(Park & Kim, 2016; Samaratunge, Alam & Teicher, 2008)	Quantitative	Comparative analysis; Panel data of 4 countries i.e. Bangladesh, Sri Lanka, Malaysia and Singapore	To investigate the impact of various context-based factors on public sector reforms particularly in terms of transparency and accountability in public offices	coordination among project teams and executives' resistance to change. Hence the main barrier in implementation is said to be the limited resources and financial constraints. Identified that contextual variables such as economic development, political commitment and leadership, civil society, institutional capacity and administrative capability significantly impact the transparency and accountability. Malaysia and Singapore even being successful countries are reluctant to apply the mechanisms of transparency and accountability while these mechanisms are absent in case of Sri Lanka and Bangladesh.
(Castelli, 2016). Guimaraes <i>et al.</i> , 2011)	Qualitative	Longitudinal data; Brazilian Case study of the Superior Tribunal of Justice	To seek either new management model causes change in work processes, managerial behaviors and daily routines due to its adoption and implementation	Unearthed about the fact that changes in routines relate to innovative procedures. If the targeted organizations adopt new management model for new operative capacities like management of e-courts encompass the tasks of receiving, accessing and controlling the documented evidences for cases. Confirmed that developing the operational capabilities are supported by the adoption of project management techniques for preparing staff and information technology.
(Staniok, 2016; Piening, 2011)	Mixed method i.e. Quantitative and Qualitative	Numerical performance data and qualitative case study in 5 German public hospitals	To investigate the factors useful in implementing innovative processes	Found the factors dynamically capture performance-based dimensions. The performance feedback and style of decision-making endorse the daily schedule. Communication and collaboration are related to firm performance and help in corroborating the

---

(Ryu & Johansen, 2015; Salge 2011)	Quantitative	Panel data of 154 government hospitals in the English National Health Services	To study the contingent factors of underlying mechanisms for searching processes of innovation	implementation in context of hospitals. Confirmed that possibility of innovation-based search for novel processes, products and services is enhanced due to the inactive resources and hurdles in performance and identified that the firms become more search-intensive due to the increased regulatory levels.
------------------------------------	--------------	--	--	--

---

## 2.8 Critical Analysis of Literature

Vast literature and relevant studies have been gone through critically to shed light on the core concepts and constructs of the current study. The theoretical underpinnings of organizational conflict have been reviewed critically. Conflicts have been an understudied phenomenon in research of public management. The environment of public service requires depicting and evaluating consequences of conflict aftermath. The weaknesses and gaps have been critically presented below.

Hakza, Wilson and Colin (2018) explored the challenges emerged for bureaucracies of public sector. Such elements of organizational performance are required to be developed which could facilitate anti-corruption efforts. Case study was used for World Bank to support anti-corruption activities for Indonesian information systems. The analytical framework relates performance measurements contexts and functions to strengthening requirements for anti-corruption. It was found that a number of organizations are inclining towards systems of performance measurement for organizational integrity (Fritzen, 2007). Organizations must be hold answerable to corruption control and fiduciary standards, support organizational learning of what works and vulnerability in operations of multi-faceted public offices. Corruption could not be easily captured as managerial blind spot, inadequate incentives for enforcing and adhering to standards and informal practices give rise to corruption vulnerabilities. Conflicts are required to be effectively managed by performance measurement arrangements for multi-directional and improved bureaucratic performance. Organizations are less vulnerable to public backlash and corruption if managerial attitudes and incentives are reassessed and information systems are improved. The bureaucracy should try to institutionalize conflict management and service commitment and (McKibben, 2017).

Charlie (2018) qualitatively explored the elements which functionalize the conflict management systems that could modernize the Greece public sector in contextual setting of public administration of Greece. A conceptual model of STAIR (strategy, targets, assignment, implementation, results) applied as a yardstick to critically explore the challenges of performance management & measurement. It was found that for administrative reforms, the symbolic image of PMS could only be shifted to a productive instrument under 3 major groups which are the behavioral, cognitive and ethical dimensions of PMS. The dynamic nature of these 3 horizons had not been quantified to disclose other elements leading to organizational success. Instead of acting as mechanistic tool for control, conflict management is a vehicle which can critically reflect the challenges encountered by organizations (Cole, 2018; Sotirakou and Zeppou, 2006).

Temfn and Lec (2018) examined the determinants of organizational performance of public organizations of Ethiopia. In Ethiopia, the Business Process Re-engineering was envisaged along with an attempt to design a pay for performance system. Employee ability, motivation and role perception were investigated which promote their business process reengineering. Primary data were gathered from 100 government employees. There was employed a regression model of ordered logistic after regressing ordered categorical variable of employee performance on employee ability, role perception and motivation and specific control variables using STATA. Internal politics puts a significantly positive influence on employee performance till a certain level of experience but after that stage, performance decreases with experience. Likewise, role perception has a positive and strong relationship with performance. Role perception leads to good performance. But the factor model was unable to determine the performance of employees in case of Ethiopian public sector. Econometric models of panel data are needed to apply for further examining and determining the dynamic nature of employee performance across time. Space-time variations in determinants could better be elaborated by further empirical studies.

Suhonen and Tiirinki (2018) investigated the effects of conflicts in terms of neglecting attitude, quit, employee loyalty, and voice on behaviors of employees in government organizations in Greece. Data was collected through questionnaires from 3 government hospitals and statistically analyzed. Neglecting attitude declines and employee loyalty rises with the P-O fit level. The relationship between employee loyalty and person-organization fit is mediated due to job satisfaction. Decentralization is such a variable which

is crucial for catering with socio-economic issues within public organizations. Performance maximization could be achieved through compatible and diverse organizational culture. Razael and Bozorgmehr (2018) analyzed that government sector in Malaysia, involves on-going games of power, conflicts of interests and control. For legitimacy of actions and more power exertion, public managers normally use tool of control. After implementing Accounting Information System (AIS), employees were encouraged to participate in implementation procedures. Practice mechanisms of participation tend to boost the commitment of employees and to mitigate their resistance to change. Based on control structure theory of organizations, the notion was confirmed that full organizational control enhances if employees of organization indulge and take part in decision-making. However, it is very significant to resolve the multiple clashes and conflicts of interests by using employee participation that would tend to be secured and eventually there would be a better management control (Othman & Said, 2007).

Mesling (2017) reviewed and explored the new insights of main pitfalls and issues to which the Finland government organizations which established performance measurement systems (PMS). Data was gathered through three case studies rather than surveys. A significant difference exists between the process implementation and the design of Finnish industrial sector and local organizations. Four major highlighted problematic factors were undefined end-products and ambiguous goals, centralization, conflicts of stakeholders' interests and absence of managerial skills which need due consideration (Rantanen, Kulmala, Lonnqvist & Kujansivu, 2017). Robin and Rice (2017) argued the role of performance audit in financial management of public sector in Brunei. Data were gathered by conducting interviews of audit staff. As performance auditing is a legislative requirement, still the financial procedure needs to comply with auditing the performance.

Philbin (2017) evaluated the diabolical challenges of internal politics and conflicts of interests of managers who act as bridges among Australian public and private organizations. Observation and Interviews were conducted from public officials to collect the data. It was revealed that various interests are competitive such as organizational performance metrics, the goals imposed by governments versus the client needs. Collaborative mechanisms are required at managerial levels for avoidance of competing interests.

Sachs and Kayser (2017) elaborated that the organizations compete and survive based on critical success factors for best practices of management accounting in Malaysia. These practices facilitate the informed decisions using non-financial and financial aspects. Complex activities and structures of private firms are facilitated through applying sophisticated techniques of management accounting. Data were collected using Corruption Perception Index for factors like integrity, accountability, transparency, service delivery, performance management, stakeholder partnership, community focus, resource management, leadership and management accounting information. Semi-structured interviews and questionnaires were used to collect the data from public officials on core measures. Goal clarity could be created through the medium of these practices. It was argued that managers facing severe competitive challenges of rapid technological advancements and globalization get less support from managerial will. The civil bureaucracy can support organizations through governance at source. Such a framework should be designed which can encourage the public sector to show resource utilization and vast commitment to justify their operations and outcomes of performance (Koh & Coles, 2019).

Angogo (2016) explored the key performance indicators in construction industry. After reviewing literature, indicators were selected and existing practices were compared with the standard practices in chosen organizations. Questionnaires using 4-point scale were distributed to 56 respondents to confirm the construction practices quantitatively. Each variable was measured by relative importance index (RII). The construction industry in public sector organizations has strengths and weaknesses. Relationship with superiors, quality-driven agenda, integration of product teams, customer-oriented targets and leadership commitment were found to be the change drivers in construction industry. Some new parameters are to be examined to meet the requirements of local authorities.

Chinomona and Mofokeng (2016) identified the components vital for business of buildings maintenance as this sector captures major market share of Hong Kong. Interviews and questionnaires were used for collecting data. The most highlighted variables found to cause positive impact were reputation and image of company, service quality, service reliability, company certification and satisfaction of clients. Mostly the factors were associated with 2 principal components called project management and service of maintenance. The study adds value for business of building maintenance. Haas and Yorio (2016) empirically examined the impact of external measures on readiness for applying the

newly emerging concept of Public-Private Partnerships (PPPs) in case of public and private firms of Yemen. Data were collected using questionnaires and analyzed thorough multiple regression and factor analysis. Implementation is strongly influence and governed by the policies devised by government, uncertain environment and market readiness. Government policies strongly predict the process of implementation in Yemeni organizations. The Yemeni original contextual setting has been used here which adds value in this study as this is the 1st paper for empirical employing readiness theory in implementing it.

Staniok (2016) conceptualized the core drivers of performance which capture the systems of performance management and performance measurement characteristics in government sector. Literature identified certain issues of adopting and implementing these systems. It was found that usage and the influencers of performance measures play a significant role. But there is scarce attention given to further conduct an empirical research scrutinizing the role of these influencers in public organizations. Almatrooshi, Singh and Farouk (2016) empirically analyzed the effects of performance management practices on performance of government organizations based on important behavioral and economic theories. They collected a survey data of 93 government organizations of Netherlands. The institutional elements such as produced outputs and efficiency are the quantitative performance measures whereas employee morale, quality, innovation and accuracy are the qualitative aspects. Found that measureable and clear goals have positive impact on both quantity and quality of performance. Usage of incentives also plays a positive and quantitative role but not linked to quality of performance. The usage of PM practices enhances the performance quantitatively yet there is a scarce attention towards the qualitative aspects of performance mentioned above (Verbeeten, 2008).

Bournakis and Tsoukis (2016) examined that how the export performance is determined by institutional features and government size. Panel data for a period of 1980-2005 were used for 18 OECD countries. Exports are insignificantly affected by government size within a domestic goods market. Rigidities of labor and product market poorly influence the exports. Haas and Yorio (2016) empirically explored the best approaches included in the insight and value of performance measurement of health and safety of mining organizations. 9 professionals were surveyed and they responded in detail regarding 133 dimensions. Their style of assessing performance of practices in their departments was asked. Content analysis was employed to identify the qualitative aspects in 1200 responses in terms of performance of

workers, organizations and interventions. A balanced measurement is required between subjective and objective reporting and measurement.

Kossova and Sheluntcova (2016) investigated that project management for Russian public sector is undertaken in an inefficient manner. Project performance is not evaluated as per the universal procedures. It was found that the evaluation to discount the rate of expected costs and benefits of government projects to the present value is complex in Russia. Two approaches namely social opportunity cost of capital and social rate of time preferences were applied to estimate the social discount rate in case of infrastructure, social services, education and health care. It is effective if both private and public firms try to resolve their social issues. Any country having unequal economic industry development may apply these findings. Cost-benefit analysis requires transparency to estimate their discount rates in public projects. Lu, Chen, Ho and Wang (2016) focused on disparity which exists regarding performance of construction waste management in private and public sectors. Some believed that both the sector govern same regulations while others assumed that clients of public organizations have high social scrutiny so they perform well. Data records were collected by numerous projects in Hong Kong. Case study approach was used and interviews were conducted from contractors. It was discussed that contractors are not incentivized for managing waste due to less transaction costs. The performance of waste management is critically dependent upon promotion of leadership to protect environment.

Millar and Doherty (2016) analyzed the capacity of non-profit sport organizations. A conceptual framework in which processes relate to concepts was recognized to build the capacity of organizations. The concept of capacity building was explored, analyzed and classified into phases. The capacity can be built up effectively when an environmental factor stimulates to assess the need for capacity. Such a strategy should be selected and generated which can cover unique objectives of built capacity. The strategy must be implemented to influence and maintain the ability to build capacity. Ismail and Daud (2016) scrutinized that introduction of water reforms put positive impact on water utilities in terms of financial and operational performance in Malaysia. Secondary data of uneven development of water provisions was analyzed and it was found that public utilities of water were commercialized. Technical efficiency and financial health were greatly improved due to asset light policy. Water reforms should focus on economic, political and social inequalities to enhance the performance of water utilities. Patanakul, Kwak, Zwickel, and Liu (2016) investigated the

huge contribution of government projects in national wealth and growth. Although principles of project management are followed by the project teams but still projects are not well-organized. Core features of 39 public projects carried out in Australia, UK and US were identified for improving performance. Content analysis was used on secondary data on information templates prepared from reports of audit projects. Useful planning, collaboration, stakeholder involvement, strong teamwork and coordination were effective in these programs and projects. The findings are contextual hence can't be generalized to other countries. Further empirical studies can be pursued to include more features of large-scale projects and explore each feature using audit reports.

Schwartz and Deber (2016) systematically reviewed the application and evaluation of performance management and measurement in 55 health systems of public in developed countries. It was found that measurement results were used for facilitating clinical information purposes rather than to improve management. Effective output measures and health outcomes in order to manage health departments do not come under this performance measurement. Outcomes vary from population to population as they are not directly controllable so health service organizations are not managed. Such a performance measurement breed is required which can capture outputs and processes within the jurisdiction of these public health organizations. Mehrad (2015) theoretically identified the existence of performance management particularly in government sector and materialization of desired improvement factors like money value, transparency, service quality and accountability have not been considered in public organizations. These are equally workable in private sector also. Performance management in government sector is encountered with three issues which are involvement, systems and technical. The fruitful implementation of PM is constrained by reorganizations and restructurings which are imposed externally. The research paper did not provide any empirical evidence in this regard. So there is a requirement to conduct a quantitative study on this core area (Fryer, Antony & Ogden, 2009).

Agnello, Castro, Jalles and Sousa (2015) determined the core drivers which cause structural reforms. Panel data of 60 OECD countries was analyzed during 1980-2005 using logistic regression. It was identified that the banking and financial reforms are triggered by external debt crises. Capital reforms are mainly driven by banking crises and inflation. Financial reforms are also driven by banking crunch and globalization. Trade, capital and financial reforms are triggered by economic recessions. Structural reforms are also

accelerated by the rising income gaps. These reforms are not significantly influenced by rising political fragmentation. Andrews (2015) explained that developing countries are facing the challenges of implementing the public sector reforms. Literature shows the failures reflected by these public reforms. A positive deviance and success of these reforms have been studied. A case survey approach was used to know the views of participants. The two competing theories were used to explain the reason due to which reforms deviate positively called “problem-driven iterative adaptation” (PDIA) and “solution and leader-driven change”. It was found that “problem-driven iterative adaptation” has a power to explain positive deviance in reforms as problems motivate reforms and groups lead flexible experimentation processes. Further theoretical framework may explain the positive deviance in reforms of public sector.

Balaboniene and Vecerskiene (2015) made a meta-synthesis to compare the performance measurement methods like balanced scorecard, European model and Malcolm baldridge. They examined that the environmental conditions are continuously changing and the government organizations are forced for adjustment in such environmental dynamics. Suitable methods of performance measurement are employed to capture the performance. The complex PM methods of business firms are applied in public offices. Through systematic analysis, the key public decisions could be focused by this combination. This proves as a tool, by which employees can be motivated, internal processes can be developed and public sector can improve the performance by effective and objective working. It was concluded that systems of performance measurement covers 2 functions: to evaluate the used funds and to provide such information that can improve the performance of public institutions. Hence the performance of public sector needs to be measured with other new dimensions.

Bongini, Nieri and Pelagatti (2015) investigated that changes in regulatory systems make the financial institutions to react. Stock prices of 70 banks were assessed through event study method to identify their capital requirement and systematic importance. There is market discrimination in low and high capitalized banks. Chari and Dixit (2015) inquired that how entrepreneurs and business groups grow formally in post-reform period in India. Hypotheses were tested from a large firm sample. Descriptive and correlation analysis were applied on data. Reforms have developed the markets regarding environmental change for entrepreneurs. The formal businesses are likely to reduce with reform-oriented market developments. Business groups grow in private industries rather than the entrepreneurs. Chen (2015)

investigated the impact of environment of institutions such as protection of property rights on composition and size of boards of corporate, and how the performance of firms is influenced by this board structure in China. Data were used from a performance survey of World Bank for 2400 private and public firms in 18 cities. Descriptive statistics, correlations and fixed effects were used. It was found that higher outside members in board are linked with weak government support. The impact of ownership, growth and firm complexity was controlled for robust findings. Corporate governance is promoted by the board of a corporation. Corporate performance is improved by the outsiders when firms operate in weak environment of property rights. The corporate governance and poor institutions of developing countries must be investigated in new researches.

Das and Kapil (2015) examined the recent experience of rising trend of mergers and acquisitions of the technological sector in emerging economies like India. The impact of firm specific characteristics on decisions of M & A was analyzed. Data of 372 technology firms in India were gathered during 10 years of 2001 to 2011. The technology firms have greatly experienced to be merged and acquired. The firms which acquired these technological firms, were having high market capitalization, low debt and on strong financial footing irrespective of the R&D decisions. In order to facilitate the decisions of acquirers in emerging markets, an empirical study needs to be conducted on impact of assets of technology. Domingues, Pires, Caeiro and Ramos (2015) assessed the main role of public employer played by local governments and how they public services are sustained by them at their local levels. There are fewer evidences on labels which address criteria for sustainability of local services. The public employers strive for diverse and sustained services. There are some strategies and operations in principles for sustainability to be integrated as citizens are closer to the local authorities at grass root level. Service performance of public offices is communicated through a sustainability label and the service users directly get the information. A framework was developed for a label of sustainability for communicating and assessing the public services. European indicators were used as a standard ecolabel through which operations of public services can be addressed but it can properly cover the environmental aspects. A case study approach including 36 indicators was used to develop the model for public service in local offices in Portugal. It was demonstrated that public service includes few indicators and the assessment systems are required to adopt new policies and practices. Local governments can be supported by this label of sustainability to communicate and evaluate the service performance sustainability. The federal public administration may get benefits through these

labels of public service. The central outcome of government organizations is sustainable performance and public services.

Rosli, Aziz, Mohd and Said (2015) explained that governance issues less internal control, poor financial management, inefficiency, corruption and frauds create a continuous flow of irregularities worldwide. The integrity and efficient management of public money has been ensured the budgets programs in Malaysia. Federal officials were surveyed through questionnaires to collect their perceptions on 12 integrity items. The government is serious to implement the concepts of integrity as the mean values of responses were high shown in descriptive analysis. The evaluations by respondents were subject to judgment errors and personal bias. Further studies should collect data from multiple resources to ensure integrity. The existing tools of governance should also be assessed to understand their workability.

Sutheewasinnon, Hoque and Nyamori (2015) illuminated that the Thai government develops new systems of performance management. Qualitative data were used from interviews from 4 executives and archival documents and were analyzed under the institutional theory lens. Institutional pressures are built up and affect the four stages of performance management systems and change is the outcome of interaction of these pressures. The four stages include developing result-based management systems, establishing commission office, developing framework for performance agreement and extending and refining this framework. Legitimate strategies establish the systems due to the environment of the institutions. The environment is embarked by dynamic change through which agents gain institutional targets.

Agnello, Castro, Jalles & Sousa (2015) described the differences of motivational constructs for private and public employees in banks of Pakistan and how the employee motivation is influenced by certain factors. The work place motivation is a multifaceted concept. 150 private and public banking employees were surveyed about differences through convenience technique. Results depicted that work-related factors influence the motivation of employees. Government bankers experience work and family life balance and work contents motivate them more while friendly environment, opportunities of career development and financial rewards motivate the private employees. Other factors are to be explored further for enhancing work motivation of employees.

Yang, Brennan and Wilkinson (2014) unearthed the capability of innovation for projects of e-government in Pakistan. A case study of automation in Hajj process was used to study the prospective benefits of ICT diffusion in government sector. Technological advancements are the outcomes of practicing innovation worldwide. Private firms find profits and survival in innovation but the public sector still lacks in recognizing the importance of innovation. The organizations and individuals are not aware of this newness in governance and service delivery. Due to high uncertain and chaotic environment, the results were frustrating. Boipono, Tsomele, and Mogadime (2014) investigated the factors that contribute in implementing performance management systems in 13 secondary schools in Botswana. Using snowball sampling, qualitative interviews were conducted to collect data from 34 teachers. Data were coded to extract themes. The performance management systems are successfully applied due to clear strategies for assessment, motivation, regular feedback and communication. PMS must be redesigned as there is a need to study and confirm the success of these factors.

Halkos and Tzeremes (2014) empirically tested the relationship between environmental policy and transparency of public sector of 49 countries during 1995-2000. It was assumed that environmental policies and regulations result into environmental performance. A non-parametric DEA estimator was used for the said purpose. Total employment and capital stock were used as 2 inputs and emissions of sulphur di oxide (SO<sub>2</sub>) and real GDP were bad and good outputs. Descriptive statistics was applied. It was found that environmental performance is related to transparency of public sector in form of an inverted U-shaped curve. Helden and Huijben (2014) investigated about the information provided by transition-cost-economics (TCE) regarding certain overheads in Dutch public institutions, needed to be controlled by relevant controlling mechanisms. This field study was conducted in order to devise controlling mechanisms. Centralized steering (guidance) mechanisms about provider and user interface were keenly desired for controlling overheads. Control function priorities did not adequately meet the managerial needs when the central guidance was not used with the interface in functions of overheads. In departments of primary services, internal market controls were less supportive as they gave rise to unwanted overhead variations and increased the administrative workload in terms of internal calculations. Instead of costs, line managers are more concerned about service quality.

Johansson and Siverbo (2014) investigated that performance includes a core dimension of budget deviation in government sector. Due to institutional and political pressures, public institutions make balanced spending. The budget control is tightened when budget deviates. It was hypothesized that when budget turbulence is faced by government organizations, there is a possibility that public sector meets its budget targets as tight budget control is implemented. Archival data and survey data were used from municipal authorities and were analyzed using descriptive and structural regression. Tight budget control gives benefits to the public organizations if budget disorders are huge. The results are not generalizable to private firms. This study is limited to cost-based context instead of profit-centered context. Junior, Siluk, Soliman, Oscar and Nara (2014) studied the sectorial performance of Brazilian franchises pertaining to the extent of importance of PMS indicators. Using multiple criteria for decision-making, data was collected under the method of Analytic Hierarchy Process (AHP) along with the robust tests and stable research parameters.

Mohamad (2014) pointed out that the efficiency of telecom firms is based on institutional governance. A stochastic approach was used to investigate the institutional role to explain differences of efficiency in 70 countries. Data included demographic indicators, institutional data, governance and reform data. The institutional environments where reforms progress significantly affect and determine the performance of telecom reforms. Reforms work well in good institutions. Reforms work successfully if stable policies of thorough check are devised for executive powers. Privatization improves the efficiency of telecom sector by legal integrity and regulatory bodies become more effective when they are corruption-free. Performance cannot be guaranteed by the reforms unless implemented successfully. Some more rigorous approach can be applied to analyze the performance of telecom regulatory bodies.

Panagiotis, Alexandros and George (2014) scrutinized that local government organizations are facing serious public funding issues. Since managers are looking for non-monetary rewards for maintaining subordinate performance and motivation so to motivate public employees is becoming impossible in this regard. Structured questionnaires were distributed to administrative staff and descriptive statistics were used to measure the averages and standard deviations. The dynamics of motivation of government officials and its link with organizational culture was studied. It was identified that the motivation is low and the bureaucratic hierarchy prevails as a cultural type. The culture of organizations is negatively

related to the motivation while motivation and clan culture are positively related. Pang (2014) studied the consumption and business value of IT in state governments of US. Less attention has been given to this notion in literature of information systems. IT governance moderates the link between government performance and IT investments through 2-stage estimation. IT spending returns are increased in terms of cost efficiency because IT management is legislatively controlled. It was found that bureaucracy is controlled by politicians as they appoint chief information officers and by these expenditures for IT result into positive returns. The cost efficiency of state is enhanced due to spending on IT when senate of a state appoints chief information officer. A limited sample size was used which constrains generalizability. The effects of mechanisms of IT spending on performance indicators in government sector must be investigated further.

Petrovsky and Ritz (2014) critically examined the linkage between government sector performance and public service motivation (PSM) in Switzerland. The authors conducted a systematic review of previous published empirical studies. Views of government employees were taken regarding public service motivation. Survey data was also collected from 240 Swiss organizations. Both individual-specific and organizational-specific results were combined here. The contrasting aspects of policy-making exist for Public Service Motivation and this dimension has a positive linkage with performance in context of both the individual-specific as well as the total analysis of organization-specific. There has been no statistical relationship between policy making and performance in case of analysis of aggregated data. Spano (2014) focused on measurement of public value and provided a managerial control systems (MCS) model to measure public value generated at organizational level. There are certain challenges to measuring public value. The PVM process helps to produce and measure public value in line with the factors of MCS which move from planning to operations and measuring to evaluation. The extent of achieving objectives and organizational outcomes are the indicators used to measure the public value of any individual organization. The public values cannot be compared across the other public organizations as the value lies within the organization having specific objectives and targets of an organization.

Spekle and Verbeteen (2014) examined the usage of systems of performance measurement in 101 Dutch public organizations. The performance of organizations is influenced by the PM systems. Contractibility includes selection of undistorted performance

matrix, goal clarity and the ability of managers to know the transformational process. Survey questionnaires were distributed to managers. Hypotheses were tested using OLS models. The usage of PM systems in accordance with the features of organizational activities performs well as compared to others. It was found that the link of incentive-oriented usage PM systems with the performance is moderated by contractibility. Organizational performance is reduced if PM systems are used for incentive purpose. High contractibility minimizes these negative effects. Performance is enhanced by systems of performance measurement irrespective of the contractibility level. The style of managers to use the PM systems and contractibility determine the effectiveness of systems of performance measurement.

Sulle (2014) explored the implementation of performance measurement information by public managers in national housing corporation (NHC) in Tanzania. This was a case study design in which it was examined that how the information facilitate the managers of public organizations to serve in the best manner. Government organizations are in a struggling phase of applying the systems of performance management. The information about performance measurement is used by the NHC to improve its public services. There requires an empirical effort to examine that how the internal operations of an agency can be improved by performance management systems and using the performance measurement information. It is still unclear to conclude that is the performance measurement to be considered as a part and parcel of management of the public organizations. The dimensions such as planning, productivity, timeliness, quality output and effectiveness are yet to be studied through the perceptions of managerial staff. Yang, Brennan and Wilkinson (2014) analyzed for the first time, the insight of public trust which is an important performance indicator in assessing the performance of charitable organizations. A significant relationship exists between public trust and performance of charity institutions. Data was collected through interviews of two focus groups in UK to inquire the trust and lack of trust reasons regarding charity-giving. Criteria for charity have been using a conventional approach but not been accurately determined because of the conflicts of interests among the stakeholders. The existence of trust factor is placed by public provides remedy to the persisting conflicts as it is an inevitable alternative for determining charity criteria. Greater the trust placed by public, greater is the chances of getting more charity by people. A rigorous quantitative approach needs to be considered in order to generalize the results in light of above results.

Yilmaz, Ozer and Gunluk (2014) verified that public resources are efficiently used under new public management for last few decades. The efficient resource allocation could be solved by concept of budgetary slack. Data were collected through questionnaires from 486 public managers in Turkey. Data were analyzed using SEM along with reliability and correlation. Public managers have the ability of creating flexible budget. Perceptions on organizational politics have positive impact on ability of managers of creating budgetary slacks while organizational commitment significantly and negatively influenced the organizational politics. Managerial organizational commitment may be examined further as being a predictor of organizational politics. The issue of budgetary slack created by managers requires to be enlightened further. Spano (2014) investigated the extent and impact of key practices of knowledge management (KM) for performance improvement and successful business operations in 16 private and public organizations in India. Some reasonable measures were pointed out that created performance differences across the sectors. Data were collected through convenient sampling. Specific variables of KM were labeled as organizational culture, measurement, technology, process and leadership. Private firms showed positive results regarding all factors in statistical terms than public organizations. But there is still room for private firms to move ahead and grow. Generalizability cannot be made due to a small sample of 4 public organizations (Chawla & Joshi, 2010).

Schloderer, Sarstedt and Ringle (2014) developed that the managers and employees working at various hierarchical levels in public organizations perform 5 roles of integrated leadership. These leadership roles are integrity, diversity, change, relations and task-oriented. Published data were chosen from federal reports and it was analyzed that how integrated leadership is related to the performance of federal programs. Econometric tests showed that the performance of federal sub-agencies is positively affected by the dimensions of integrated leadership (Fernandez, Cho & Perry, 2010).

Amayah (2013) quantitatively examined the key determinants that affect the knowledge sharing (KS) in government organizations. Questionnaires and multiple regressions were used to collect data. Knowledge sharing variations uniquely occur due to main motivating factors namely personal benefits, normative and community-oriented considerations. Elements such as reward systems, support of organization and socializations significantly enable and contribute in sharing knowledge within the employees. Climate of organization comprises of 2 measures which acted as hurdles called extent of empathy and

extent of courage, significantly impact on knowledge sharing. The mutual relationship between social interactions with normative consideration, support of organization with personal benefit, extent of courage with normative consideration played a moderating role on association of motivators and knowledge sharing. The findings are limited in one public organization only, so results cannot be generalized in other contexts. Knowledge sharing behaviors and attitudes are culture-dependent, so self-reported data might be subjected to biased response.

Buschor (2013) explained that public management covers new dimensions in terms of outputs and outcomes through performance management. There is a need to develop multi-dimensional strategic planning. The complex and dynamic politics scenario demands such management systems which can better consider non-economic political dimensions. The internal administration and external parliamentary communication require workable conditions. Public authorities ask for information as per their levels and context. Choong (2013) identified the factors essential to conceptualize the dimensions of effective and efficient systems of performance measurement (PMS) in modern organizational settings. Heavy research has been carried out in PMS Field yet PMS core fundamentals such as concrete meanings and implementation of attributes of data measuring and measurement methods are still vague. Existing systems of PM were examined and reviewed using a systematic approach and citation analysis. The PMS literature is updated and contributed in terms of gap identification in academic research and practical usefulness, framing a conceptual model which may provide correct solution for PMS and further directions for these systems.

Coste and Tudor (2013) explored that the information and measurement of performance is essential for public sector organizations. There is a need to develop service performance into core features. Measurements should be adequate enough to use and the transparency of public funds must be ensured to satisfy the social needs of public. Some core dimensions which define the service performance concept were identified in settings of public institutions. The information usage and measurement of service performance is noticeable for public sector. A comprehensive framework was proposed for interested stakeholders of service performance such as citizens, managers, governments and foreign fund donors. An evolutionary process is required to improve the quality of service performance. A transparent way of allocating funds, resources must be used efficiently while

minimizing the distrust in service quality and high quality information must be provided by public entities in form of service performance.

Makanyeza, Kwandayi and Ikobe (2013) suggested the strategies for improving the service delivery of local authorities. Both employees and service users were separately given 2 self-administered questionnaires to know their perceptions. Convenient sampling was used for the purpose. Data were analyzed using a mixed method approach. They identified the main reasons behind poor service delivery such as improper planning, inability to manage change, poor human resource policy, lack of transparency, inadequate participation by citizens, political manipulations, lack of employee capacity, corruption, poor monitoring and evaluation and interference by councilors. Results show that the improvement strategies for service delivery include strategic planning for service delivery, change management, flexible response, outsourcing services, stakeholder partnerships with community, segregation between local authorities' management and councilors regarding duties, sound policy for human resource like employee motivation and capacity building, encouraging participation of citizens in local authority affairs and curbing corruption.

Yesil and Kaya (2013) identified that sector or organizational reputation has gained much worth due to the growing expectations of stakeholders and economic pressures. Based on organizational reputation value and stakeholder theory, data about stakeholders' evaluations, relations and perceptions in 12 government organizations from Ministry of Health and Social affairs in Finland, were collected through a quantitative survey. Organizations belonging to 4 sectors were included in the sample i.e. legislation, semi-commercial & authority functions and research. Factor analysis was used to analyze 5 reputational factors of government sector. Then comparative analysis was applied to examine the variances between stakeholders' groups and organizational types and to explain the cluster analysis about role of various stakeholders for reputation of 2 main sectors as bureaucratic and flexible government organizations.

Weeks and Erasmus (2013) reviewed that up to which extent the different principles of change help out to manage the change in three Canadian public sector organizations. Some particular strategies and principles were assessed which might prove to be productive and helpful in improving the performance. In this case study, data was collected after conducting interviews and carrying out focus groups in order to obtain real experiences of people in 3

government organizations. The qualitative data indicated that an alliance could be developed and guided the combined actions proved to be significant influencing principle. Data were specifically based on case evidences along with the person-specific interpretation i.e. not necessarily reliable as it was contextual-based and peoples' personal experiences regarding change in 3 settings. This study does not provide and claim any scientific conclusion. No effective discussion was encouraged by this study pertaining to importance of specific strategies of change (Cunningham & Kempling, 2009).

Conaty (2012) conceptually explored the major elements and attributes of non-profit (hybrid) public organizations and highlighted the specific issues pertaining to performance management and governance with which these hybrid organizations are encountered with in Ireland. 5 organization-specific attributes are found to be the focal point for raising the main challenges namely: clashes in goal priorities, interconnected stress, institutional clashes & cultural differences, mutual relationships among stakeholders, distribution of power, all 5 features need to be handled with great care. Moreover adopting a collaborative approach enhanced the governance and performance of public sector organizations. Goh (2012) critically reviewed, synthesized and argued that in spite of becoming more popular concept worldwide, the benefits pertaining to improving performance, arising out of it, are still objectionable in case of government organizations. It is still challenging for the local sector to implement the measurement and management of performance systems. It was found that there is less focus on how the implementation of performance measures could effectively be managed in order to integrate and support the relevant assumptions. A conceptual model was devised for explaining and integrating the prevailing ideas of PM systems. Three important measures have significant positive impact on performance of public organizations. Involvement of stakeholders, managerial discretion and learning & evaluation-oriented organization culture were explored in this regard. If these three factors are given due attention, they lead to beneficial and improved performance in context of government sector.

Hawke (2012) investigated the success influencers of PM Australian public system. Although during previous three decades Australian public sector leads in performance management still since the inception of system, weaker aspects persist in using performance information and its quality. Data was collected through review and audit documents. Structural, political and technical elements have strengthened the PM systems in Australia. These dimensions played a positive part in establishing a well-organized and stable system.

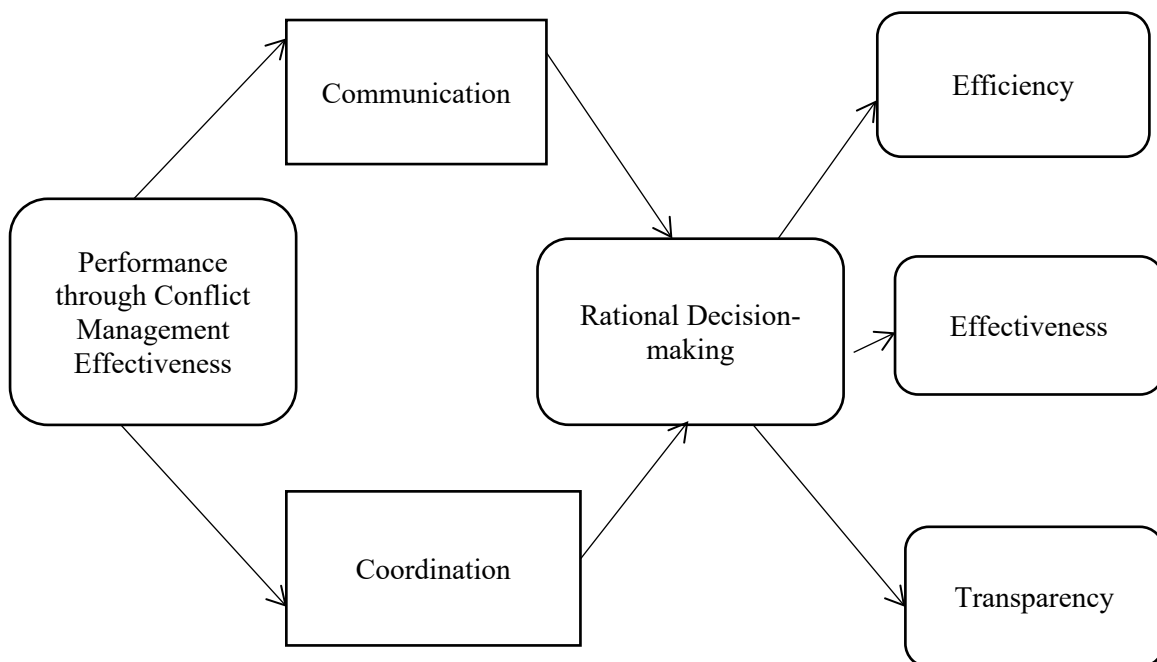
Placing continuous reliance on technical factors is not fully viable unless there puts a strong emphasis on cultural, behavioral and managerial dimensions which could prove to be more productive.

Henseler, Ringle and Sarstedt (2012) comprehensively conducted a cross-sectional study. Significant underlying root causes were examined for the behavior of deviance at workplace in public sector of Pakistan. Interviews and questionnaires to 100 government employees were sources of data collection in various public sector organizations. This research was undertaken in a natural setting. Multiple underlying reasons are behind the deviance behavior of workplace. For instance, organizational environment and injustice, employee perceptions, lesser job satisfaction and the financial pressures. Among these dimensions, the significant effects of job satisfaction and organizational injustice come above all due to which employees think to deviate from their workplaces. Employees could be proved to be more productive if the above measures and factors are used by the managers. The managers should encourage a quality control culture, a congenial and kindred work environment and good relations among employees for curbing the deviation behavior at workplace. Small and limited size of sample is a limitation here. A study with larger sample size can be pursued for the exploration of new horizons pertaining to deviance of workplace in context of Pakistani government organizations. The behavior to think about switching over to some other organization is undoubtedly a counter-productive behavior.

Kumar and Gulati (2010) empirically and simultaneously evaluated the performance, effectiveness and efficiency of 27 public sector Indian banks. Cross-sectional data during 2006-07 were taken; Data Envelopment Analysis (DEA) was employed to measure the scores of effectiveness and efficiency for each banks. The derivation of overall scores of performance is based on taking the product of scores of effectiveness and efficiency. It was found that greater efficiency is not an evidence for greater effectiveness in the context of Indian Public banks. Effectiveness is strongly and positively related to measures of performance. Moreover, State Bank of Travancore seems to be an ideal one based on efficiency grounds, whereas State Bank of Jaipur, Mysore and Bikaner appear to be the leading benchmarks pertaining to effectiveness footing. Indian banks need to put more focus on their effectiveness enhancement i.e. capabilities of income-generation as compared to efficiency i.e. producing outputs traditionally like investments and advances.

Toor and Ogunlana (2010) examined the framework and indicators of performance for mega projects of construction in Thailand. 80 questionnaires and 35 face-to-face interviews were conducted from project managers for the purpose of the study. ANOVA, t-test and correlations were applied for indicators. The criteria for performance measurement are project-specific. The significant perceptions of stakeholders for development projects were explored. It was found that mega development projects do not require any iron-triangle comprising (customized, on-time, within budget) measures. The performance indicators like stakeholder satisfaction, less disputes and conflicts, effectiveness, efficient resource usage and safety played a significant role in developmental projects. The construction industry needs to focus on a mixture of qualitative and quantitative measures for large developmental public projects.

Ulbrich (2010) interpreted through a case study method that under the umbrella of social and technical aspects, adopting ideas of management like service-sharing in line with policies, people and processes of public organizations could be translated into inputs and better outputs and organizational outcomes. The framework of policies, people and processes mutually influence the sharing of services within the organization. The generalizability and national policies for opting for idea of shared-services lack here in this single case study.



**Figure 2.1: Conceptual Literature Findings**

The effectiveness, efficiency and performance of public sector is determined by certain predictors of organizational performance, human and organizational factors like clarity of goals, time to achieve target, organizational culture, leadership commitment, effective administrative procedures, coordination, flexible procedures, performance information, effective communication, transparency in organizational activities (Vickers, 2017; Petrovsky and Ritz, 2014; Rogers, 2006; Wang, 2002). This sketch will be providing guidelines to the public sector to implement civil service reforms in an effective way. The models which have been reviewed earlier, were adapted to conceptualize this study. Based on the diverse perspectives of Organizational Culture (OC) & Performance Measurement Models, a model showing benefits of PM relating to different internal and external factors is conceptualized (Erdenk & Altuntas, 2017) below:

## **2.9 Desired Benefits of Conflict Management**

Performance can be measured using both objective and subjective measures. Execution of goals and continuous process improvement come out of utilizing the performance information. The personnel in public organizations can optimally use performance information in an effective and efficient manner. Improved communication, coordination, proper resource allocation and cost-effective organizational procedures are the immediate beneficial outcomes of performance measures (Guidelines for PM, 1996; Wang, 2002; Rogers, 2006). The efficiency and effectiveness are the long term benefits of conflict management effectiveness.

Kong (1998) and Wang (2002) elaborated the public sector organizations implement the private organizations' strategies properly, the efficiency may be increased. NPM encompasses the different directions but here only perceived benefits of Performance measurement are chosen. Schacter (2000) proposed that strong local leadership and ownership helped to overcome the political and bureaucratic obstacles that confront the reforms. Although local bureaucratic and political leadership is essential part of public sector reforms, yet it is insufficient. The private sector, other influential domestic institutions, organized civil societies; political parties critically pressurize the government organizations for providing services of quality to the whole society (Field, 2013). There needs quality service by public sector to citizens for proper functioning of governments. Governments must

be encouraged to widely disseminate the information which has a powerful role to the general public for publishing in time, complete and accurate information regarding government operations and functions for promoting more well-performing and accountable public sector (Leedy & Ormrod, 2019). Corruption could not be expressed comprehensively but when public power is abused and vested interests are preferred over organizational or national interests. Corrupt behavior refers to as “An impairment of virtues and moral principles”. Both World Bank & Transparency International, world’s leading global anti-corruption watchdog, affirm that corruption is basically the public office holders’ misuse of public office for vested and personal gains. It is an unethical attitude in which one violates the values and norms of the political systems.

Drucker (2001) suggested that efficiency is useless if there is no effectiveness due to the fact that to do well what has been supposed (the effectiveness) is more important than doing well something else that was less concerned. Effectiveness is a subset of efficiency as it is the precondition for achieving efficiency. The analysis between efficiency and effectiveness can be pursued among the inputs/entries, the outputs/results and the outcomes/effects. The reporting of outcomes to the efforts made result into efficiency indicator. The implementation and funding of a program results into a relation between the economic and social effects termed as efficiency of public expenses. The effectiveness indicator is given by the ratio of the result obtained to the one program to achieve.

Chittoo, Ramphul, Nowbutsing (2009) explained the hurdles in implementing these reforms in developing countries where governments are not stable and political dilemma prevails and governments focus on short term political gains than long term reform-benefits. Fuzzy goals, lack of SMART goals, lack of control over budget, less direct hold on strategic human resource allocation, less authoritative for organizational restructure, ineffective and complex communication gaps between stakeholders and actors of state like politicians, the media, customers, technicians, administrators, the ministry of law and finance. There must be not be over-involvement of ministries and their committees manage the procedures of government departments and organizations. There must be proper feedback, monitoring and evaluation of procedures. Demand and pressure from strong private lobbyists, media and donor agencies i.e. World Bank or IMF might trigger the government to undertake these reforms deeply in its institutions.

A more sophisticated approach must be taken care of by reformers for downsizing into a larger frame of reference, viewing it as a source of more effective and more efficient public sector. It focuses on proper size, government role, proper setting for performance objectives, measuring progress, a fully reformed and conducive pay structure and highly qualified staff motivation and retention. The organizational culture must be customer-focused, mission-driven and outcomes-oriented to achieve higher levels of performance. Conflict management styles and internal politics result into services which have also a key importance in this regard. Capacity of devising viable policies by public practitioners well in time is a core duty of them (Cole, 2018; Gorard, 2013).

### **2.9.1 Communication & Cooperation**

No or less usage of conflict management strategies, vague priorities, unclear goals result into the failures of organizations. Organizational theorists assert that managers are unable to realize about the presence of a crisis because top managing teams have such cultures which put uncontrollable pressures for taking homogeneous and unanimous decisions (Hodgkinson & Wright, 2002). A strong stance about organizational performance is embedded on beliefs and objectives for attaining effectiveness and efficiency. Within this context, efficiency led to satisfying individual goals and motives while effectiveness was linked with the execution of getting cooperation aims. Achievement of individual-level desires and goals promote and boost cooperation throughout the organization. Employees could be given different rewards and incentives in monetary terms, providing an idea-sharing opportunity, redressing work-related grievances, respecting and acknowledging their ownership towards their workplace (Piening, 2011).

Matter of the fact is that throughout the organizational hierarchy, the subordinates in their own capacity will have to decide about the acceptance and adherence to the rules and orders issued by their top administration in public sector. So the top administration authority is dependent on subordinates' will for accepting or rejecting the orders. Hence the employees in their individual capacity should be willing enough in contributing to the cooperation. Kelman (2006) modeled the organizational performance with four main dimensions which are goal attainment, resource acquisition, client-satisfaction and efficiency. Brooks (2002) believed that neglecting any aforesaid components means possessing an improper understanding of the organizational performance so their feedback loop is more far-reaching

than their definition. Dooren (2005) investigated the factors i.e. adoption and implementation which affect the performance measurement in public sector reforms. Adoption means to formally accept the performance measurement and implementation refers to integrating the performance measures in organizational operations. Both adoption and implementation of performance measurement are associated and dependent on goal orientation, vested political interest, firm size, allocation of resources and his survey showed that large firm size, goal-orientation and organizations with routine-tasks all are strong predictors of performance measurement.

Owusu (2006) found that the public sector reforms implemented by World Bank consists of two generation reforms, the underlying assumptions are that all government organizations are useless and the policies like one plan fits all situation, are practiced in all these organizations does not consider country-specific scenario in which the organizations perform. To assess the performance of public organizations is not an easy task so specificity of organizational tasks, organization mission, recruitment practices, political interference, rewards & incentive systems, customer demand, employee autonomy and performance expectations and evaluation are taken into account as predictors of performance of public organizations. The reward and incentive systems and recruitment criteria differentiate among good and bad organizations.

Pandey and Garnett (2006) found another assumption which stands long within the organization and administrative theory is that sound performance is led by sound communication. The public administration gets severe issues if communication system has some blockages. Rogers (2006) illustrated that various researchers of communication were of the view that results-based management improves bilateral upward and downward communication for employees and managers. She also mentioned that the federal Performance Measurement program mainly aims at enhancing and improving the communication for planning and evaluating outcomes.

## **2.9.2 Rational Decision-Making**

Kennerley and Neely (2002) found the performance measurement system effectively quantifies efficiency and effectiveness of past actions through properly acquiring, sorting, analyzing, interpreting and disseminating the data, hence rational actions and decisions are

made. Annual performance is measured to support policy decision making and improve accountability or it may be measured on frequent basis to improve service delivery and management. Wayne (2004) elaborated that accountability is a core feature of good governance as it holds a person responsible for actions and decisions, usually to avoid the improper behavior and power misuse. Effective managerial decisions & communication require performance measurement.

### **2.9.3 Coordination**

Edmiston (2003) identified that organization is a combination of the coordination of tasks performed by different individuals and groups and the style and communication is essential factor in evaluation the results into coordination. Amayah (2013) revealed that organizational failure theories assume that internal relations among different managerial groups must be healthier enough to work with. Organizations are failed due to the reason that managers working in isolation, on the basis of lessons learnt from previous experiences, justify their decisions. Detached leadership is another issue. There is a vacuum among bureaucrats, managers and leaders because of distrust and there is lack of collaboration to do better for the firm or enterprise. Certain organizational practices and structures may help to avert such sort of issues. The organizations have more power-sharing can overcome by jointly working in departments (deHaaff, 2017; Nasir & Bashir, 2012).

## **2.10 Long Term Benefits of Conflict Management**

### **2.10.1 Effectiveness & Efficiency**

Ospina and Zaltsman (2004) identified that effectiveness is increased through the of industrialized countries' experiences as the NPM results-based management and accountability reforms. Performance measurement can lead governments to measure organizational efficiency, which means a service production for a given level of consumption of resources (Wang, 1999).

### **2.10.2 Culture & Environment**

Mellahi and Wilkinson (2004) suggested that policy makers at times assume that performance failure is a core issue caused by mismanagement. The idea is that poor performance blame could be embarked by public officials and reflected in the notion of organizational culture. Managerial control is the core challenge related to an organization's failure. So logically if managers are recognized or penalized then performance may go up or down. Likewise, academic theories relate managerial misconceptions, actions and leadership features with organizational failures. Thus in the light of both policy and academic literatures, there is a need to highlight a range of hypotheses showing the mismanagement influence on performance and service provision of public organizations.

Samaratunge et al. (2008) perceive that Asian Development Bank (2000) and World Bank (2000) are the concerned institutions that positively require the modernization of the accountability processes in order for optimally reaping the benefits of PM. Mechanisms of accountability are measurable in managerial, administrative, political, legal and professional terms. Even the developed countries like Singapore and Malaysia have limited implementation regarding the transparency and accountability. Market type mechanisms helped in reducing the red tape particularly in context of public offices. The measures used to capture mismanagement were performance management, clear objectives and priorities, internal coordination and joint cross-departmental working, managerial leadership, association of needs of community with priorities, external links with private sector and political leadership to drive improvement in performance.

### **2.11 Bridging the Gaps Found in the Literature**

By reviewing the prior studies in major public and administrative journals, a literature review has been undertaken by highlighting the strengths and weaknesses. This study has to determine and test the prior arguments by logically analyzing the management of conflicts (Villmer, 2015). Rarely, the empirical studies have been conducted using perceptual data. Many among these have just reported a descriptive statistical data. Fewer put the efforts to establish the models in which main factors promoting PM utilization or expressing the provided benefits (Staniok, 2016). The civil service reforms have been criticized as

fundamental misconception about the unique aspects of government on public service (Alfawzan, 2016). Here the concept of organizational performance is quite multi-dimensional, complex, and subject to limited factors. A lot of concerns are there about the key features of effective performance of private sector to be applied to public agencies (Vickers, 2017). The two sectors are structurally different. In the private sector, the agency theory provides an analysis to highlight the incentives and the roles of stakeholders in an organization. Normally privately-owned firms are run and led by chief executive officers and boards of directors who focus on making profits while providing value to the organizational stakeholders (Angogo, 2016). Here the dollars of consumers greatly influence company policy. Consequently, the internal structures and processes of private enterprises are designed for consumer satisfaction. This is termed as the “service-profit chain” or the “employee-customer-profit chain” (deHaaff, 2017; Taylor, MacKinnon & Tein, 2018).

Contrarily, elected officials who are voted into office, lead public sector organizations and they have answerability to their stakeholders (Staniok, 2016; Soni, 2011). The stakeholders may not be the end users or the consumers. For example, tax collection, immigration services, motor vehicle registration, environmental protection and correctional facilities aim to satisfy the interests of their more distant stakeholders than those whom the employees deal with on a daily basis (Villmer, 2015). Inadequate tasks are the results of excessive departmentalism. The internal arrangements must be encouraged in local governments so that local authorities may provide services in an excellent manner as they are proficient enough at delivering their plans. To improve the performance is also the effect of organizational flexibility. So in order to have flexible working styles and practices, problem-solving and expertise should be combined; the departmentalism should be abandoned for achieving improved performance.

Categorically speaking, the main factors which examine organizational performance are the organizational and human dimensions (Leedy & Ormrod, 2019; McKibben, 2017). Organizational culture and goal clarity come under organizational characteristics. Human factors cover bureaucratic performance, stakeholders’ involvement and conflicts cover data quality. The literature review category-wise depicts that perceived benefits of conflict management effectiveness are immediate and long-term. Immediate benefits include better service and communication. Long-term effects endorse improved effectiveness and efficiency. Possible expectation is that the organizational factors would be positively and

significantly with underlying assumptions of performance measurement theory (Field, 2013). Through literature review, it is evident that organizational culture, size, type of organization/department and form of government would all be the factors making a differentiation in performance management research work. Both public and private firms serve different sorts of customers. Each possesses a unique set of working conditions and goals (Sachs & Kayser, 2017; Cole, 2018).

## **2.12 The Hypotheses for the Study**

This section sheds light on previous relevant studies in examining the association of conflicts and politics in organizations with the performance of organizations. For the purpose of developing a comprehensive conceptual framework, the research model comprises of organizational factors. Based on the previous findings and implications of literature, the following research hypotheses have been established.

## **2.13 Factors of Organizational Performance**

The literature on the performance measurement of civil servants in public sector organizations helped to analyze the organizational factors (Ojo, 2016; Soni, 2011). Some of organizational factors are being reviewed to observe their individual impact. Organizational theories are most effective when the organizational climate is result-based. A result-centric organization clearly communicates its objectives and goals to its employees, gives them authority to achieve the desired targets, recognizes the employees when the outcomes are achieved and holds them responsible if they fail to obtain the goals. Goal clarity could be reinforced through rewards and incentives. Performance measurement is not an effective tool if the employees do not know that what is expected from them. Reinforcement of civil service reforms is useful for bureaucrats if there are clear consequences i.e. incentives, rewards and sanctions (Leslie & Katherine, 2017). Organizational outcomes and factors like loyalty, innovation, management effectiveness and satisfaction are negatively influenced due to the perceived organizational politics of public officers (Schwartz & Deber, 2016). The findings may vary in case of nongovernment sector. The organizational conditions and settings in government offices vary from those of the private sector. So the organizational politics

possibly puts distinctive impact on government organizations. Hence, the paucity of research is present and this question needs to be convincingly solved (Ford, 2018).

### **2.13.1 Organizational Culture (OC)**

The construct of organizational culture based on mutual co-operation and decentralized environment may lead to enhance the performance of organizations (Gorard, 2013). Various people observed the impact of organizational culture on the overall performance of the organizations. In particular, the effect of categories of organizational culture has not been clearly mentioned in the prior literature (Paluku, 2016). George & Hamlet (2018) examined that up to which extent civil servants are committed at large and despite of the less evidences pertaining to the strong linkage between culture of organization in terms of corporate beliefs and values and level of commitment, they identified that variables of organizational culture and sub-culture tend to strongly promote the commitment. Individuals and group behavior are strongly affected and predicted by organizational culture which presents the actual image and pros and cons of success of organizations (Look and Crawford, 1999).

The organizational culture is said to be the cornerstone and cement of an organization which binds the whole organization together (Villmer, 2015). It must be managed actively as the shared beliefs, understandings and values of the organizational members are termed as OC. The main components of culture may be the goals, empowerment, motivation, support, job design, leadership, readiness, supply chain, communication, performance and morale. Organizational cultures affect the perceptions of organizational politics. Some government employees negatively respond to organizational politics and have less job satisfaction and loyalty. To study organizational politics, further inquiries must consider the cultural differences (Heinz, 2017; Spano, 2014; Ulbrich, 2010).

Vickers (2017) proposed that cultural inertia is an organizational problem i.e. denial lead to inertial behaviors, could be averted by strong and supportive performance information systems and innovative strategies and clear corporate goals could be developed. Poor performance is usually attributed to weak information systems because important information is deeply overlooked. deHaaff (2017) operationalized organizational culture by using constructs of authority, recognition, developmental culture and feedback. He referred

“authority” as if the managers and supervisors have the decision-making authority in completing the strategic goals. Developmental culture means that the managers/supervisors are held responsible for the tasks, projects and operations. Recognition entails as if positive feedback is given to the agencies’ employees receive in this regard. Communication means that the individuals, who are reported from the respondents, repeatedly review the outcomes and results of the operations, programs and projects for which they stand accountable for. The findings indicated that organizational culture is a main contributor in PM utilization (Kong, 1998). Similarly, Wang and Berman (2001) found that the mission-driven governments hold a positive relationship with outcomes and outputs of PM utilization. More possibly the mission-driven governments use outcome performance measurements focusing on targeted outcomes instead of only measuring production of outputs Davies et al. (2000).

Jones & George (2017) identified that organizational culture and learning mutually impact each other in individual and collective groups consisting of various socio-demographic characteristics in public and private setups. The organizational learning process comprises of norms and beliefs, supposed to be the heart of organizational culture (OC) and that organizational culture is inevitable in bridging the vacuum between learning level on individual and collective basis. The cultural change is eventually bound to individual change i.e. without individual willingness for engaging into new behaviors, without altering the basic goals and values of each individual and this short term change remains superficial (Jones et al., 1996). They observed the fact that organizational culture is functionally supposed to be an adaptation mechanism which facilitates an organization to respond to a varying environment. All the components of culture of targeted people must be adequately understood for the purpose of changing the ways of those people in performing their duties in their government enterprises (Alas and Vadi, 2003).

Owusu (2005) suggested that during the period of 1980s and 1990s, some of the reforms of public sector carried out in the developing countries were successful because of reduction in wage bill and size of public service but was unable to obtain the expected outcomes and enhance the overall quality of performance.

It is clearly evident from the above-mentioned discussion that a comprehension is required on organizational culture since it facilitates the civil servants and managers for explaining and evaluating the adequate strategic outcomes with a view to enhancing the

overall performance of public sector organizations (Vickers, 2017). Evidences show that the organizational cultural dimensions are significantly vital for the betterment and restructuring within government sector, successful development comes from opting for such measures which are embedded in particular environment of concerned organizations (Cole, 2018). The responding way of organizations to internal integration and the external environment, determines the corporate image, identity and culture. This failure gives a justification for undertaking flexible organizational culture sufficient to adjust country-specific organizational constraints. However, the public sector reforms could not be optimally productive unless a concrete attempt is initiated for understanding the creation, sustainability, impact, change and transmission of culture throughout. Civil service reforms might be supposed as the game changer and important for the overall culturalization of organization (Koh & Coles, 2019; Vries & Nemec, 2013).

### **2.13.1.1 Hierarchical Culture (HC)**

This type of Hierarchical culture requires a due attention for organizational performance in public sector (Spano & Monfardini, 2017). Previous studies measured hierarchical culture by using a single-item indicator to get desired results. It was observed that the whole agency would be more effective if there is an effective culture in that agency. Moreover, hierarchy of any organization is attributable to an effective goal setting, political will, multiplicity, stability of government, effective administration, commitment to mission. It was also found that counties reinforcing hierarchical culture in organizational settings had effective techniques of Performance Measurement and act as full support internally for both the managers and heads (Greiling, 2016; Berman and Wang, 2000; Kong, 1998; Rainey & Steinbauer, 1999).

Heinz (2016) specifically assessed the linkage between hierarchical culture and organizational effectiveness carried out in public institutions and performance management systems (PMS) along with the drivers which influence the reform implementation and their relationship with organizational culture that shape the behavior and attitudes of people and the manageability of change within the public organizations. 4 public departments were considered under this case study. It was found that the hierarchical culture of government offices has been changed after introducing PMS. Most of these respondents were of the view

that a planning and hierarchy-oriented culture for individuals' performance has been fruitful. The reason is that it is mandatory for officials to plan and perform in an organized way by preparing as well as executing performance development plans also upholding the values of their respective departments given in vision and mission statements. Whereas it was found that there is no hierarchical culture due to adopting top-down approach at planning stage. The problems are combined because of excluding industry-related employees, failing to give incentives and inadequate knowhow about PMS tools and concepts by the responsible officials (Fernandez, Cho & Perry, 2010; Mothusi, 2008).

Almatrooshi, Singh & Farouk (2016) argued that there was no hierarchical culture in private enterprises and in General Motors so formal teams and partnership were failed to deliver desired results. The commitment level and outlook power of leaders are positively linked with successful organizations as these enhance the improvement in service provision. Impulsive leadership styles using outdated practices put a negative impact overall. Leaders must adopt change agenda and innovative practices with the changing trends. Hierarchical setup must be introduced and should reflect the characteristics like credibility, charisma and risk seeking. It is evident from studies and policy makers assert that hierarchical structure may enhance leadership qualities and commitment reflecting the good performance. It has got equal importance in the context of local governments (Briody et al., 2004).

Balaboniene & Vecerskiene (2015) explained that the cultural hierarchy at all government levels, has an important factor in verifying organizational performance. The leaders should have four useful qualities for utilization of Performance Measurement i.e. capability to properly communication the vision, ability to make employees focus on a shared vision, reliability and consistency of a managers' actions and capability for compensating the weaknesses while applying strengths. It was also mentioned that at a lower level, hierarchical culture plays an inevitable role in promoting PM utilization (Rogers, 2006).

Kennerly & Neely (2003) tested how top management such as the heads of agencies, affects the organizational performance. Since a public organization is more vulnerable to external influence, especially the political environment than private, leaders may find ways to indulge the entire organization in innovation projects such as performance measurement are an important motivator. Brewer and Selden (2000) used merit principles survey data on 23 federal agencies, employed regression analysis and argued the effectiveness of many core

performance predictors in public agencies. These elements can be categorized as leadership, supervision, agency support, organizational culture, individual performance, human capacity, task motivation, red tape, task structure and public service motivation. Adjusted R square stat indicates that employee perceptions cause 70% variability in organizational performance. There is positive linkage between hierarchical culture and employee perceptions about the organizational performance.

The organizational cultures need to be ascertained that stand critical for performance and how the organizational effectiveness and cultures are reflected through value orientations of organizations. It is seen that not a single type of culture prevails in organizations. Rather, there is a set of strong values. The group, rational and hierarchical cultures were not found significant but the developmental culture positively influences performance and effectiveness of organizations (Leedy & Ormrod, 2017; Moynihan & Pandey, 2004). However, the hierarchical culture negatively influences performance as classic bureaucratic culture is a kin to hierarchical culture which gives importance to the control and stability. Likewise, the effectiveness of conflict management is also influenced by organizational culture. Order, regulations and control are focused in hierarchical culture. This implies that at times, organizations having strong hierarchical cultures are inclined towards control mechanisms like forcing and domination in case of arising mutual conflicts. On contrary, the adaptation, growth, change and flexibility are focused in developmental culture. Organizations having strong developmental cultures are inclined towards collaborative mechanisms like integration (Leslie & Katherine, 2017). Hence this study establishes following hypothesis for the variable hierarchical culture (HC).

**H1a:** Hierarchical Culture has a negative relationship with perceptual conflict management effectiveness.

**H1b:** Hierarchical Culture has a negative relationship with perceived organizational performance.

### 2.13.1.2 Developmental Culture (DC)

Prior studies showed that developmental culture depicts the human interactions at workplace (Razael & Bozorgmehr, 2018; McKibben, 2017; Park & Kim, 2016). Developmental cultures are helpful to find out the mutual association between organizational conflicts, politics and performance. Variable of developmental culture is an independent factor, significantly affects the performance of private sector (deHaaff, 2017). Robin & Rice (2017) verified that developmental cultures have various interpretations and assumptions of shared values and they include interpersonal, political, strategic and institutional dimensions of life of the organizations. There may be organizational focus i.e. people and organization, structural preferences i.e. flexibility versus control, and organizational processes and outcomes i.e. means & ends. Developmental culture includes the shared beliefs and values of members form organizational effectiveness. Bureaucratic activities, ideologies, meanings and values create shared patterns and processes to satisfy expectations of members so it is difficult to determine shared values (Hawke, 2012).

Louis & Caphem (2018) argued that the present governments have introduced the developmental culture envisaged in the reality that conflict management might be improved by overall managing the organizational culture. Culture management is developed to be an essential instrument among all endeavors which are pushed for enhancing organizational fitness (Parker and Bradley, 2000). Angogo (2016) evaluated several effects and characteristics of developmental culture and defined developmental culture as organizational patterns of shared meanings. Members share artifacts, values and assumptions in an abstract composite under developmental culture. Shared rituals, symbols, myths and beliefs evolving over time and work as glue which ties up the organization (Owoyemi & Ekwoaba, 2014). In this regard, the way, environments and organizations are recognized and understood by the members, determine developmental culture. Developmental culture is a source to know organizational design, structure, mutual relationships among individuals, problems and conditions and learned responses to internal integration and survive externally (Soni, 2011). Moreover, developmental culture plays a role in determining organizational outcomes like conflict management styles, management strategies and leadership and ultimately performance or individuals and organizations. Cultural values may also be related to personal power and effective leadership styles (Otmazgin, 2013).

Olu & Adesubomi, 2016 commented on developmental culture and reform implementation in government settings and they investigated about the requirement of an adequate comprehension of organizational culture regarding the change process that occurs within public organizations and found these changes to attain cost-efficiency, improved customer-focus and budget accountability. There is relatively lack of empirical findings and potential sensitivity on developmental culture and its characteristics within public sector, which depicts more concerns that the techniques of conflict management would confront with the cultural values and attitudes within government organizations. Hence in order to obtain higher productivity levels of civil servants in area of public management, due focus is to be given to organizational culture keeping in view the civil service reforms within public sector organizations.

Many studies have suggested links between technology and developmental culture, change and culture, decision-making and culture, organizational strategy, structure and OC (Yesil & Kaya, 2013). It is important to see the association of OC and its influence on factors of organizations. It is worthy to note that specific organizational cultures improve the organizational performance (Hoffman & Klepper, 2006). The practitioners and academicians frequently discuss that strong sharing of cultural values determines the organizational performance. Organizational performance is significantly affected by cultural factors and this has been shown in many empirical studies (Vickers, 2017; McCormick, 2008).

The value competing model of Quinn (1988) operationalized 4 types of organizational culture like rational, hierarchical and developmental cultures. The rational culture includes functional & instrumental structure, directiveness, competition, efficiency, control and focus on goals. The group culture includes flexibility, people and core values as morale, membership, cohesiveness, participation, belongingness and trust. The hierarchical culture reflects control, efficiency, stability, communication management, order, security and regulations. Lastly, the development culture reflects adapting external environment, resource acquisition, growth, change and flexibility (Weeks & Erasmus, 2013). Hence this study establishes following hypothesis for the variable developmental culture (DC).

**H2a:** Developmental Culture has a positive relationship with perceptual conflict management effectiveness.

**H2b:** Developmental Culture has a positive relationship with perceived organizational performance.

### **2.13.2 Goal Ambiguity (GA)**

Waeyenberg and Decramer (2018) examined that ambiguity in goals of government employees is an absence of clear knowledge about provision of services, the professionalism in government employees or the complexity in policy environment in which the public officials have to work. In past, landmark work has been done to re-invent the government structure to perform better and cost less. Goal clarity is among ten main features of governance like government must be steering, catalytic, empowered, and competitive in service delivery, result-oriented, mission-driven, market-oriented, customer-oriented, decentralized, anticipatory and enterprising (George & Hamlet, 2018; Field, 2013). McKibben (2017) provided an excellent theoretical framework based on clear goals for considering the attributes for effectiveness of government organizations. So the measuring criteria for the effectiveness of internal structures and consumer-oriented business processes which are not necessarily the same as involved in public organizations like regulatory practices.

Alfawzan (2016) gave the idea of clear goals in public organizations which is consisted of a much critical stance. No matter what measures one takes and the public sector will comparatively be performing poorer than the market. Public sectors have been criticized as being 'low-performing', 'non-productive', 'non-innovative' and 'inefficient' since long. These criticisms have emerged the concept of goal clarity in mind of top to down staff as a new paradigm (Villmer, 2015; Osborne & Gaebler, 1992). Park and Kim (2016) argued that management-by-objectives (MBO) would dominate over legal arrangements, if mobility increases and the focus is on quality of service delivery and seniority principles are replaced by flexible work contracts and the bureaucratic beliefs and behaviors are vanished. New public management approach does not view the performance of government sector to be hopeless, it might be improved by acting like the market sector, i.e. by becoming more product-oriented than rule-oriented and internally if it is based on merit and organized careers on a professional rather than formal, legal or political process (Hood, 2000).

Kossova and Sheluntcova (2016) investigated core indicators of performance in annual reports of Irish public agencies. They analyzed that clear goals and mission with the performance information is showed in the annual reports of central government, local agencies, departments and whether the factors affecting performance are associated with the pre-defined goals and targets. Performance measures could be categorized as measuring economy i.e. getting quality inputs/resources at lesser cost, efficiency measurement by relating resources with the outputs and effectiveness measurement i.e. achieving the set goals and aims, quality of services regarding the delivery and purpose of output nature, calculating financial performance irrespective of the fact that either a departmental unit generates revenue or not, yet it requires staying within measurable creditors payments or budgets (Wall & Martin, 2003).

Kelly (2004) found the organization goes into decline if there exist unclear and unrealistic goals and the usage of performance management systems (PMS) partially relate to the organizational aims and goals. Inadequate, vague paths and targets for future growth and development are the reasons behind the failed firms. On the other hand, the successful enterprises are attributed to the deep roots in focusing on clear, improved and consolidated core operations and practices. Chun and Rainey (2005) explained that evaluation of ambiguous goals significantly and negatively affect managerial effectiveness. Ambiguity in goals means that up to which extent the organizations quantify their aims and targets in an objective manner which could not afford the deviance on part of employees. This would lead to the hypothesis that organizations would be reluctant to use PM if managers are unable to clearly express and measure their goals.

Laegreid, Roness and Rubecken (2005) empirically investigated the working of Norwegian system of performance management i.e. Management-By-Objectives-And-Results (MBOR) in civil service organizations. For this the focus was on goal formulation, indicators of performance, performance steering and reporting the performance. Norwegian state agencies were broadly surveyed in 2004. The variations among agencies in using MBOR were analyzed using the variables which were explored from institutionally structured, instrumental, cultural and environmental approaches. While the Norwegian central government had widely adopted the general ideas of MBOR, the practical application of MBOR which had been translated and transformed by many agencies, varies considerably from the ideal model of performance management. The variation primarily comes from the

cultural and environmental attributes. The MBOR model describes the optimal workability of agencies that are large and young, subjected to market competition and which reports a higher mutual trust between parent ministry and organization. Further the goal clarity has a partial mediating impact regarding the link between participative management and organizational performance (George & Hamlet, 2017). Since public sector organizations adopted NPM reform movement, performance being a main construct in public administration. Practices of participative management have been deemed vital in literature of public management as one dimension or approach to enhance performance of enterprises. In order to improve performance, management practices involving employees at higher level, would be another dimension. Performance feedback needs to be considered when government sector organizations adopt participative management for performance improvement.

Hardly measurable and ambiguous goals affect and differentiate the public offices in terms of outcomes, behaviors, attitudes and structural dimensions from other business enterprises. Fact of the matter is that it is difficult for government sector to set institutional goals, plans of action and communicate the mission and vision. Vivid goals help to minimize the organizational confusions and misunderstandings and to enhance their performance. Goal ambiguity has a negative link with performance of organizations (Chun & Rainey, 2005). Clear organizational goals play a positive role in organizational effectiveness (Moynihan & Pandey, 2004). Clear goals if successfully communicated build a culture of mission, minimize the contradictory managerial actions and systems due to conflicting goals and enhance the performance (Wright, 2001). When organizational members disagree on values of organizations, there is a negative influence on conflicts of organizations. Individuals face conflicts when there are vague goals and mission statements. In short, clarity of goals makes communication easier and increases the interpersonal relationships. Based on these findings, ambiguous goals lead to selecting ineffective strategies of conflict management like avoidance and domination. Hence this study establishes following hypothesis for the variable goal ambiguity (GA).

**H3a:** Goal Ambiguity has a negative relationship with perceptual conflict management effectiveness.

**H3b:** Goal Ambiguity has a negative relationship with perceived organizational performance.

### 2.13.3 Decentralization (DCT)

The organizational performance embarks 2 core components i.e. deregulation and empowerment. Researcher explored that “*Let Managers manage*” is a workable slogan in case of bureaucratic organization and the managerial flexibility is a key factor (Temfn & Lec, 2018). Traditionally bureaucracy was formal, centralized and discouraged the interaction, communication and participation among individuals (Sachs & Kayser, 2017). Public office holders are stuck into strict rules & regulations, red tapes and heavy paperwork due to formalization and centralization (Weeks & Erasmus, 2013). Centralized environments in government offices stimulate the usage of control mechanisms of conflict management. The ultimate outcome is poor performance due to centralized bureaucracy in public sector (Robin & Rice, 2017).

Cole (2018) found organizational performance assumes a main feature that a politically dominated decentralized environment can be distinguished from administrative or technical implementation process involving freedom to opt adequate means for the agency in question. Decentralization is a tool of performance management covers 3 main points. Firstly, the leadership needs to devise clear goals and set targets giving discretion to subordinate bodies in their routine tasks. The decentralization must be followed by performance indicators, specific, concrete, precise along with the basic and sub aims in overall hierarchy. They must be stable, consistent and operational for working as concrete evaluation criteria. Secondly, subordinate agencies must use well-organized performance systems to report results (Park & Kim, 2016). Much focus is placed on shared-powers and measuring performance regarding the operations of agencies. For decentralized organization, measuring efficiency and monitoring of results require improved methods (Pollitt, 2005). It includes more focus on evaluation of organizational functions and quantitative performance indicators. Thirdly, for rewarding good performance and punishing the poor one, the executives must use the reported results. Information based on achieved results considers resulting into resource allocation.

Taylor, MacKinnon & Tein (2018) examined the key institutional drivers in advanced countries which contribute in improving the efficiency of public sector by explaining with detail i.e. role of decentralized environment i.e. performance budgeting. Result-oriented practices, flexible performance measurements i.e. devolution of responsibilities, increased

competition, morale and satisfaction of employees, political decentralization are key performance drivers. Performance budgeting initiatives tend to move simultaneously with performance management. These steps seek to move management focus from inputs and processes to the measurable outcomes (Curristine, Lonti and Joumard, 2007).

Rogers (2006) identified that decentralization is difficult to measure in public sector organizations because of two main reasons. First, due to lack of clear vision on provision of services, secondly the operation environment is complexity and scarcity of employees' expertise. Literature pivots around the typical perception that the government organizations, their managers and stakeholders need to become passive adopters to change, newness and innovation. More emphasis is now on measurement of performance in public sector organizations worldwide particularly in developing countries (Vickers, 2017; Villmer, 2015; Sulle, 2014).

Cho and Kim (2009) examined empirically the impact of decentralization i.e. self-managing teamwork and participative decision making on performance of organizations. 403 employees working in government headquarters run by the City of Seoul were surveyed. Structural equation modeling was applied for investigating the causal linkage among the variables in a structural model and examining the construct validity with model fits in a measurement model. Here performance feedback is deemed as a partially mediating variable. It was found that self-managing work teams leads and improvise the performance. Rice (2017) emphasized that decentralization plays a key role in eliminating administrative rules and regulations, enhancing the front-line managers' authority and flexibility so that to maximize the organizational efficiency. Greater empowerment in organizations is positively linked with high performance of organizations. However, centralization is negatively related to organizational effectiveness (Ford & Andersson, 2017). A survey of 400 participants discussed that less decentralized working environment, promotional opportunities, less job autonomy and specially job dissatisfaction are related to organizational performance. Coded interviews explained that decentralization was related to performance. Some people viewed decentralization to be vital instead of job performance. Using the measures and survey framework, most of the scholars found that linkage of this factor requires further investigation (Koh & Coles, 2019). Hence this study establishes following hypothesis for the variable decentralization (DCT).

**H4a:** Decentralization has a positive relationship with perceptual conflict management effectiveness.

**H4b:** Decentralization has a positive relationship with perceived organizational performance.

#### **2.13.4 Perceived Organizational Politics: A Sharp-Edged Sword (POP)**

Leedy and Ormrod (2019) argued that public sector has got important societal duties on state behalf. The ineffective bad governance was get noticed and deemed to be imperative for operational rectification and workability of government firms. In many developing countries, public sector performance is not up to the mark because of political instability, poverty, corruption and economic chaos. However public sector is not said to be unproductive or unable to perform better or ineffective in all around the third world countries. As per the deep empirical investigation, the core characteristics of organizations which ensure adequate performance include the norms and cultures of organizations and efficient human resource practices. There is a positive effect of conflict on service quality, decision quality and organizational performance (Stephen, 2002).

Ford (2018) analyzed the organizational politics is more of a subjective construct and a state of mind. Some deem it as objective behavior. Power and politics are usually regarded as dirty terms. Individual reactions of self-interests and perceptions stimulate organizational politics. Politics can be found anywhere and a significant organizational phenomenon. Organizational politics is a mixed blessing putting negative and positive impact on the performance of organizations. Various strategies and situations of power usage create different outcomes on organizations (Ismail & Daud, 2016; Pfeffer, 1981).

Jones and George (2017) verified that power is used under 5 situations like organizational technology, deficient resources, interdependence, preference-oriented disagreements and heterogeneous goals. In addition to this when any critical issue arises, organizational politics gets activated. Some identified positive effect of organizational politics and others declare it as negative and unfavorable phenomenon. Some consider it to be a social influence process through which self-interests are maximized by strategic behaviors

(Shepherd, 2008). The organizational politics has been ignored in the organizational literature. There is a limited systematic inquiry in this perceived politics, and potential antecedents and consequences of organizational politics are largely unexplored yet (Cole, 2018). The field scholars also affirm the scarcity of literature on this concept. In social psychological literature, many political behaviors have been identified (Posthuma, 2011).

Ogbeidi (2017) tested the internal politics, organizational value, management effectiveness, loyalty and job satisfaction have a relationship with organizational performance. Some are of the view that organizational commitment is negatively related to organizational politics. This politics has devastating effect on the lower staff than the top administration bringing about frustration on employee part (Mihaiu et al., 2010). There is a negative impact of perceptions of organizational politics on performance. Government employees tend to become passive and don't want to take risk, so their commitment and performance declines due to organizational politics. This politics is known as a "silent enemy". Gupta and Chopra (2018) identified that the perceived internal politics is a very complex phenomenon and the estimation of its impact on outcomes of organizations like commitment, job satisfaction and performance is not easier. When one prefers and wants his outcomes, he acquires, develops and uses power for the purpose under uncertain organizational climate. It is argued in literature that conflicts lead to organizational politics (Spano, 2014). Somehow organizational politics has narrow scope in the past because issues on high principles give rise to conflicts where people behave in altruistic manner and keep various notions on public interests. Even though, political behavior is termed as negative behavior, the organizational politics is not just restricted to self-interest behaviors but the complex psychological situations and subjective conditions of individuals stimulate organizational politics (Mehrad, 2015).

The subjective evaluation on observed behaviors or situations come under perceptions of organizational politics is political (Abbasi & Ghaziyani, 2015). These perceptions are subjective interpretations about supervisors and co-workers who are involved in politics of organization. Hence it is important to examine these perceptions on organizational politics affecting outcomes of the organizations. Some regarded it as the behavior to influence organizational decisions. Some term it as behavior of self-serving to achieve benefits, advantages and self-interests. Organizational politics is characterized by 3 main dimensions in previous studies: conflict, contrast with organizational goals and self-serving behavior

(Pfeffer, 1981; Drory & Romm, 1990; Jones, 2010). Schwartz and Deber (2016) explained that the organizational politics is negatively related to creative activity and entrepreneurial strategy in public sector because of internal politics among the government officials, there are hazardous consequences faced by both the citizens and government agencies since organizational politics is harmful (Kelly, 2004).

Miller (2005) identified some key elements for developing countries as clarity of roles between political policy makers and administrative implementing authorities i.e. 'separating strategic objectives and operational processes', reasonable choice reforms (from both private sector and international experiences), promoting accountability i.e. controlling resources, measuring performance, improving evaluation techniques & continuous monitoring and functional alignment with incentives and strategic objectives whereas efficiency indicates the emphasis placed on the public service to achieve developmental priorities, staff audit, costs and skills, anti-corruption steps, radically changing norms and values of public sector. McKibben (2017) took organizational politics which might act destructively; due care is required if they test how organizational politics is related to organizational factors. Since there is a less understanding and the association of measures of conflicts and organizational politics with organizational outcomes and performance needs to be clarified through a study. During last fifteen years, performance measurement as a discipline is growing in depth. There is widely diverse body of knowledge which can be continually developed as a cohesive body of knowledge by examining the reason behind this diverse knowledge on performance measurement and management.

Lesser empirical evidences tested relationship between perceived organizational politics and performance of organizations (deHaaff. 2017; Vickers, 2017). Many researchers are of the view that public sector is embedded by a civil bureaucracy having formal structures and perceived organizational politics as secondary thing and hence examination of public sector was not given due importance. Keeping in view this fact that no such research model exists on both the conflicts and organizational politics simultaneously, this research takes the perceptions of organizational conflicts and politics as independent variables and performance of organizations as dependent variable respectively in the model to investigate the mutual link of organizational conflicts, politics with performance and to extend this debate of relationship and the impact of these measures on the performance of public sector. The study

endorses that perceived politics extensively exists having huge impact on systems of public administration (Posthuma, 2011; Opute, 2014; Mehrad, 2015).

Fitzsimons (2008) elaborated that corruption has a strong, dual-nature and complex relationship with public sector reforms. Both the constructive and destructive phases are combined. As reforms have one of its aims of eradicating corruption whereas reforms might be itself a reason behind corruption as per few recent evidences on economic and public sector reforms. Corruption is agreeably more expensive and economically damaging problem that especially governments in developing countries need to address as a portion of an overall reform pattern. The New Public Management (NPM) emphasized that the governments require enforcing a clear separation of goals and roles between political and administrative state members for performing its tasks efficiently. Employees who face internal politics, are involved in unfair activities. Organizational commitment and job satisfaction are negatively influenced by the perceptions of organizational politics.

In previous literature, it has been depicted that perceptions of politics have a significant influence on different measures of organizations (Jones & George, 2017). Numerous studies empirically endorsed the conceptual expectations of perceptions and their impact through a model. Some found that perceptions of organizational politics were negatively related to outcomes and performance of organizations (Mensah, 2013). Early efforts in organizational politics explained the neglectful aspects and their impact on attitudes of employees like loyalty, job burnout, anxiety, commitment and satisfaction. There need to see a correlation between these attitudes of employees and organizational politics (Awan, 2014). The organizational politics is assumed to put negative influence on organizational satisfaction, job satisfaction and positive effect on job anxiety (Daskin, 2013).

Cooperation is reduced due to these perceptions and lesser cooperation degrades efficiency and compromises goal achievement. As a consequence, organizational performance is unfavorably affected by organizational politics perceptions. The perceptions regarding organizational politics have also unfavorable impact on performance and outcomes of government sector. These findings have been somehow endorsed in studies of (Vigoda, 2000). Internal politics hinders different innovative managerial approaches in public sector as health and creativity of public administration and entrepreneurship are negatively influenced by this organizational politics. Under some scenarios, political activity may reduce the

efficiency (Maré, 2014). Similarly, the selection of strategies of conflict management is negatively related to organizational politics. Organizational politics is a control mechanism and a coercive power which coerces the effectiveness of organizations. Therefore, individuals of highly political institutions possibly use control mechanisms like forcing and dominating at the time of conflicts. Eventually, role of organizational politics is both direct and indirect on effectiveness of conflict management and consecutively on performance of organizations (Chinomona & Mofokeng, 2016).

Angogo (2016) analyzed that the politics which is experienced within an organization is a basic reality of life. Attempting to influence colleagues or gaining power means lead to internal politics. It is the power usage to get unapproved tools and results not allowed by the organization. Perceptions of political presence throughout the organization should be understood and managed to define this real life phenomenon better. Researchers claimed that every organization has some political structure (Kelman, 2006; Hood, 2000). Individuals keep their vested interests ahead than the organizational interests (Pfeffer, 1981). Some studies shed light that executive administrative office holders tend to show more political behaviors than the lower management. The organizational politics is more dominant in terms of negative outputs. Perceived organizational politics affect employee commitment and organizational outcomes negatively particularly in government sector (Bobekova, 2015; Hall, 2008). Within an organization, perceived organizational politics is person-specific varying from person to person and situation to situation. The peers, executives, colleagues, managers and lower staff may perceive differently about its effects on satisfaction, productivity and overall performance of organizations

**H5a:** Perceived organizational politics has a negative relationship with perceptual conflict management effectiveness.

**H5b:** Perceived organizational politics has a negative relationship with perceived organizational performance.

### 2.13.5 Organizational Conflicts: A Mixed Blessing

Louis and Caphem (2018) identified conflicts as discrepancies in goals. Conflicts exist when groups of people have opposed interests. Conflicts arise when individuals have incompatible expectations towards the organizational products and services (Shepherd, 2008). Conflicts are due to the power relationships, interdependence, differences in values, interests and goals (Bason, 2010). Suhonen and Tiirinki (2018) elaborated previously accepted principle that if conflicts are managed well then employees are more satisfied and performance is improved. But organizational performance suffers if these mutual conflicts are inappropriately managed. Several reasons have been identified behind the arising conflicts in organizations as conflicts are serious disagreements occurring between groups of people. A wide divergence of views exists on sources and effects of organizational conflicts and effective strategies to manage these conflicts (Bobekova, 2015). Interactionists viewed type of conflicts in terms of relationship, task and process conflicts. Process conflicts are related to how the work gets done.

Philbin (2017) explored that there is a problem that conflict is supposed to be an obstacle in operations of organizations. The conflicts give detrimental influence on functions of groups. Conflict hinders the task achievement, reduces the mutual understanding and goodwill and causes members to be resentful, irritable, negative and suspicious. So generally, conflicts are avoided and controlled in managerial decision-making (Hares, 2009). Abbasi and Ghaziyani (2015) explained that conflicts arise when two parties are interdependent in performing their activities or functions. A member or group desires mutual resources which are short, as the wants of anyone can't be satisfied fully. On the basis of these above points, *disagreement, dissatisfaction, interdependence, exclusiveness in attitudes, goals, values and preferences among people and incompatibility give rise to conflicts* (Philbin, 2017; Rahim, 2002).

Opute (2014) clarified that people naturally differ in goals, values, interests and ideas. Conflicts also prevail in processes of organizations and conflict is regarded as a core element in life of an organization. "Too many conflicts are certainly to be ignored, but no conflict is also undesirable." The occurrence of conflicts has many descriptions behind (Bulawa, 2011; Hares, 2009). The absence of norms of administrative strategies and decision-making and wide acceptance of goals brings about the conflicts, mutual disagreements and the power use.

The organizational technology, preference disagreements, deficient resources, heterogeneous goals and interdependence provoke the organizational conflicts. The political behaviors of organizational members are due to the power use to handle conflicts through power asymmetry of organizational groups (Mehrad, 2015).

Some conflict studies highlighted the methods to stimulate productive conflicts and the benefits of organizational conflicts. Interviews with teams prove that performance of teams is enhanced and decision-making can be improved by conflicts. Conflicts are two-fold i.e. both constructive and disastrous as it has different impact on performance as per the organizational characteristics and conditions. So conflicts must be viewed in a dual way. Two main types of conflicts exist substantive and affective conflicts. Substantive conflicts involve the tasks of groups and affective conflicts are conflicts in interpersonal relationships (Opute, 2014; Erzen & Armağan, 2015).

**Table 2.2: Types & Nature of Conflicts**

Research Studies	Positive Conflict	Negative Conflict
(Rahim,2002; Mothusi, 2008; Bobekova, 2015)	Cognitive conflict	Interpersonal conflict
(Brewer & Seldon, 2000; Shepherd, 2008)	Substantive/Productive conflict	Affective conflict
(Bason, 2010; Erzen, & Armağan, 2015)	Task-oriented conflict	Social-emotional conflict
(Rahim, 2002 ; Mehrad, 2015)	Goal-oriented conflict	Emotional conflict
(Hawle, 2012; Opute, 2014)	Task conflict	Relationship/Individualized conflict
(Rahim, 2002; Villmer, 2015)	Task-focused conflict	Relationship-focused conflict

*Source: (Mehrad, 2015; Shepherd, 2008)*

### 2.13.5.1 Task Conflict (TC)

Ford (2018) identified that managing conflicts implies enhancing institutional performance while decreasing the affective conflicts using different managing strategies as per the environment and conditions of a specific organization (Posthuma, 2011). Before shedding light on managing strategies, the research questions of this study must be recalled.

With respect to organizational conflicts, the research intends testing the relationship of effective conflict management with institutional performance (Maré, 2014). For answering this question, the conflict level needs to be clarified. In organizational conflicts, there are intra-organizational conflicts (within an organization) and inter-organizational conflicts (between the organizations). This study examines the intra-organizational conflicts by investigating influence of intra-organizational conflicts on organizational performance. Hence the study analyses the intra-organizational conflict management strategies and styles (Erzen, & Armağan, 2015).

Ogbeidi (2017) described literature on various task conflicts, situations and conflict resolution at micro-level (individual and organizational) in public sector were revealed. When literature on task conflict largely focused effective public management, public reforms, performance improvement, organizational conflicts and its management were given lesser attention in field of public administration (Villmer, 2015; Sulle, 2014; Drory & Romm, 1990). Park and Kim (2016) investigated that functionalist approach is vital in this regard in which task conflict and improved measurement seem to be the focal point for facilitating better trade-offs and balancing the stakeholders' conflicts of interests in organizations. Senior managers and staff-specialists tend to influence the establishment of novel PM practices and other mechanisms of formal control. Senior managers might translate institutional change by having an interaction within the organizational environment while resolving the conflicting constituent interests (Daskin, 2013). These conflicts are inevitable as they are valuable. Effective strategic choice comes out of cognitive and substantive conflict. Therefore, Rahim (2002) admits that conflict management does not necessarily mean to terminate, reduce or eliminate the conflict. Thus contemporary conflict management is not resolution of conflicts (Brignall & Modell, 2000).

Model of organizational conflicts were empirically tested among public officers in 228 cities. It was clear that task conflicts and distribution of power are linked with organizational conflicts. The authoritative culture of government offices has a significant impact on conflict management styles depending on employees' relative status (Hares, 2009). The paucity of literature on conflict resolution calls more focus and research on conflict in public sector (Opote, 2014). Rarely, any comprehensive and mixed study on investigating link between conflicts, its management and performance of organizations. Although the

conflicts might be crucial indicator influencing performance, the conflicting measures were ignored in the literature. Hence the research questions try to overcome that empirical gap.

**H6a:** Task conflict has a positive relationship with perceptual conflict management effectiveness.

**H6b:** Task conflict has a positive relationship with perceived organizational performance.

### **2.13.5.2 Relationship Conflict (RC)**

Ford (2018) explained that performance measurement is utilized better by the active involvement of stakeholders. Natural barriers in implementing PM is got over by this active participation such policy change by the administrators, result-oriented policies, avoidance of mistakes by public employees, focus of legislators on long-term outcomes, focus of citizens on only personal interests. Evidences have proved that performance measurement utilization is promoted when the budget officers, citizens, elected officials are actively involved in the operations (Bason, 2010). Budget staff Involvement, Involvement of Politicians, Employee Involvement, Citizen Involvement. deHaaff (2017) examined that there is a need to accelerate the integration of systems of performance management when political crises and economic chaos are at the peak. Moreover, the trust in government is not a significant influencer. Eventually, the governments will give priority to the measures of external performance like goals of transparency, participation and customer service on the measures of internal performance like staff management, financial limitations and total public reporting procedures just because of the absence of political stability and commitment.

Andrews (2015) investigated the impact and outcomes of balanced scorecard which is less-researched and under-explored to be used as a yardstick for measuring performance in the government sector of New Zealand. It was quite challenging to apply this tool in local departments. Questionnaires were used for collecting the views of managers in utilizing this scorecard and the issues with which they were encountered with during its practice. Deep insights were explored out of experiences of managers (Northcott & Taulapapa, 2012). The adoption and implementation of BSC in the targeted local organizations were low-rated in the

expected benefits as compared to measuring and reporting performance. Managers perceived the organizational benefits of practicing Scorecard like lower costs, lower cycle time, greater use of technology, increased profitability, improved customer retention, enhanced process efficiency, improved skills and knowledge while overcoming the challenges but unfortunately these were not exploited optimally.

Ogbeidi (2012) explained that corruption is the outcome of abusing powers for gaining vested interests and benefits particularly in government offices. Officials and staff depict unethical behaviors violating the values, rules and orders of political system. Political corruption involves the collective enrichment and preserving the powers, posts and seats. Embezzlements, abuses, manipulations, bribery, dishonesty, undue influence and frauds come under the head of corrupt behaviors. In context of government organizations, fairness in organizational procedures and service provision, accountability, democratic norms, sustainability, economic development and good governance are largely threatened by corruption. Rhodes, Biondi, Gomes, Melo, Ohemeng, Perez-Lopez, Rossi, Sutiyono (2012) investigated the issues involved in managing performance in public sector of 7 selected countries. On the basis of useful work of Bouckaert, Pollitt and Halligan done on evolution of public management, some more variables involved in the process. The new dimensions like the attitude of elite class i.e. civil servants and politicians and the administrative culture plays a crucial role creating an impact on reform speed.

Bhuiyan and Amagoh (2011) investigated the workability and viability of initiatives pertaining to public sector reforms in Kazakhstan. They studied the role of these reforms in enabling the governments to spontaneously respond to the citizens' demands and needs at large. 4 core initiatives of public sector reforms were examined namely e-governance, civil service reforms, civil society and decentralization in order to have good governance. The endeavors made by Kazakhstani government to reform its public sector, it has been found that consequential and dramatic breakthroughs have been undergone to enhance governance and improve the systems of service delivery. The study is based on only 4 initiatives, other public sector initiatives supposed to improvise good governance, could be investigated for deeper insights.

Girard and McIntyre (2010) explored that utilization of model of Knowledge Management (KM) holistically proved to be very valuable and fruitful in public service

organization in Canada. On theoretical basis proposed by others, the public services involving science based initiatives practically depict the importance of knowledge management modeling in this particular case study. KM model captures 5 main factors namely culture, process, measurement, technology and leadership. Likewise, in order to have effective planning and implementation, the above KM model could be considered for some other organizational initiatives. Resolving conflicts and managing conflicts are two separate things. Resolution of conflicts means to minimize, eliminate and terminate the conflicts assuming conflicts harmful for any organization. However, some studies depict that the conflicts can be transformed into functional processes by selecting a proper strategy of conflict management so conflicts may not always be devastating. The choice of negative managing styles like avoidance or domination may be influenced due to the emotional conflicts (Bobekova, 2015; Drory & Romm, 1990).

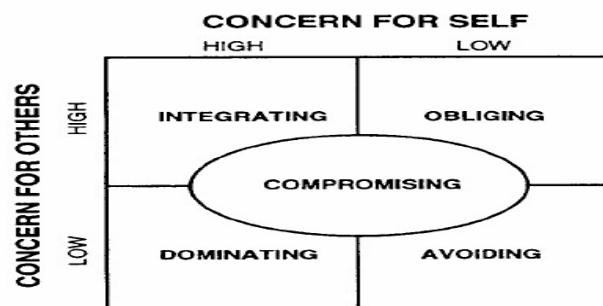
Contemporary conflict management is not just about eliminating, reducing and terminating conflicts but focuses on improving constructive organizational leaning, selecting proper managing strategies and minimizing the dysfunctional aspects of conflicts (Maré, 2014). In perspective of effective conflict management, dysfunctional and functional conflicts are different from each other. In empirical and theoretical lens, task (positive) conflicts are distinctive from relationship (negative) conflicts. The previous findings showed role of task conflict is positive and it enhances the organizational performance (Mehrad, 2015). On the other hand, role of relationship conflict is negative on outcomes and performance of organizations (Hares, 2009). Decisions of high quality are produced through task conflict. Organizational performance is improved and positive managing styles like obliging and integrating are chosen by task conflict. Positive managing styles positively influence the performance. But passive and disagreeable managing styles like avoiding and dominating have negative impact on job satisfaction and performance (Erzen & Armağan, 2015; Posthuma, 2011). The relationship conflicts raise more disagreements in an organization. There are lesser relationship conflicts in high-performing organizations. This implies that job anxiety, stress, behaviors and attitudes of members and cognitive processes are badly influenced due to relationship conflict (Opote, 2014). Members get resentful, suspicious, irritable and negative due to relationship conflicts. So relationship conflicts put detrimental impact and are related to ineffective strategies of conflict management.

**H7a:** Relationship conflict has a negative relationship with perceptual conflict management effectiveness.

**H7b:** Relationship conflict has a negative relationship with perceived organizational performance.

### 2.13.6 Conflict Management Styles & Strategies

Managers have to spend much of the time to manage conflicts. Conflict management secures equal importance to budgeting, strategic planning and decision makings. So managers need to choose modes and styles of conflict management. During 1990s, conflict behavior was supposed to be an individual reaction and a single mode of strategy of conflict management was identified in literature on intra-organizational conflicts (Abbasi & Ghaziyani, 2015). Until recently, problem solving, forcing and accommodating have been identified through multiple modes of mixing strategy and conflict management. Different terminologies have been used such as avoidance, oblige, domination, integration and compromise are the popular and useful modes to tackle conflicts. As a fact of the matter, these 5 modes have been synthesized for many years (Villmer, 2015; Shepherd, 2008). Styles of conflict management are also categorized as suppression, smoothing and withdrawing. Modes are also classified as assertive and cooperative approaches. Within these two, 5 styles are there: compromising, competition, collaboration, avoiding and accommodating. Styles of conflict management have 2 basic dimensions: Self-concern and Others' concern i.e. the high or low degree of concern to satisfy one's own concern or that of others (Mehrad, 2015; Posthuma, 2011).



**Figure 2.2: Strategies for Conflict Management**

*Source: Adopted from (Rahim, 2002)*

Commitment to implement effective solutions, cooperation to seek alternatives, communication and openness are included in “integrating style” which is most adequate approach and linked to problem solving (Amayah, 2013). Focusing on commonalities and satisfying other party’s concern is under “obliging style.” It is helpful when one wants to keep good relations with others. But it is not good if the other one has some unethical aims. Win-lose situation comes under the “dominating style” and is related to achieve goals or competition to gain interests. The competing mode is the assertive strategy to manage conflicts. It is not good as there must be a cooperation to put alternative solutions (Chawla & Joshi, 2010). The competition and conflicts may increase due to domination approach. People give no importance to conflicts under the “avoidance style”. Avoidance is used when people are neutral to the organizational concerns. It may also enhance the disputes and conflicting behaviors in institutions (Rahim, 2002). Conflicting parties seek mutually acceptable solutions under the “compromising style.” Complex problems are solved through compromise as competing parties have mutually exclusive goals. So negotiations are undertaken employing this strategy (Masood & Javed, 2016).

The obliging style has been regarded as an attempt to emphasize commonalities and to play down differences for satisfying the other party’s concerns. A useful strategy for having good relationships with others and it is inappropriate if others have unethical purposes (Hares, 2009). The dominating style is referred to as a win-lose orientation to achieve goals or compete for interests. An assertive strategy to manage conflicts and is inadequate in some situations as competition or organizational conflicts may rise (Erzen & Armağan, 2015). The avoiding style is required when people consider conflicts to be trivial. So avoiding is usable if people are indifferent for their organizational concerns. It is improper to use when concern is important.

Effective conflict management requires the use of an appropriate style to resolve the conflicts. Ultimately, one-size-fits-all approach is not workable here as there is no one perfect or best strategy for managing conflicts (Shepherd, 2008). Both the internal and external factors should be taken into account by managers while choosing conflict management strategies. This approach is known as “contingency or situational conflict management.” Using contingency approach, managers select a proper style and have flexibility in investigating the organizational situations to cope up the crucial situations. Many discussions have been made on organizational conflicts like contingency approach is suitable as short

term technique (Pratt & Devroe, 2011). But a benchmark perspective could be more operative strategy. The question remains as to discover the approach proves to me most useful for the purpose particularly in Pakistani context. Generally, the problem solving (integration technique) is considered as the most viable approach for effectively managing conflicts (Rahim, 2002). Many scholars have admitted the integration style as most effective one. Some assumed the dominating and avoiding ones as helpful based on the scenario. Studies depicted various evaluations for strategies of managing conflicts as they have different environments, organizational factors, subjects and other combination of dimensions in their respective organizations. The combination of variables entirely depends on the contextual settings of the organizations as it varies from case to case (Hares, 2009). Skills of open-minded negotiations and cooperative goals make people to develop integrative styles of organizational conflict management. Furthermore, the mutual trust reduces the affective conflict among members of the organization. Substantive relational outcomes are linked up with dominating or controlling style while relational outcomes are related to confronting, forcing and integrating or problem solving style (Mehrad, Zangeneh, Dokoushkani, & Razali, 2014).

As a whole, conflict management is not necessarily about eliminating or reducing the organizational conflicts. Based on diverse organizational situations and characteristics, any abovementioned style can be selected. Thus the style selection may be influenced by a combination of organizational factors (Hares, 2009). Specifically, the strategy selection to manage conflicts is influenced by other organizational dimensions, political atmosphere and conflicts type and amount (task & relationship conflicts). For instance, it is quite possible that individuals having higher degree of relationship conflict often adopt avoiding strategy. Hence, if the problem solving technique is viable, the organizational factors can be predicted which have positive influence on selecting modes of conflict management. So there is a need to scrutinize relationship of organizational factors with choosing mode of effective conflict management (Bobekova, 2015; Shepherd, 2008).

Previously, direct impact of organizational dimensions like politics and conflicts has been identified on organizational performance. If organizational factors influence the selection of conflict strategies and the selection consecutively affects the organizational performance. Thus the organizational factors and outcome are mediated by the effective conflict management styles. While considering the mediation effect of effectiveness of

conflict management, both indirect and direct influence of determinants on institutional performance can be examined. Hence this research intends to measure the effectiveness of conflict management by verifying its mediating impact on factors of organizations and public sector performance. These factors contribute to promote PM utilization. Active participation of stakeholders, training and leadership commitment are the main factors under this head (Kong, 1998; Behn, 2003).

### **2.13.7 Conflict Management Effectiveness**

The one-best approach to manage conflicts has now been replaced with the contingency approach. Both inside and outside conditions must be considered in order to select an adequate technique of conflict management. This selection is determined by some other factors also. Due to this reason, this research addresses such hypotheses to identify those organizational factors that stand critical in choosing effective styles of conflict management. Although, integration is a reasonable technique to manage conflicts but it is not the best technique based on the circumstances and situation (Hares, 2009). Multiple styles to manage conflicts are used. It has been shown in literature that the reasonable approach to effectively manage conflicts is problem solving (integrating & dominating) (Rahim, 2002). Organizational learning and satisfaction of individuals enhance due to the style of problem solving. The style of problem solving to manage conflicts is positively related to relational and substantive outcomes. But confronting and forcing styles put negative impact on these outcomes. It is perceived that the integration style is the best and most adequate style and domination is very inadequate style for conflict management effectiveness (Villmer, 2015).

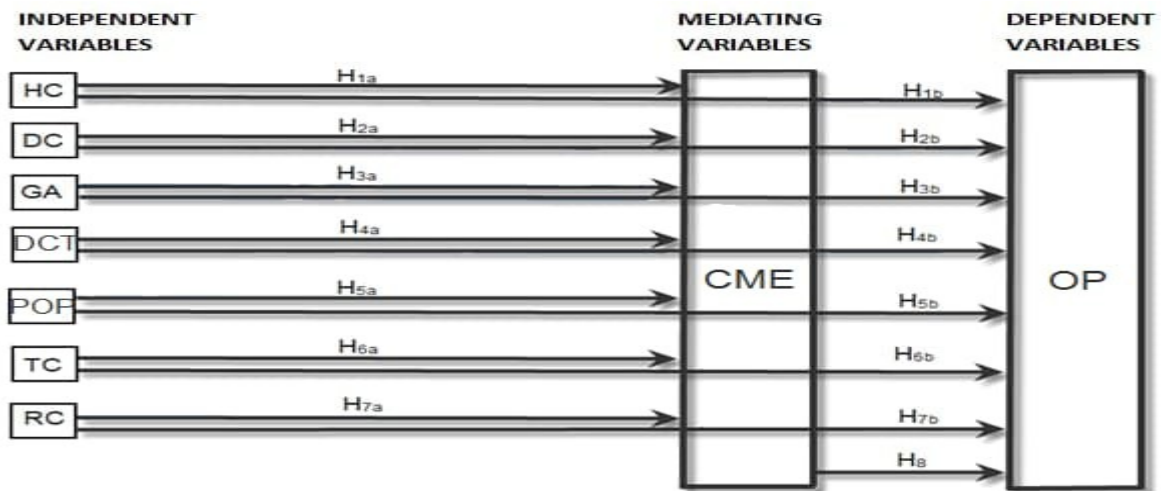
Organizational members promote cooperative relationships through style of problem solving. Those organizations are high performing which implement styles of problem solving. Organizational satisfaction and performance are maximized and are positively influenced due to agreeable and active conflict management (Shepherd, 2008). In this context, effective conflict management is also an influencer on organizational performance. At the same time, several factors of organizations influence effectiveness of conflict management as mentioned in the hypotheses. This implies that the linkage between organizational dynamics and performance is mediated by conflict management effectiveness. Very few empirical studies explained the relationship of effectiveness of conflict management with organizational performance. There is no consensus on methods of

measuring effectiveness of conflict management. On the basis of Rahim Organizational Conflicts Inventory - II (ROCI-II), scales of conflict management effectiveness i.e. the bargaining scale and problem solving scale were proposed by (Rahim, 2002). Thus, a comprehensive research model is needed to be developed in which conflict management effectiveness acts as a mediator and both indirect and direct impact of organizational conflicts and politics on organizational performance is examined. So the study verifies effectiveness of conflict management and to display link with factors of organizations like conflicts and politics and verify its impact on organizational performance.

**H8:** Effective Conflict Management has a positive relationship with perceived organizational performance.

Although many previous studies identified the factors affecting internally and externally the performance but the crucial factors i.e. organizational conflicts and politics have been not examined at the same time. Moreover, scholars took conflicts and politics separately, although the measures of these two variables should simultaneously impact each other and be highly correlated. The scholars excited about organizational conflicts only targeted conflicting situations and neglected political behaviors as a main concern and the influence of these political aspects on organizational conflicts and conflict management. By contrast, authors having keen interest in organizational politics only targeted political behaviors and how it influences the outcomes of an organization while neglecting the conflicting aspects as a leading factor in their research models (Ofori, 2014).

Logically speaking, very few studies have yet been conducted which can measure and examine the link between organizational conflicts, politics and their ultimate impact on overall performance in context of public sector organizations. In short, it is essential to build up an accurate research framework for elucidating a comprehensive approach which consists of these organizational factors to better understand the organizational performance. Hence, this research examines and tests the impact of organizational conflicts, politics, types of culture on perceived organizational performance and mediating role of conflict management effectiveness in public sector organizations of Pakistan (Arogundade, 2016; Ford, 2018).



**Figure 2.3: Research Framework of this Study**

The main concern of this research is to figure out and investigate the impact of organizational conflicts and organizational politics on the organizational performance of public sector in Pakistan. The research hypotheses have been developed to examine the mutual relationships and to answer the raised research questions in this study. The figure 2.3 depicts the research framework of this study based on the theoretical grounds and expected relationships pinpointed in the extensive literature. The study identifies and verifies how the independent variables have an association with conflict management and eventually the organizational performance. The model includes four main leading independent variables. The conflict management effectiveness is a mediating variable. The organizational performance is the dependent variable. This implies that of organizational conflicts and politics put an influence to select effective conflict management styles which affects the organizational performance. In short, the mutual linkage between organizational dynamics and performance is mediated by conflict management effectiveness.

## 2.14 Chapter Summary

Through extensive literature review, an observation has been made that the organizational characteristics, human resource management along with the values, is imperative to have productive and better performance of government institutions. The performance as a whole includes the characteristics relating to the people being served, motivations, workers' skills, clear goals, policy direction; organizational culture and environment; top to bottom collaboration, strong performance incentives' reinforcement

along with organizational structuralism of system. Few factors among these might be greatly effective than other variables for attaining better performance systems, cooperation, open communication; authority of decision making, coordination, efficiency and effectiveness are the most highlighted horizons of perceived benefits of Performance Measurement.

The styles of conflict management effectiveness have been adapted and used as a mediating variable to refine the association between dependent and independent factors as there is a dearth of evidence prior studies (Louis & Caphem, 2018; Ford, 2018; Robin & Rice, 2017; Rahim, 2002). Furthermore, keeping parsimony assumption, the study includes control variables to design a reasonable SEM. It is argued that the 'parsimony assumption' of the method might be contaminated due to complicated SEM modeling and it might also be difficult for a researcher to interpret the results of a model containing too many factors (Koh & Coles, 2019; Ford, 2018; Villmer, 2015). There are a reasonable number of factors and total number not exceeding the cut off number of 20 at best so that the causal relationships which employ SEM could be analyzed appropriately (Kim, 2007). In addition to this, the civil servants at various hierarchical levels are the unit of analysis in this study to scrutinize the organizational-level phenomena. Due to this reason, the individual factors are not included in the research framework. In the end, the conceptual framework depicts a correlation between control variables and independent variables and a logical flow of SEM ((Maré, 2014).

After reviewing the vast literature, core dimensions such as organization effectiveness, communication, decision making, coordination, efficiency and effectiveness have been highlighted as important dimensions of perceived benefits of Performance Measurement (Nasir & Bashir, 2012; Conaty, 2012; Yang, Brennan & Wilkinson, 2014). Light has been shed on the primary findings and implications of prior studies particularly with regard to politics, organizational conflicts and performance. The performance of government institutions comprises of set of core complex factors in the black box of public administration. This implies that there is a list of external and internal factors which influence organizational performance in government sector. In field of business and public administration, fewer researches have been undertaken to find out the comprehensive relationship of such a combination of variables (Sachs & Kayser, 2017; Staniok, 2016; Mayer, 2012).

## CHAPTER THREE: RESEARCH METHODOLOGY

### 3.1 Purpose and Approach

This chapter covers the description of research design, the research strategies used, collection of data, survey instrument, sample selection, participants, tools and techniques of data analysis used for testing the hypotheses developed in this study for determining the impact of core factors of organizational environment on the performance of public sector organizations with the mediating role of conflict management effectiveness. The previous chapter put light on the extensive literature on employee conflicts, internal politics and performance management systems. This chapter explains the research approach and methodology. Scientific research is undertaken by answering three main questions, referred to as the reason to conduct this research (*The Why*), the focus of study and the unit of analysis (*The What*) and the methods employed to conduct this research (*The How*). Preceding chapters (particularly Ch 1) have addressed the why and what of research, in which it was tried to put light on the need of investigating the conflict management and its relationship with politics and their impact on the organizational performance in public sector. In this chapter, a detailed description has been provided on how the research has been conducted for this study. This cross-sectional study considers quantitative methodology employing tests of smart Partial Least Square (PLS) Structural Equation Modeling (SEM) to test the hypotheses of the study. Public Administration provides a pivot of conceptual framework for this research within which the data is collected and analyzed (Villmer, 2015). The fundamental purpose of this chapter is to develop a golden thread for data analysis and findings (see Ch 4)

### 3.2 Research Paradigm

The underlying assumptions are known as ‘research paradigms’ such as what is the knowledge, how it is known, what values are there in it, what is the writing style of it and what kind of processes are involved in it (Bryman, 2012). Generally, there are three school of thoughts in research i.e. constructivism, positivism and pragmatism.

The research paradigm is of Positivism which implies that the nature of reality is singular (Ontology), the knowledge is known as Objective (Epistemology), the Deductive logical reasoning is used and the Quantitative methods have been used to analyze the results (Cresswell, 1994). As this paradigm is the most appropriate for the purpose and objectives of this study. So a theoretical model is going to be tested with the mediating effects of mediating variable. Positivism involves quantitative research and empirically testing the effects of independent variables on the dependent variables (Balaboniene & Vecerskiene, 2015). The constructivism involves qualitative research in which theories are generated and explored. This interpretivism implies that here context based views are considered. Lastly the pragmatic approach is a combination of both positivism and interpretivism. It is known as mixed method. It is essential to provide the rationale of adopting the research approach (Chen, 2015).

This research study carries out the idea of a controlled environment as it is deductive in nature because there is hypotheses' testing in it. It is based on the response views of participants of survey resulting into deductive reasoning. Business research looks at the organizations and their activities through the lens of all stakeholders, owners, managers, community, suppliers, customers and employees (Bryman & Bell, 2007). The different research types are as follows with respect to:

1. The purpose – that's why it was conducted which can be either exploratory, explanatory or descriptive (Piening, 2013).
2. The process – how it was conducted that can be either qualitative or quantitative
3. Reasoning – either inductive or deductive logic ((Bryman & Bell, 2008)
4. Outcome – either basic or applied research (Neuman, 2000).

### **3.3 Research Approach**

Research approach has been selected based on the research problem to be investigated in this study. This study has a quantitative research approach. Methodology covers specific tasks, techniques, procedures and steps which have been followed to implement the research design. Research design covers the scientific approaches employed to search for answers to questions and facts for reaching reliable and valid conclusions. The quantitative procedure

has been adopted for data collection and its interpretation. Survey design through structured questionnaires has been used for ease in data collection and interpretation.

The research is a voyage of empirical assessment (Henseler, Ringle and Sarstedt, 2015). This discovery seeks to clarify doubtful facts and to explain the unexplained phenomena. A well-defined research problem being a prerequisite for any study is followed by the logical development of a research design. It is actually to plan that how the research to be conducted. Logic of research is focused in research design. A research problem is addressed through a carefully tailored research design which is a structured framework. Validity and reliability of results gauges the research quality. Validity refers to the degree to which a study measures what it purports to measure while reliability is an estimate of internal consistency and accuracy of a measurement instrument. Prejudice, insufficient supporting reasons and evidence for final conclusions, personal arguments and views affect the validity and reliability. The accurate arguments and views of the respondents lead to achieving high validity and reliability.

This research study is a cross-sectional study where data is collected from the sample of population at a specific point in time and has been carried out under a controlled environment as it is deductive in nature and there is hypotheses' testing in it. It is based on the responses of participants of survey. This research was designed using Saunder's "Onion philosophy" (Saunders et al., 2003). This philosophy can be positivism, interpretivism or realism. Positivism underlines the importance of hypothesis testing in a controlled experiment to inform deductive reasoning by facts. This philosophy involves element of objectivity (Vaughan-Jones, 2010).

### **3.3.1 Quantitative Approach**

This research has a positivistic approach using structured questions using predetermined response options and having a large number of respondents. Basically, quantitative research is all about symbols, statistics, numbers and measurements. Here are three-fold aims of this study:

- To investigate the perceptions and understanding of bureaucratic staff in public sector institutions
- To examine the mutual relationships between organizational outcomes and performance of government institutions
- To examine the relationship of perceived organizational politics and organizational performance of government institutions

The rationale behind research design is planning and structuring a research study in such a manner that can maximize the validity of the research findings by eliminating or minimizing the potential errors. A reliable instrument with no validity and a valid instrument with no reliability is useless as both the validity and reliability complement each other. Single data collection methods and techniques are used to obtain and augment both the validity and reliability of results. There is an attempt of minimizing biases and errors by ensuring that the sample is a representative and the views of respondents were not influenced by the researcher. Technique of probability sampling is referred to as a procedure in which each and every member of the institution in question has an equal chance of being selected or of being a respondent (Henseler, Ringle, and Sarstedt, 2012). The questionnaires would provide a holistic picture and deeper insights into how the members perceive the organizational processes at public offices. From the findings of this study, a set of recommendations would be given for HR department and policy makers with the intentions being.

- To foster a better awareness on pros and cons of adopting conflict management techniques.
- To assist in making conflict management strategies more effective, relevant and meaningful to the team members.

From the methodological perspective, the gaps and trends in the literature on conflict management and organizational politics call for a deeper approach to advance the comprehension of social phenomenon of conflict management and organizational politics. Given the nature of the research objectives and aims drawn from the gaps in the literature review, the pragmatic approach is utilized to address the research questions. Responding to the calls in the mainstream research to conduct a mixed study, this study entirely builds on

the pragmatic approach to determine how public office holders work in the contextual settings of public offices in Pakistan.

### **3.4 Description of Sampling**

Sample selection is a key step in research process. The method of selecting a sample out of the population for investigation purpose is known as the sample. Using the results coming out of sample, the researchers analyze and generalize the findings and make claims pertaining to the whole population (Schloderer, Sarstedt & Ringle, 2014). For the purpose of this particular quantitative study, the probability sampling has been used which gives an equal chance or probability to be selected, less biasedness, enables to generalize the results. In Quantitative studies, the probability sampling is used by the researchers as it gives an equal opportunity to every segment of population to be chosen as a sample (Angogo, 2016). Non-probability sampling comprises the scheme of sampling in which sample of population has unknown probability of selection (Dijkstra, 2010). This kind of sampling suits to the qualitative researches. The present study employs the selection of public sector organizations which have civil servants of grade 17 or above to serve general public. The randomization of selecting samples gives the result generalizability to the population. In this study, randomly selected bureaucrats from public sector organizations of Pakistan are considered to gather data.

Given the above information, all those organizations which come under these public sectors are a sample for this study. Lahore region is the major hub to target the purpose of study. The list of these public sector organizations is given in appendix A. Before actual data collection, the minimum sample size must be mentioned to achieve the sufficient statistical power (Daskin, 2013). The sample size directly affects the statistical analyses and generalizability of results. The time and financial constraints are a barrier in taking quite large sample. The required sample size is affected by estimation method and normality of data (Mehrad, 2015). Suitability of sample size must also be considered as per the purpose of study. For structural equation models, a critical sample must at least be of 200 (Maré, 2014). For pilot testing, a sample size of 40 is suitable here. The pre-tested questionnaires were equally administered among 1050 civil servants from different public sector organizations. Out of 1050, 815 questionnaires were properly and duly filled in to be taken for this study.

With the increase in size of sample, the sampling errors tend to decrease (Erzen & Armağan, 2015). Random sample of sufficient size controls sampling error.

### **3.4.1 Type of Study, Unit of Analysis & Survey Method**

This study is causal or relational in nature. The research work is mono in structure and the survey method comprising of closed-ended questionnaires was adopted being used in prior researches (Vickers, 2017). The justification for using questionnaire is that it generates data and thereby providing generalizability of research findings. The unit of analysis here is the employees at various hierarchical levels and they are targeted for data collection. The employees mean here the civil servants because organizational factors of this study could be perceived by any employee within the organization (Alfawzan, 2016). The primary data are obtained from civil servants in Pakistan from mainstream public sector organizations (Buschor, 2013). The inherent assumption is that the civil servants of grade 17 and above have very vast knowledge on the dimensions in this research as the organizational dynamics influence their performance and ultimately these participants coordinate managerial processes and organizational performance. Survey method is such a type of study which involves primary data collection from a sample of element drawn from a well-defined population (Ojo, 2016). The complexity of study and understanding of users derive to use a singular particular method (deHaaff, 2017).

Furthermore, the administrators and managers have an authority to change managerial processes and lead overall organizational climate. More specifically, whether civil servants play an active participation in processes of conflict management and they are responsible to maintain pleasant environment in their respective organizations. Corrective actions are required to be taken by them to manage organizational outcomes and conflicts and they also change management strategies to choose a proper design and process of a matching structure. This study is designed based on the organizational behavior and conflict management by measuring perceptions of public employees having scale 17 or above on organizational politics, dynamics, conflicts and performance. The study aims at investigating the relationship between explanatory variables along with conflict management effectiveness, organizational politics with perceived organizational performance. The predictive qualities of explanatory variables were also verified towards conflict management and performance. The instrument of questionnaire is attached in Appendix.

### **3.4.2 Study Setting & Time Horizon**

The study is non-contrived in nature. The whole data are gathered in natural environment without any controlled or artificial arrangements. The chosen components are assumed to be appropriate and accurate keeping in view the objectives of the study despite some inherent limitations (Jones & George, 2017). The researcher showed minimum interference to execute this study. This is a cross-sectional study wherein research efforts were made at a single point of time for each subject or system to be studied. It is endeavored for collection of data to observe the responses of target subjects at a particular point of time. Civil servants were approached to obtain the questionnaires duly filled in.

### **3.4.3 Population & Sample**

Population is referred to as a full set of case out of which a sample is drawn out or taken from (Ford, 2018; Gorard, 2013). The population for this study is the employees working in government organizations. These government organizations work in less responsive, less participatory and more bureaucratic environment (Park & Kim, 2016). These public sector organizations work under the direct control of respective ministries and political governments. A ministry is a government department to administer the public organizations under their jurisdiction (deHaaff, 2017; Yilmaz, Ozer & Gunluk, 2014). This study comprises of quantitative data. The primary data is the first-hand data and was collected from the civil servants of Pakistan. The most reasonable sample for the purpose of this study is 'civil servants' working in mainstream public sector organizations of basic pay scale 17 or above having the relationship conflicts, task conflicts and internal organizational politics and verify the bureaucratic role with the politicians sustaining the power-sharing and even playing a role in resolving these issues. Sample is selected from population because whole population could not be analyzed within limited time and resources (Gorard, 2013; Heinz, 2016). Public sector organizations are widely scattered and expanded in different corners of Pakistan even in sensitive areas of high insurgencies. Thus, the study is delimited to geographically and organizations under government control were treated as the population of the study. In a nutshell, irrespective of sector and type of organization, any organization under the control of federal and provincial government constitutes the population of this study (McKibben, 2017).

### **3.4.3.1 Sample Frame**

Gorard (2013) referred to sample frame as a listing of accessible population from which a researcher draws his research sample. The sample is that unit from which data is collected which thereafter provides the basis of analysis and subsequent generalization (Cole, 2018). A sample is that selected part of population which comprises of a group drawn from target population. The sampling unit for this study is the civil servants of public sector organizations of Pakistan (See Table 3.2).

### **3.4.3.2 Subject, Procedure & Sample Size**

This study is an attempt to know the perceptions of civil servants and the expected causes and effects to be held at various hierarchical levels in offices. For data collection, employees were approached irrespective of the position and cadre. Convenience sampling was used wherein sampling units are selected based on availability and easy access being time-saving and economical method (Heinz, 2016; Louis & Caphem, 2018). Researchers explained that a sample size between 30 and 500 subjects is appropriate for empirical studies (Cole, 2018; Park & Kim, 2016; Spano. 2014). Among thousands of employees working in public sector organizations on basic scale 17 or above in different capacities, it was targeted to collect sample size of around 1050 civil servants. To achieve target sample size, total 1050 questionnaires were floated to the population of study.

Due to sample accessibility restrictions and budgetary restrictions, the study surveyed a sample of 815 bureaucrats in public sector organizations in Lahore and Islamabad. The city Lahore is major hub and Islamabad being capital, both covering a major sampling pool of public offices and could have generalizability into population of public administrators in general field of government organizations. Specifically, the study aims at examining the internal dynamics of public sector organizations thus the bureaucrats could be a representative of all the public officials. This study surveyed bureaucrats and collected data from diverse public organizations. The total number of questionnaires distributed 1050 among civil servants and sample was 815 of completed responses and the response rate was 77.61 % (N=815). In this study, the Public Sector Organizations (PSOs) of Pakistan mainly include: (See Table 3.1 & 3.2)

**Table 3.1: Names of Participating Organizations of Pakistan**

Name of Public sector Organization
Federal Board of Revenue (FBR) & Customs House
Punjab Police
State Bank of Pakistan (SBP)
Water and Power Development Authority (WAPDA)
National Transmission Dispatch Company Ltd. (NTDCL)
State Life Insurance Corporation (SLIC)
Lahore Chamber of Commerce & Industry (LCCI)
Trade Development Authority of Pakistan (TDAP)
Pakistan Telecommunication Authority (PTA)
Pakistan Telecommunication Company Limited (PTCL)
Pakistan Post
Pakistan Railways
Board of Investment Pakistan (BOI)
Pakistan Electronic Media Regulatory Authority (PEMRA)
Oil & Gas Regulatory Authority (OGRA)
National Electric Power Regulatory Authority (NEPRA)
Pakistan Cricket Board (PCB)

**Table 3.2: Summary of Population & Sample Selection Process**

Sample Selection Technique	Convenience Sampling
Unit of Analysis	Civil servants of public sector organizations
Sample Frame (Total Administered Questionnaires)	1050
Duly filled in (N)	815
Response rate	77.61%

*Source: Author's Field Survey*

### **3.5 Instrumentation**

Research efforts are required to promote research culture in government institutions. The participants respond in haste because they are either not comfortable or feel reluctant which can have drastic effects on the result of the study (Sachs & Kayser, 2017).

Considering all these constraints, the researcher has tried to adopt a reliable and precise instrument reason being, lengthy questionnaire may create abrupt response or psychological inconvenience (Staniok, 2016). The statistically reliable items are adopted to measure each variable. In this study, the availability of data drives the choice of indicators. Questionnaires are the widely used instrument for collecting primary and first hand data form a large sample (Villmer, 2015). Structured questionnaires were used to collect the data on the variables such as development culture, hierarchical culture, decentralization, goal ambiguity, perceived organizational politics, relationship conflict, task conflict, conflict management effectiveness and organizational performance.

The questionnaire consists of the demographics of respondents like age, gender, name of organization, job experience, education, type of organization and rank of respondent while in second section are the items of all the constructs. Data were obtained from public office holders mainly the civil servants for 815 cases. Total 1050 questionnaires were distributed and out of them, 815 were properly returned from the civil servants. All the items were measured on a five point Likert scale (1=Strongly Disagree to 5=Strongly Agree) with different options depending on the nature of items (Koh & Coles, 2019). This Likert scale helped in measuring magnitude or intensity of responses made by the subject. Likert scale avoids the dichotomy of yes or no response and help to code responses for statistical process. For the hypothesized model, responses of civil servants were taken for variables of organizational performance. Traditionally, performance has been evaluated using primary data. It is difficult to specifically quantify the performance of government organizations. It is less biased and easier to analyze the objective data but it is not always available in case of public agencies. On the basis of perceptions of civil servants, data of subjective measures or perceptual dimensions were collected for analysis (Suhonen & Tiirinki, 2018; Heinz, 2016). The details of the variables for this study are as follows:

## **3.6 Measurement of Constructs**

All the scales were adopted from the previous researches.

### **3.6.1 Independent Variables**

#### **3.6.1.1 Goal Ambiguity (Coded as GA)**

Goal Ambiguity may be categorized into priority, evaluative, directive and mission ambiguity (Chun & Rainey, 2005). It was found that these types negatively affect organizational performance. Based on Rainey's (1983) scale, this study uses a summative index for goal ambiguity. In other words, goal ambiguity is a control variable affecting organizational performance in the study but not a key independent variable. The extent of agreement to disagreement was asked from the respondents through following two questions:

- My organization has clarity in its goals (reverse item).
- The goals of this organization are easily explainable to others outside the organization (reverse item).

#### **3.6.1.2 Development Culture (Coded as DC)**

Quinn and Rohrbaugh (1981) proposed *comparative norms model* to measure organizational culture. Zammuto and Krakower (1991) operationalized it. The instrument has been adopted according to public administration research as by Moynihan and Pandey (2005). The extent of agreement to disagreement was asked from the respondents through following questions:

- Focus of my organization is on readiness to meet new challenges, acquiring new resources and growth.
- Employees of my organization work in dynamic environment and show willingness to take risks.
- My organization tries to be proactive and vigilant through a glue of commitment.

### **3.6.1.3 Hierarchical Culture (Coded as HC)**

- Stability and continuity are core features of my organization.
- My organization is well-formalized to follow bureaucratic procedures for good governance.
- My organization believes in formal policies and rules to maintain smooth-running of its operations

### **3.6.1.4 Decentralization (Coded as DCT)**

Aiken and Hage (1968) originally measured decentralization using three-item scale. This study uses a summative index adopted modified items of (Moynihan & Pandey, 2005) to measure the decentralization state of organizations. The extent of agreement to disagreement was asked from the respondents through following questions:

- People are discouraged at once here for taking their own decisions.
- A final decision is given by only the higher authority even in minor matters.
- The approval of a higher authority is ultimately required for actions and decisions to be taken here.

### **3.6.1.5 Perceived Organizational Politics (Coded as POP)**

The original *Scale of Perceived Organizational Politics* containing six items was suggested by (Kacmar & Ferris, 1991). Many previous studies of organizational politics used this POP such as (Vigoda, 2001; Huang, Chuang & Lin, 2003). The variable is measured carefully by a 6-item scale on the basis of literature review. The extent of agreement to disagreement was asked from the respondents through following questions:

- Fear of retaliation keeps employees silent here in this organization.
- Policies are modified here not in favor of whole organization but only in favor of few individuals.
- My organizational employees try to build themselves by underestimating others.

- A specific group of my organizational employees do unchallengeable things.
- The people of this organization believe in hard work to receive rewards.
- Instead of merit, favoritism is a yardstick to get ahead here in this organization.

As mentioned earlier, although the scale has been previously used in studies of organizational politics yet some studies aimed to examine the link between objective measures of organizational conflicts and the POP scale. The POP scale is a subjective measure and somehow gives a negative connotation. Hence this study particularly tries to develop a comprehensive model of measures of conflict and organizational politics simultaneously in a research model to verify the mutual relationship of the dimensions and their impact on overall organizational performance.

#### **3.6.1.6 Relationship Conflict (Coded as RC)**

*Intragroup Conflict Scale* by (Jehn, 1995) has been used in previous studies of organizational conflicts such as (Jehn & Mannix, 2001; Tidd, McIntyre & Friedman, 2004) to determine type and amount of conflict as relationship and task conflict. Task and Relationship conflict have been assessed using a four-item summative scale. The scale is quite effective when the unit of analysis is the organization (a group or team) because the scale items refer to conflict in your work group. So this scale is appropriate to use as the unit of analysis in this study is the public sector organizations. Task conflict is assessed by slightly modified version of 4-item scale of (Jehn, 1995). Employees are indulged in “plotting” here behind the scenes.

- Parties used to undermine each other in various matters on frequent basis.
- People at workplace usually are involved in backbiting against each other.
- The organizational atmosphere is frequently charged with unfriendly climate and hostility.
- Employees are indulged in “plotting” here behind the scenes.

### **3.6.1.7 Task Conflict (Coded as TC)**

Task conflict is measured based on *Organizational Conflict Scale* four-item scale by Cox (2003). This scale focuses on perceptual behavior of active conflict and active hostility found in task conflict.

- My colleagues have differences of opinions.
- My colleagues have conflicts of ideas at workplace.
- My organization value conflicts regarding work responsibilities.
- My organization allow healthy disagreements of opinions for the work being done arise among employees.

### **3.6.2 Mediating Variable**

#### **3.6.2.1 Perceived Conflict Management Effectiveness (Coded as CME)**

Many previous studies have focused on conflict management, yet fewer studies have attempted to assess effectiveness of conflict management. Rather less studies developed index variables representing styles of conflict management to verify the link of conflict management strategy with organizational outcomes. It has been hard to interpret styles into respective equivalence (Louis & Caphem, 2018; Ford, 2018; Robin & Rice, 2017; Rahim, 2002). Thus, researchers used to select general dimensions of styles to assess behaviors and patterns of conflict management. The authors have developed the index variables using several instruments to measure styles of conflict management. Rahim (2002) proposed and used the instrument called the Rahim Organizational Conflicts Inventory-II (ROCI-II) instrument. This instrument has frequently been used previously (Rahim, 2001, 2002; Frone, 2000; Lee, 2002; Desivilya & Eizen, 2005). Since no indicator is there to test the conflict management effectiveness, this study formed an index variable using indicators of conflict management styles based on ROCI-II instrument.

In general, problem solving and cooperative styles of conflict management are deemed as adequate styles but avoiding and dominating styles of conflict management are

termed as negative styles. Furthermore, each style of conflict management is measured using three items on 5-point Likert scale. Each style ranges from 1 to 5. The responses to the 3 survey items against each style are averaged to create subscale and a higher score depicts usage of a style of conflict management (Louis & Caphem, 2018; Ford, 2018; Robin & Rice, 2017; Rahim, 2002). The conflict management effectiveness has been measured by using slightly modified versions of the instrument ROCI-II. The extent of agreement to disagreement was asked from the respondents through following questions:

#### **3.6.2.1.1 Integrating (Coded as IN)**

- All concerns are brought open by the employees to resolve issues in the best possible way in this organization.
- Issues are investigated by employees here for an acceptable remedy to the whole organization.
- Accurate information is exchanged among employees for solving a problem collectively.

#### **3.6.2.1.2 Avoiding (Coded as AV)**

- Arguments among each other are avoided up to the maximum extent among organizational members.
- Mutual Disagreements are avoided maximum among the organizational stakeholders.
- Hard feelings are avoided by staying away from the mutual disagreements.

#### **3.6.2.1.3 Dominating (Coded as DO)**

- Power for winning competitive situations is often used by employees of my organization.
- Influence for getting ideas accepted is used by the employees of my organization.
- Authority for making favorable decisions is used by my organizational employees.

#### **3.6.2.1.4 Obliging (Coded as OB)**

- Expectations of the stakeholders are satisfied by employees of this organization.
- Employees of my organization usually agree with the desires of the stakeholders.
- Wishes of members are generally accommodated by employees of my organization.

#### **3.6.2.1.5 Compromising (Coded as CO)**

- Mutual negotiations are made among employees to reach compromise in this organization.
- Compromises are made in this organization using a practice of “give and take”.
- Mid grounds are suggested by employees of this organization to break deadlocks.

### **3.6.3 Dependent Variable**

#### **3.6.3.1 Perceived Organizational Performance (Coded as OP)**

Previous evidences show perceptual measures of organizational performance have a strong relation to objective measures of organizational performance (Vickers, 2017). Organizational performance of public sector is a complex, subjective and hard to measure phenomenon through objective indicators (Buschor, 2013). Relatively objective and common quantifiable performance measures in public sector exist rarely to determine organizational performance (Carmeli & Tishler, 2004). Here perceived measures of organizational performance are used in this study. All the five survey items for organizational performance (OP) are adopted from study of (Ospina & Zaltmans, 2004). The extent of agreement to disagreement was asked from the respondents through following questions:

- The vision, mission and values of this organization are clearly communicated by organizational employees.
- For the last few years, the client satisfaction and organizational productivity has gone up in comparison of productivity of other government organizations.

- My organization has become more efficient in terms of using best of competencies and knowledge of employees.
- In case performance standards are not met by employees, corrective measures are taken in this organization.
- General public gets a worthwhile return on its tax rupees in terms of work done by my organization.

### **3.7 Psychometric Properties of Instrument used for this Study**

The questionnaire as a whole has been adopted as per the contextual settings of public sector organizations of Pakistan and was taken from the studies of (Mesling, 2017; Staniok, 2016). Psychometric properties refer to the reliability and validity of the instrument used for the study. The consistency of items and accuracy of results was tested to avoid overlapping in meanings of items. Validity and reliability of results gauges the research quality (Hair, Hult, Ringle & Sarstedt, 2017).

#### **3.7.1 Validity and Reliability of Instrument**

Validity is defined as that either the instrument is actually measuring what it has been supposed to measure (Bryman & Bell, 2008). Validity is the extent of accuracy to which a scale represents the concept of interest. This study ensured the construct, face and content validity of instrument. This study also ensured that there is a correspondence between the construct and operational procedure for measuring the construct. Construct validity exists if Eigen value is equal to or more than 1. The unidimensionality of the constructs is investigated and survey instrument is validated by conducting factor analysis i.e. Principal Component Analysis (PCA) with varimax rotation.

Reliability refers to as the information and results are consistent repeatedly while measuring whatever the survey instrument is supposed to measure. Reliability is important for measurement quality and consistency of measures. A measurement is reliable if it yields same results repeatedly. Random errors in measurement are also minimized using reliability. For this study, the reliability of instrument has been ensured by measuring the internal consistency of items to check the scores of a single respondent on multiple indicators

(Bryman, 2012). The most widely used method to test internal reliability is Cronbach's Alpha. The average of all possible split-half reliability coefficients are calculated varying value from 0 (no internal reliability) to 1 (perfect internal reliability). As a thumb rule, cut off value of 0.80 is acceptable internal reliability (Brooks, 2002). In this study, to ensure the internal consistency and reliability of the instrument, Cronbach's alpha is computed.

### **3.8 Pilot Testing**

The pilot study is conducted to check the internal consistency and inter-rater reliability of the instrument. Pilot study has been conducted on comparatively a smaller scale to check the consistency and reliability of the instrument. To ensure the internal consistency and reliability of the instrument, Cronbach's alpha is computed. To check the validity and reliability, several tests were employed. Validity refers to the degree to which a study measures what it purports to measure while reliability is an estimate of internal consistency and accuracy of a measurement instrument. Prejudice, insufficient supporting reasons and evidence for final conclusions, personal arguments and views affect the validity and reliability (Vaughan-Jones, 2010). The accurate arguments and views of the respondents lead to achieving high validity and reliability. A pilot sample of 40 questionnaires were collected and analyzed to confirm the reliability of items and validity of the survey instrument. Cronbach alpha calculated was 0.771 near to benchmark value of 0.80 for this sample. The results of pilot testing have provided a ground to move ahead for distributing the survey questionnaires to a large number of civil servants and public officers to extract the findings (See table 3.3).

**Table 3.3: Variable-wise Reliability of Pilot Study**

Variable Code	Cronbach's Alpha	No. of Items
Overall Reliability	.771	45
DC	.822	3
HC	.852	3
GA	.873	2
DCT	.845	3
RC	.916	4
TC	.814	4
POP	.837	6
OP	.863	5
IN	.850	3
AV	.855	3
DO	.833	3
OB	.826	3
CO	.789	3

Source: Author's Field Survey

**Table 3.4: Variable Description & Survey Questions**

Code of Variables	Items of Survey
DC	Focus of my organization is on readiness to meet new challenges, acquiring new resources and growth. Employees of my organization work in dynamic environment and show continuous willingness to take risks.
HC	My organization tries to be proactive and vigilant through a glue of commitment. Stability and continuity are core features of my organization. My organization is well-formalized to follow bureaucratic procedures for good governance. My organization believes in formal policies and rules to maintain smooth-running of its operations.
GA	The goals of this organization are easily explainable to others outside the organization. My organization has clarity in its goals.
DCT	People are discouraged at once here for taking their own decisions. A final decision is given by only the higher authority even in minor matters.

---

	The approval of a higher authority is ultimately required for actions and decisions to be taken here.
POP	<p>Fear of retaliation keeps employees silent here in this organization.</p> <p>Policies are modified here not in favor of whole organization but only in favor of few individuals.</p> <p>My organizational employees try to build themselves by underestimating others.</p> <p>A specific group of my organizational employees do unchallengeable things.</p> <p>The people of this organization believe in hard work to receive rewards.</p> <p>Instead of merit, favoritism is a yardstick to get ahead here in this organization.</p>
RC	<p>Employees are indulged in “plotting” here behind the scenes.</p> <p>Parties used to undermine each other in various matters on frequent basis.</p> <p>People at workplace usually are involved in backbiting against each other.</p> <p>The organizational atmosphere is frequently charged with unfriendly climate and hostility.</p>
TC	<p>My colleagues have differences of opinions</p> <p>My colleagues have conflicts of ideas at workplace.</p> <p>My organization value conflicts regarding work responsibilities.</p> <p>My organization allow healthy disagreements of opinions for the work being done arise among employees</p>
IN	<p>All concerns are brought open by the employees to resolve issues in the best possible way in this organization.</p> <p>Issues are investigated by employees here for an acceptable remedy to the whole organization.</p> <p>Accurate information is exchanged among employees for solving a problem collectively.</p>
AV	<p>Arguments among each other are avoided up to the maximum extent among organizational members.</p> <p>Mutual Disagreements are avoided maximum among the organizational stakeholders.</p> <p>Hard feelings are avoided by staying away from the mutual disagreements.</p>
DO	<p>Power for winning competitive situations is often used by employees of my organization.</p> <p>Influence for getting ideas accepted is used by the employees of my organization.</p> <p>Authority for making favorable decisions is used by my organizational employees.</p>
OB	<p>Expectations of the stakeholders are satisfied by employees of this organization.</p> <p>Employees of my organization usually agree with the desires of the stakeholders.</p> <p>Wishes of members are generally accommodated by employees of my organization.</p>
CO	Mutual negotiations are made among employees to reach compromise in this

---

---

OP	<p>organization.</p> <p>Compromises are made in this organization using a practice of “give and take”.</p> <p>Mid grounds are suggested by employees of this organization to break deadlocks.</p> <p>The vision, mission and values of this organization are clearly communicated by organizational employees.</p> <p>For the last few years, the client satisfaction and organizational productivity has gone up in comparison of productivity of other government organizations.</p> <p>My organization has become more efficient in terms of using best of competencies and knowledge of employees.</p> <p>In case performance standards are not met by employees, corrective measures are taken in this organization.</p> <p>General public gets a worthwhile return on its tax rupees in terms of work done by my organization.</p>
----	--

---

Table 3.4 summarizes variable description and survey questions. Based on previous studies, this study attempted to design the survey questionnaire and all of the survey items have been adopted as frequently used in studies of organizational behaviors in the fields of public and business administration. Since the survey items have been taken from various studies, minor modifications have been made for consistency of wordings and standardization of terminologies.

### **3.9 Data Collection Procedure**

#### **3.9.1 Survey Instrument**

The structured questionnaire was distributed and data were collected from different public sector organization for the purpose of the study. The questionnaire has 2 sections and 45 questions. The front page consists of a cover letter, the first section comprises of all 45 items with coded variables. Mostly responses were measured on five-point Likert scale (1=Strongly Disagree to 5= Strongly Agree). The second section is based on demographic information of the participants of this study. Although for universal research, there is no ideal number of rating scale categories (Cox, 1980). The study used a 5-point Likert scale for questions measuring conflict management effectiveness as this was recommended by (Louis

& Caphem, 2018; Ford, 2018; Robin & Rice, 2017; Rahim, 2002). As a matter of fact, a single question cannot capture complex psychological perceptions; therefore multiple questions are used for reliability and validity of survey responses. Hence summative index variables are used in this study to test the hypotheses through Smart PLS-SEM.

### **3.9.2 Sampling Technique**

Because of the characteristics of the population of study, convenience sampling technique was used to determine and chose the sample of civil servants of basic pay scale 17 or above for this study. This technique is helpful in selecting information-rich cases that can provide numerous core aspects about the conflicts and the politics which they face in their respective departments and organizations (Jones & George, 2017; Ford, 2018).

### **3.9.3 Recruitment of the Sample**

To recruit the prospective participants, flexible recruitment criteria were used for capturing the richness of diverse sample (Gorard, 2013). The targeted managerial employees were recruited for the study i.e. the civil servants and managerial employees who act as the middlemen between the top administration and lower management, managers institutionalize their organizations through reform implementation and managers are the people who resolve the conflicts arising out in subordinate staff. The criteria are kept flexible and wide so that diverse and possibly multiple perspectives could be included for the purpose of the study.

### **3.10 Methods of Data Analyses**

Based on stated research questions, data collected from the field were processed individually. Tables and charts of frequency distribution, descriptive statistics, correlation, regression and PLS-SEM were employed to facilitate the lucid presentation of facts (Staniok, 2016). The data were processed and analyzed in the software Statistical Package for Social Science (SPSS) version 20. This cross-sectional study considers quantitative methodology employing tests of smart Partial Least Square (PLS) Structural Equation Modeling (SEM) to test the hypotheses of the study (Gorard, 2013). Public Administration provides a starting point and the conceptual framework for this research within which the data are collected and

analyzed (McKibben, 2017; Villmer, 2015). The fundamental purpose of this chapter is to develop a golden thread for data analysis and findings (see Ch 4).

### **3.11 Linear Regression Analysis**

In social sciences, research models are carefully designed out of previous studies and theories. The dependent and independent variables are set with exercise of careful consideration by researchers. The purpose of using simple linear regression is to estimate the relationships between quantitative variables and verify the strength of those existing relationships. The research objectives of the study demand to trend forecasting, show the predictability power of explanatory variables, forecasting the effects of independent variable on dependent variable and determine the strength of predictors (Sachs & Kayser, 2017).

### **3.12 Structural Equation Modeling (SEM) Analyses**

This section includes descriptions of structural equation modeling and hypotheses testing. SEM is essentially employed to further examine the role of mediating variable of conflict management effectiveness (CME) in research framework (Gorard, 2013). Smart Partial Least Squares Structural Equation Modeling PLS-SEM 3.0 was employed to perform SEM analyses with partial least square estimation (PLS). On the basis of information provided by smart PLS-SEM 3.0 program for model specification, this study tested the measurements of variables in order to develop an appropriate model (Field, 2013). Thus confirmatory factor analysis (CFA) was conducted for finding a best measurement model and afterwards structure equation model was modified on the basis of modification information of PLS SEM 3.0 program and indices of model fit.

Variable of CME has been computed by transforming all the five types into index variable. Five styles of conflict managing strategies have been discussed in this study such as integrating (IN), avoiding (AV), dominating (DO), obliging (OB) and compromising (CO). The computation to create CME assumes that selection of strategies of conflict management is influenced by dynamics of organizations like intraorganizational conflicts and organizational politics. Under this assumption, the hypotheses were raised for the purpose of this study. The importance and assessment of mediating variable CME in the mid relationship

between independent and dependent variables is quite clear in results of regression. Hence, structural equation modeling proves to be the most suitable method for the purpose of this study ((Henseler, Ringle & Sarstedt, 2015).

Based on the correlation analysis in chapter 4, the study examines the relationship of mediating variable CME with other variables. The results indicate that the mediating effects of CME can possibly be recognized in the conceptual model of the study. The reasons have been explained in this study for not considering CME as an independent variable in regression analysis. However, before moving forward to develop the structural equation model to test the hypotheses, it is essential to verify the relationships between CME and independent variables for the confirmation of mediating influence of conflict management effectiveness (Heinz, 2017). This research study attempts to investigate the association of organizational and human factors with the organizational performance. The combination of independent variables include the developmental and hierarchical culture, goal ambiguity, decentralization, intraorganizational conflicts such as relationship and task conflicts and perceived organizational politics with special reference to mediating role of conflict management effectiveness with performance of organizations. The dependent variable is performance of public sector organizations of Pakistan. Paying due consideration to the vital role of conflict management effectiveness as a mediator in linkage between the independent factors and dependent factor, both the direct and indirect effects of independent variables have been examined on performance of organizations through SEM analyses.

### **3.13 Chapter Summary**

This chapter has presented methodology for investigating hypotheses of study. The research studies demand an adequate starting point for research and on research strategy or conceptual framework within which evidence is collected and analyzed. The chapter establishes rationale for adopting approach and sample description. Then this chapter covers the sample selection, unit of analysis and population. Then this chapter highlights the instrumentation, independent, mediating and dependent variables then pilot testing and variable description with survey questions. The fundamental purpose of this chapter is to develop the golden thread for the research analysis and findings (see Ch 4).

## CHAPTER FOUR: ANALYSIS AND RESULT

### 4.1 Initial Findings, Responses & Reliability

This chapter includes all the preliminary statistical analyses and summarizes the survey results. This chapter is organized as follows: Section 4.1 provides the reliability test for the instrument, Section 4.2 includes the descriptive statistics of the respondents, Section 4.3 provides the linear regression to test the relationships of variables, Section 4.4 provides multiple regression analysis between the variables, Section 4.5 provides the smart PLS SEM model assessment as it includes Section 4.5.1 of the measurement model with explanation and Section 4.5.2 of the structural model with explanation using Partial Least Square Structural Equation Modelling (PLS-SEM), Section 4.6 provides mediation analysis to see the direct and indirect effects and Section 4.7 provides the importance-performance matrix analysis (IPMA), which gives insights into the possible areas of improvements to the public sector institutions.

### 4.2 Sample Description

From the sample of 1050 questionnaires among the civil servants working on basic scale 17 or above, total 815 usable questionnaires were duly filled in with complete responses. The response rate was 77.6% for the conducted survey. Few questionnaires were incomplete or returned for some reasons like the survey contained 45 questions in number being a bit lengthy and some respondents were reluctant to provide key information on such a sensitive topic. Mainly data were collected through questionnaires in person. In-person data collection is quite a time consuming activity even then the response rate is quite good enough for the purpose of results. It is better off to gather satisfactory sample size to employ statistical analyses. High response rate may not have the biasing effects on the collected data (Lowry & Gaskin, 2014). However it is complex to assess if there is a nonresponse bias or not because the demographic information for the nonresponse sample is not included in this study. Thus convenience sampling systematic survey design (modes, format, length) have been proposed to minimize the possibility of biasedness (Chen, 2015). Out of 815 respondents, more males (66.4%) responded as compared to females (33.6%) pertaining to

sample descriptions of the survey. Majority of the respondents were civil servants working in different public sector organizations.

From 815 respondents, 23 respondents (2.8%) have one year experience, 75 respondents (9.2%) having four year experience, 84 respondents (10.3%) have five year experience, 45 respondents (5.5%) have ten year experience, 33 respondents (4%) having fifteen year experience, 14 respondents (1.7%) have twenty year experience and 2 respondents are having twenty-seven and thirty-three year experience in the total valid sample of public organizations.

### 4.3 Data Normality Tests

Normality of data is tested to conduct regression analyses and structural equation modeling. Data should be normally distributed for the mentioned analyses. If data are not normally distributed; smart PLS SEM may be employed. Skewness and Kurtosis are usually used to test the normality of the data. When data are normally distributed, Skewness and Kurtosis range between +2 to -2. But for a stricter standard according to conservative researchers, it may range from +1 to -1. Table shows the skewness and kurtosis of data.

**Table 4.1: Skewness & Kurtosis for the Test of Normality**

	N	Mean	Std. Dev	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
DC	815	3.2143	1.35934	-.280	.086	-1.678	.171
HC	815	3.3018	1.35696	-.395	.086	-1.597	.171
GA	815	3.3288	1.39646	-.398	.086	-1.583	.171
DCT	815	3.3321	1.34002	-.430	.086	-1.559	.171
RC	815	3.1233	1.36295	-.154	.086	-1.762	.171
TC	815	3.7061	1.91636	.247	.086	-1.539	.171
POP	815	3.1873	1.28655	-.260	.086	-1.646	.171
CME	815	3.2221	1.08149	-.342	.086	-1.297	.171
OP	815	3.3217	1.31594	-.418	.086	-1.604	.171
Valid N (listwise)	815						

**Table 4.2: Shapiro-Wilk Statistics for the Test of Normality**

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	Df	Sig.
DC	.237	815	.000	.817	815	.000
HC	.251	815	.000	.811	815	.000
GA	.261	815	.000	.802	815	.000
DCT	.262	815	.000	.810	815	.000
RC	.224	815	.000	.814	815	.000
TC	.158	815	.000	.872	815	.000
POP	.201	815	.000	.841	815	.000
CME	.126	815	.000	.909	815	.000
OP	.241	815	.000	.801	815	.000

*Lilliefors Significance Correction*

Above given tables show that Skewness and Kurtosis ranges between +1 to -1. Kolmogorov-Smirnov test is also applied to test the normality of data and it shows that the values of variables are significant therefore data are not normally distributed. The Shapiro-Wilk statistics are not equal to 1.00, the given data are not having normal distribution. According to the normality tests applied, overall the data are not in perfect normal distribution.

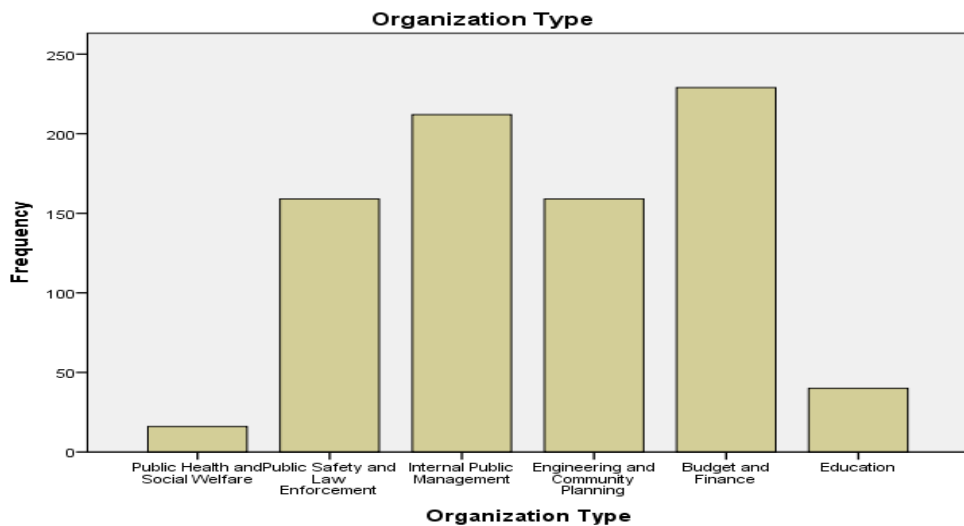
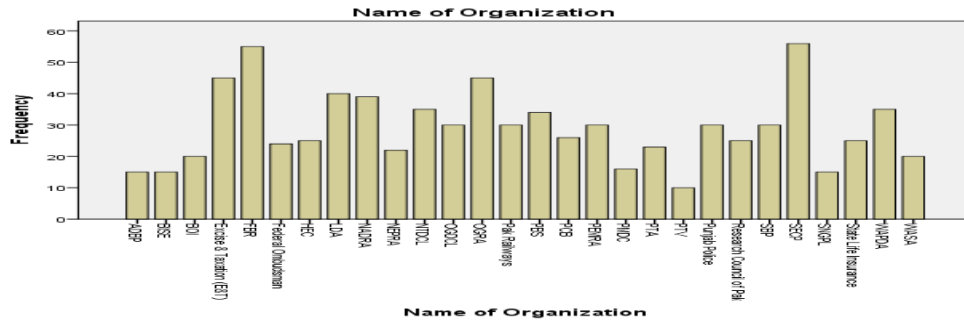
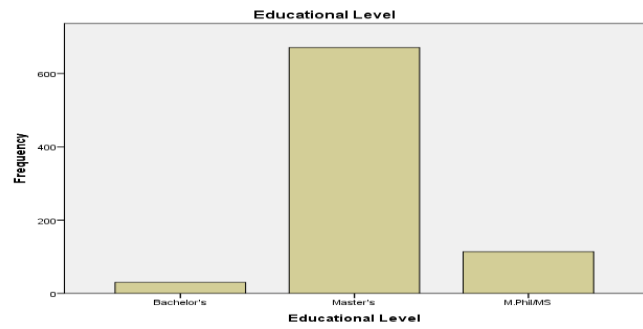
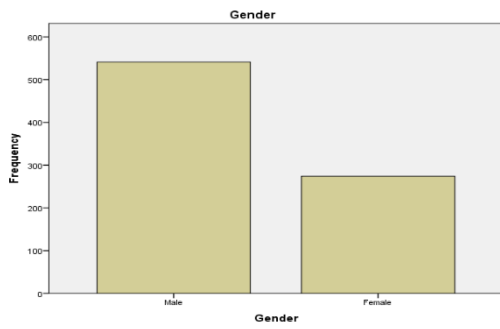
**Table 4.3: One Sample Kolmogorov-Smirnov Test**

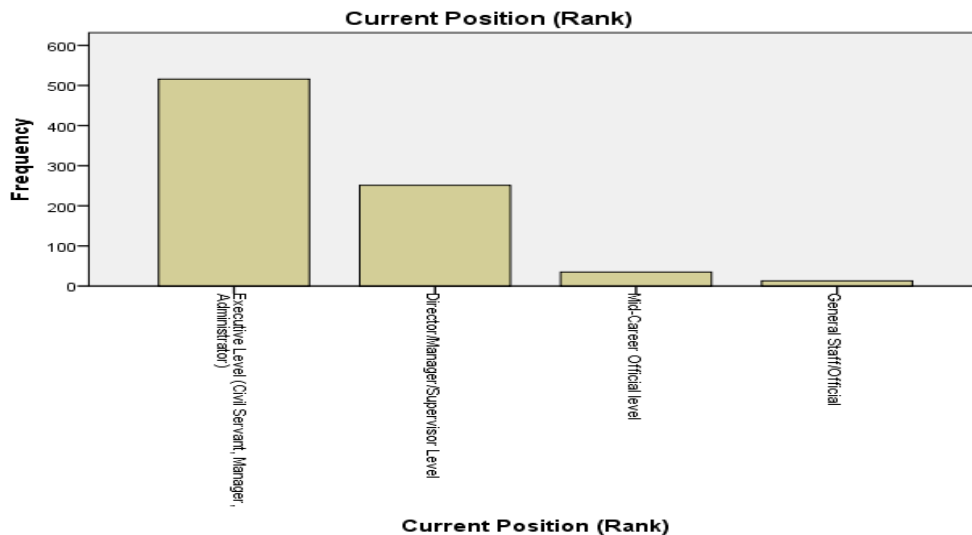
	Age of Respondents	Experience in this Org.
Kolmogorov-Smirnov Z-Value	3.388	3.672
Sig. (2 tailed)	.000**	.000**

*\*\* Significant at the level of 1% or 0.01*

**Thumb Rule:** One sample Kolmogorov-Smirnov Test was applied to check normality of data. Table shows that age and experience of respondents is significant at 1%. Data are not normally distributed.

#### 4.4 Frequency Distribution (Demographic Profile of Respondents)





**Figure 4.1: Bar Charts for Demographic Profile**

**Interpretation:** Regarding Gender, out of a sample of 815 respondents, 541 males (66.4%) and 274 females (33.6%). Majority participants are having 5 to 8 year experience of their respective jobs. With regard to education, 671 (82.3%) respondents are having Master’s degree while 114 (14%) respondents are having MS/MPhil degree and 30 (3.7%) are Bachelor’s qualified. Majority of respondents (28.1%) are taken from government offices of budget & finance and (26.0%) from internal public management. Others (19.5%) from each public safety & law enforcement and engineering & community planning, (4.9%) from education and (2.0%) from public health and social welfare are working in public offices considered in this study. Furthermore, majority of respondents (63.3%) were from ranks of executive levels, respondents (30.8%) were managers and 4.3% from mid-level officers. More information about sample is provided in Appendix.

**Missing Values:** Missing values are handled through various methods like mean imputation, regression imputation, mean substitution, multiple imputation and full information maximum likelihood (FIML). Missing values are estimated through these methods by imputing from the other values within the latent variables. There are no missing values in sample being effective for the SEM analysis. For reliability tests, descriptive statistics, confirmatory factor analysis and regression analyses, this study has used the full information. The sample size for Smart PLS SEM is 815.

#### **4.5 Reliability Tests & Confirmatory Factor Analyses (Uni-dimensionality)**

In social sciences, it is difficult to observe and measure human perceptions, preferences, attitudes, behaviors and other social, individual and organizational factors. These variables which are not directly measurable, they are named as latent variables in social sciences. Therefore survey questionnaires are used to quantify these variables so that latent variables could be measured using observable indicators (Temfn & Lec, 2018; Spano, 2014). Multiple survey items are used to measure a latent variable as they are not measured using a single item. On the basis of these grounds, it is essential to test the reliability or internal consistency of each composite variable. Reliability of survey items is tested by employing the Cronbach Alpha test. A cut off value of 0.8 is deemed good. Furthermore, the construct validity of items of latent variables has been tested by employing confirmatory factor analysis in order to deduce survey items by factor loadings or grouping survey items.

Factor analysis is conducted using Principal Component Analysis (PCA) technique and varimax rotation method in order to confirm the construct validity. To see that either the data are adequate to apply for factor analysis, the KMO measure of sampling adequacy and Bartlett's test of sphericity has been employed. The condition of factor analysis is that the dimensions of a construct are correlated. Factor analysis reduces the data from a large number of items into a smaller number of uncorrelated factors. Sampling adequacy shows the strength of connection between variables while sphericity shows that a construct's components are orthogonal. The study employs a Principal Factor Analysis for confirmatory factor analyses with Varimax Rotation method and (Kaiser-Meyer-Olkin) KMO and Bartlett's statistics of sphericity to check sampling adequacy and appropriateness of factor model. Since factor loading has no absolute cut off value standard yet 0.6 or above is considered quite well (Garson, 2010). It is recommended that values of communalities are required to be higher than 0.6 and satisfactory at 0.5. The KMO measure of sampling adequacy shows the suitability of applying factor analysis. The KMO value varies in between 0 & 1. Values falling between 0.5 and 0.7 are mediocre. As a thumb rule, the KMO value equal to or greater than 0.6 is good and acceptable and the value nearer to 1 is better and desirable. Values between 0.8 and 0.9 are best but values above 0.9 are excellent.

#### 4.5.1 Development Culture (DC)

**Table 4.4: DC Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained**

Cronbach's Alpha		No. of Items				
.879		3				
	N	Minimum	Maximum	Mean	Std. Deviation	
DC1	815	1	5	3.20	1.504	
DC2	815	1	5	3.23	1.534	
DC3	815	1	5	3.21	1.507	
DC	815	1.00	5.00	3.21	1.359	
Valid N (Listwise)		815				
Variables			KMO & Bartlett's Test		Sig.	
Developmental Culture			.741		.000	
Component	Initial Eigen Values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.415	80.485	80.485	2.415	80.485	80.485
2	.324	10.803	91.288			
3	.261	8.712	100.000			

*Extraction Method: Principal Component Analysis*

Component Matrix		Component	
		1	
DC1		.886	
DC2		.897	
DC3		.909	

*Extraction Method: Principal Component Analysis*

a. 1 components extracted

**Interpretation:** Table 4.4 shows results of reliability analysis, descriptive statistics and factor loadings of development culture (DC). For current sample, the estimated value of Cronbach’s Alpha coefficient is 0.879 which examines the reliability and internal consistency of the items or measures. The high Cronbach’s alpha value for each above construct implies that these are internally consistent. Further items of each construct measure the same content universally. Higher the Cronbach’s Alpha value for a construct, higher is the reliability of measuring the same construct. Mean values show the overall average responses of majority of the respondents. This variable has three items having a Mean value of 3.21 and SD value is 1.36. Standard deviation values indicate that up to what extent the values have been dispersed from their respective average central point. High standard deviation values have higher dispersion from their respective means. Consistent data of responses has lesser dispersions.

The values of factor loadings are above than 0.8 which means no item is discarded. The KMO value is 0.741 and Bartlett’s test significant at 0.001 level. In above table, the KMO values are greater than 0.6 which is good. It is good to conduct the factor analysis for present data. Bartlett’s test checks the significance of the connection between the items of a construct. This test has a null hypothesis of no correlation. A p-value less than 0.05 confirm the significant relationship among variables. Above table proves the p-value is less than the 0.001 means null hypothesis is rejected. Factor analysis can be conducted now. Table shows eigenvalues and total variance explained for construct of DC containing 3 items explaining 80.48% variance. The components of a construct having eigenvalues greater than 1 are the principal components to be used for further analysis. Only 1 principal component has been extracted from the constructs above. Values of factor loadings show all related items which are loaded on just one component with the varied factor loadings ranging from 0.886 to 0.909 for DC. The above stated results meet the criteria of construct validity hence the data which is collected from the instrument is quite valid.

#### 4.5.2 Hierarchical Culture (HC)

**Table 4.5: HC Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained**

Cronbach’s Alpha	No. of Items
.884	3

	N	Minimum	Maximum	Mean	Std. Deviation	
HC1	815	1	5	3.33	1.489	
HC2	815	1	5	3.30	1.528	
HC3	815	1	5	3.27	1.499	
HC	815	1.00	5.00	3.30	1.356	
Valid N (Listwise)	815					
Variables	KMO & Bartlett's Test			Sig.		
Hierarchical Culture	.745			.000		
Component	Initial Eigen Values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.437	81.243	81.243	2.437	81.243	81.243
2	.305	10.183	91.427			
3	.257	8.573	100.000			

*Extraction Method: Principal Component Analysis*

Component Matrix	Component	
		1
HC1		.895
HC2		.898
HC3		.911

*Extraction Method: Principal Component Analysis*

a. 1 components extracted

**Interpretation:** Table 4.5 shows results of reliability, descriptive statistics and factor loadings of hierarchical culture (HC). For current sample, the estimated value of Cronbach's Alpha coefficient is 0.884 which examines the reliability and internal consistency of the items or measures. The high Cronbach's alpha value for each above construct implies that these are internally consistent. Higher the Cronbach's Alpha value for a construct, higher is the reliability of measuring the same construct. Mean values show the overall average responses of majority of the respondents. This variable has three items having a Mean value of 3.30 and SD value is 1.36. Standard deviation values indicate that up to what extent the values have been dispersed from their respective average central point. High standard deviation

values have higher dispersion from their respective means. Consistent data of responses has lesser dispersions.

The values of factor loadings are above than 0.8 which means no item is discarded. The KMO value is 0.745 and Bartlett’s test significant at 0.001 level. In above table, the KMO values are greater than 0.6 which is good. It is good to conduct the factor analysis for present data. Bartlett’s test checks the significance of the connection between the items of a construct. This test has a null hypothesis of no correlation. A p-value less than the 0.05 confirms the significant relationship among variables. Above table proves the p-value is less than the 0.001 means null hypothesis is rejected. Factor analysis can be conducted now. Above table shows the eigenvalues and the total variance explained for the construct of HC containing 3 items explaining 81.24% variance. Values of factor loadings show all the related items which are loaded on just one component with the varied factor loadings ranging from 0.895 to 0.911 for HC. The above stated results meet the criteria of construct validity hence the data which is collected from the instrument is quite valid.

### 4.5.3 Goal Ambiguity (GA)

**Table 4.6: GA Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained**

Cronbach’s Alpha		No. of Items				
.828		2				
	N	Minimum	Maximum	Mean	Std. Deviation	
GA1	815	1	5	3.32	1.498	
GA2	815	1	5	3.34	1.526	
GA	815	1.00	5.00	3.33	1.396	
Valid N (Listwise)		815				
Variables			KMO & Bartlett’s Test		Sig.	
Goal Ambiguity			.500		.000	
Component	Initial Eigen Values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.706	85.316	85.316	1.706	85.316	85.316
2	.294	14.684	100.000			

*Extraction Method: Principal Component Analysis*

---

Component Matrix	Component
	1
GA1	.924
GA2	.823

---

*Extraction Method: Principal Component Analysis*

a. 1 components extracted

**Interpretation:** Table 4.6 shows results of reliability, descriptive statistics and factor loadings of goal ambiguity (GA). For current sample, the estimated value of Cronbach's Alpha coefficient is 0.828 which examines the reliability and internal consistency of the items or measures. The high Cronbach's alpha value for each above construct implies that these are internally consistent. Higher the Cronbach's Alpha value for a construct, the higher is the reliability of measuring the same construct. Mean values show the overall average responses of majority of the respondents. This variable has two items having a Mean value of 3.33 and SD value is 1.39. Standard deviation values indicate that up to what extent the values have been dispersed from their respective average central point. High standard deviation values have higher dispersion from their respective means. Consistent data of responses has lesser dispersions. The values of factor loadings are above than 0.8 which means no item is discarded. The KMO value is 0.500 and Bartlett's test significant at 0.001 level. In above table, the KMO values are a bit below than 0.6 which is acceptable. It is good to conduct the factor analysis for present data. The KMO statistic is 0.5 which is lower than a cut off value of 0.6 but it is acceptable to use these items in survey to test the variables and relationships. Bartlett's test checks the significance of the connection between the items of a construct. This test has a null hypothesis of no correlation. A p-value less than the 0.05 confirms the significant relationship among variables. Above table proves the p-value is less than the 0.001 means null hypothesis is rejected. Factor analysis can be conducted now. Above table shows the eigenvalues and the total variance explained for the construct of GA containing 2 items explaining 85.31% variance. Values of factor loadings show all the related items which are loaded on just one component with factor loading 0.924.

#### 4.5.4 Decentralization (DCT)

**Table 4.7: DCT Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained**

Cronbach's Alpha					No. of Items	
.870					3	
	N	Minimum	Maximum	Mean	Std. Deviation	
DCT1	815	1	5	3.32	1.517	
DCT2	815	1	5	3.34	1.507	
DCT3	815	1	5	3.33	1.489	
DCT	815	1.00	5.00	3.33	1.340	
Valid N (Listwise)		815				
Variables			KMO & Bartlett's Test		Sig.	
Decentralization			.738		.000	
Component	Initial Eigen Values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.381	79.367	79.367	2.381	79.367	79.367
2	.339	11.304	90.671			
3	.280	9.329	100.000			

*Extraction Method: Principal Component Analysis*

Component Matrix	Component
	1
DCT1	.895
DCT2	.878
DCT3	.899

*Extraction Method: Principal Component Analysis*

a. 1 components extracted

**Interpretation:** Table 4.7 shows results of reliability statistics, descriptive statistics and factor loadings of decentralization (DCT). For current sample, the estimated value of Cronbach's Alpha coefficient is 0.870 which examines the reliability and internal consistency of the items or measures. The high Cronbach's alpha value for each above construct implies that these are internally consistent. Further items of each construct measure the same content

universally. Higher the Cronbach's Alpha value for a construct, the higher is the reliability of measuring the same construct. Mean values show the overall average responses of majority of the respondents. This variable has three items having a Mean value of 3.33 and SD value is 1.34. Standard deviation values indicate that up to what extent the values have been dispersed from their respective average central point. High standard deviation values have higher dispersion from their respective means. Consistent data of responses has lesser dispersions. The values of factor loadings are above than 0.8 which means no item is discarded. The KMO value is 0.738 and Bartlett's test significant at 0.001 level. In above table, the KMO values are greater than 0.6 which is good. It is good to conduct the factor analysis for present data. Bartlett's test checks the significance of the connection between the items of a construct. This test has a null hypothesis of no correlation. A p-value less than the 0.05 confirms the significant relationship among variables. Above table proves the p-value is less than the 0.001 means null hypothesis is rejected. Factor analysis can be conducted now. Above table shows the eigenvalues and the total variance explained for the construct of DCT containing 3 items explaining 79.36% variance. The above stated results meet the criteria of construct validity hence the data which is collected from the instrument is quite valid.

#### 4.5.5 Relationship Conflict (RC)

**Table 4.8: RC Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained**

Cronbach's Alpha					No. of Items	
.913					4	
	N	Minimum	Maximum	Mean	Std. Deviation	
RC1	815	1	5	3.11	1.514	
RC2	815	1	5	3.16	1.552	
RC3	815	1	5	3.10	1.536	
RC4	815	1	5	3.12	1.518	
RC	815	1.00	5.00	3.12	1.363	
Valid N (Listwise)					815	
Variables				KMO & Bartlett's Test		Sig.
Relationship Conflict				.845		.000
Component	Initial Eigen Values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.174	79.339	79.339	3.174	79.339	79.339

2	.327	8.179	87.518
3	.293	7.337	94.855
4	.206	5.145	100.000

*Extraction Method: Principal Component Analysis*

Component Matrix	Component
	1
RC1	.879
RC2	.885
RC3	.916
RC4	.882

*Extraction Method: Principal Component Analysis*

a. 1 components extracted

**Interpretation:** Table 4.8 shows results of reliability statistics, descriptive statistics and factor loadings of relationship conflict (RC). For current sample, the estimated value of Cronbach's Alpha coefficient is 0.913 which examines the reliability and internal consistency of the items or measures. The high Cronbach's alpha value for each above construct implies that these are internally consistent. Mean values show the overall average responses of majority of the respondents. This variable has four items having a Mean value of 3.12 and SD value is 1.36. Standard deviation values indicate that up to what extent the values have been dispersed from their respective average central point. High standard deviation values have higher dispersion from their respective means. Consistent data of responses has lesser dispersions. The values of factor loadings are above than 0.8 which means no item is discarded. The KMO value is 0.845 and Bartlett's test significant at 0.001 level. In above table, the KMO values are greater than 0.6 which is good. It is good to conduct the factor analysis for present data. Bartlett's test checks the significance of the connection between the items of a construct. Above table shows the eigenvalues and the total variance explained for the construct of RC containing 4 items explaining 79.33% variance. The above stated results meet the criteria of construct validity hence the data which is collected from the instrument is quite valid.

#### 4.5.6 Task Conflict (TC)

**Table 4.9: TC Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained**

Cronbach's Alpha					No. of Items	
.912					4	
	N	Minimum	Maximum	Mean	Std. Deviation	
TC1	815	1	7	3.76	2.198	
TC2	815	1	7	3.63	2.147	
TC3	815	1	7	3.67	2.145	
TC4	815	1	7	3.77	2.126	
TC	815	1.00	7.00	3.71	1.916	
Valid N (Listwise)	815					
Variables				KMO & Bartlett's Test	Sig.	
Task Conflict				.841	.000	
Component	Initial Eigen Values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.166	79.159	79.159	3.166	79.159	79.159
2	.351	8.777	87.936			
3	.273	6.824	94.760			
4	.210	5.240	100.000			

*Extraction Method: Principal Component Analysis*

Component Matrix	Component
	1
TC1	.895
TC2	.906
TC3	.889
TC4	.869

*Extraction Method: Principal Component Analysis*

a. 1 components extracted

**Interpretation:** Table 4.9 shows results of reliability statistics, descriptive statistics and factor loadings of task conflict (TC). For current sample, the estimated value of Cronbach's Alpha coefficient is 0.912 which examines the reliability and internal consistency of the items or measures. The high Cronbach's alpha value for each above construct implies that these are internally consistent. Further items of each construct measure the same content universally. Higher the Cronbach's Alpha value for a construct, the higher is the reliability of measuring the same construct. Mean values show the overall average responses of majority of the respondents. This variable has four items having a Mean value of 3.70 and SD value is 1.91. Standard deviation values indicate that up to what extent the values have been dispersed from their respective average central point. High standard deviation values have higher dispersion from their respective means. Consistent data of responses has lesser dispersions. The values of factor loadings are above than 0.8 which means no item is discarded. The KMO value is 0.841 and Bartlett's test significant at 0.001 level. In above table, the KMO values are greater than 0.6 which is good. It is good to conduct the factor analysis for present data. Bartlett's test checks the significance of the connection between the items of a construct. Above table shows the eigenvalues and the total variance explained for the construct of TC containing 4 items explaining 79.15% variance. The above stated results meet the criteria of construct validity hence the data which is collected from the instrument is quite valid.

#### 4.5.7 Perceived Organizational Politics (POP)

**Table 4.10: POP Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained**

Cronbach's Alpha		No. of Items			
.922		6			
	N	Minimum	Maximum	Mean	Std. Deviation
POP1	815	1	5	3.25	1.500
POP2	815	1	5	3.16	1.542
POP3	815	1	5	3.22	1.489
POP4	815	1	5	3.19	1.523
POP5	815	1	5	3.13	1.501
POP6	815	1	5	3.17	1.538
POP	815	1.00	5.00	3.18	1.286

Valid N (Listwise) 815

Variables	Initial Eigen Values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
Perceived Organizational Politics						
Component						
1	4.328	72.135	72.135	4.328	72.135	72.135
2	.430	7.171	79.307			
3	.371	6.189	85.496			
4	.340	5.663	91.158			
5	.301	5.024	96.182			
6	.229	3.818	100.000			

*Extraction Method: Principal Component Analysis*

Component Matrix	Component
	1
POP1	.866
POP2	.810
POP3	.872
POP4	.868
POP5	.846
POP6	.833

*Extraction Method: Principal Component Analysis*

a. 1 components extracted

**Interpretation:** Table 4.10 shows results of reliability statistics, descriptive statistics and factor loadings of perceived organizational politics (POP). For current sample, the estimated value of Cronbach's Alpha coefficient is 0.922 which examines the reliability and internal consistency of the items or measures. The high Cronbach's alpha value for each above construct implies that these are internally consistent. Further items of each construct measure the same content universally. Higher the Cronbach's Alpha value for a construct, the

higher is the reliability of measuring the same construct. Mean values show the overall average responses of majority of the respondents.

This variable has four items having a Mean value of 3.18 and SD value is 1.29. Standard deviation values indicate that up to what extent the values have been dispersed from their respective average central point. High standard deviation values have higher dispersion from their respective means. Consistent data of responses has lesser dispersions. The values of factor loadings are above than 0.8 which means no item is discarded. The KMO value is 0.917 and Bartlett's test significant at 0.001 level. In above table, the KMO values are greater than 0.6 which is good. It is good to conduct the factor analysis for present data. Bartlett's test checks the significance of the connection between the items of a construct. Above table shows the eigenvalues and the total variance explained for the construct of POP containing 6 items explaining 72.13% variance. The above stated results meet the criteria of construct validity hence the data which is collected from the instrument is quite valid.

#### 4.5.8 Perceived Organizational Performance

**Table 4.11: OP Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained**

Cronbach's Alpha		No. of Items				
.927		5				
	N	Minimum	Maximum	Mean	Std. Deviation	
OP1	815	1	5	3.31	1.482	
OP2	815	1	5	3.39	1.523	
OP3	815	1	5	3.33	1.475	
OP4	815	1	5	3.31	1.480	
OP5	815	1	5	3.27	1.514	
OP	815	1.00	5.00	3.32	1.316	
Valid N (Listwise)		815				
Variables				KMO & Bartlett's Test		Sig.
Organizational Performance				.902		.000
Component	Initial Eigen Values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.877	77.540	77.540	3.877	77.540	77.540

2	.331	6.615	84.155
3	.311	6.218	90.373
4	.257	5.143	95.516
5	.224	4.484	100.000

*Extraction Method: Principal Component Analysis*

Component Matrix	Component
	1
OP1	.878
OP2	.863
OP3	.895
OP4	.896
OP5	.872

*Extraction Method: Principal Component Analysis*

a. 1 components extracted

**Interpretation:** Table 4.11 shows results of reliability statistics, descriptive statistics and factor loadings of organizational performance (OP). For current sample, the estimated value of Cronbach's Alpha coefficient is 0.927 which examines the reliability and internal consistency of the items or measures. The high Cronbach's alpha value for each above construct implies that these are internally consistent. Further items of each construct measure the same content universally. Higher the Cronbach's Alpha value for a construct, the higher is the reliability of measuring the same construct. Mean values show the overall average responses of majority of the respondents. This variable has five items having a Mean value of 3.32 and SD value is 1.32. Standard deviation values indicate that up to what extent the values have been dispersed from their respective average central point. High standard deviation values have higher dispersion from their respective means. Consistent data of responses has lesser dispersions. The values of factor loadings are above than 0.8 which means no item is discarded. The KMO value is 0.902 and Bartlett's test significant at 0.001 level. In above table, the KMO values are greater than 0.6 which is good. It is good to conduct the factor analysis for present data. Bartlett's test checks the significance of the

connection between the items of a construct. Above table shows the eigenvalues and the total variance explained for the construct of OP containing 5 items explaining 77.54% variance. The above stated results meet the criteria of construct validity hence the data which is collected from the instrument is quite valid.

#### 4.5.9 Conflict Management Styles

On the basis of studies of (Louis & Capgem, 2018; Ford, 2018; Robin & Rice, Rahim, 2002), an index variable is required to be created for conflict management effectiveness. Data were collected on all the five styles of conflict management pertaining to integration, avoiding, dominating, obliging and compromising. Each of the five styles contains three items. In order to compute conflict management effectiveness, the internal consistency of items is tested and factor analysis is also conducted.

##### 4.5.9.1 Integration (IN)

**Table 4.12: IN Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained**

Cronbach's Alpha						No. of Items
.887						3
	N	Minimum	Maximum	Mean	Std. Deviation	
IN1	815	1	5	3.19	1.500	
IN2	815	1	5	3.26	1.542	
IN3	815	1	5	3.27	1.494	
IN	815	1.00	5.00	3.24	1.365	
Valid N (Listwise)						815
Variables				KMO & Bartlett's Test		Sig.
Integration				.747		.000
Component	Initial Eigen Values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.447	81.572	81.572	2.447	81.572	81.572
2	.293	9.762	91.335			
3	.260	8.665	100.000			

*Extraction Method: Principal Component Analysis*

Component Matrix

Component

IN1	.902
IN2	.898
IN3	.910

**Interpretation:** Table 4.12 shows results of reliability statistics, descriptive statistics and factor loadings of integration (IN). For current sample, the Cronbach's Alpha is 0.887 examining the internal consistency of the items. Mean values show the overall average responses of majority of the respondents. This variable has three items having a Mean value of 3.24 and SD value is 1.36. The KMO value is 0.747 and Bartlett's test significant at 0.001 level. The eigenvalues and the total variance explained are shown for IN containing 3 items explaining 81.57% variance. The values of factor loadings are above than 0.8 which means no item is discarded. The above stated results meet the criteria of construct validity hence the data which is collected from the instrument is quite valid.

#### 4.5.9.2 Avoiding (AV)

**Table 4.13: AV Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained**

Cronbach's Alpha		No. of Items				
.866		3				
	N	Minimum	Maximum	Mean	Std. Deviation	
AV1	815	1	5	3.26	1.493	
AV2	815	1	5	3.26	1.516	
AV3	815	1	5	3.27	1.522	
AV	815	1.00	5.00	3.26	1.341	
Valid N (Listwise)		815				
Variables				KMO & Bartlett's Test		Sig.
Avoiding				.737		.000
Component	Initial Eigen Values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.366	78.878	78.878	2.366	78.878	78.878
2	.341	11.356	90.234			
3	.293	9.766	100.000			

*Extraction Method: Principal Component Analysis*

Component Matrix	Component
	1
AV1	.888
AV2	.879
AV3	.897

**Interpretation:** Table 4.13 shows results of reliability statistics, descriptive statistics and factor loadings of avoiding (AV). For current sample, the Cronbach's Alpha is 0.866 examining the internal consistency of the items. Mean values show the overall average responses of majority of the respondents. This variable has three items having a Mean value of 3.26 and SD value is 1.34. The KMO value is 0.737 and Bartlett's test significant at 0.001 level. The eigenvalues and the total variance explained are shown for AV containing 3 items explaining 78.87% variance. The above stated results meet the criteria of construct validity hence the data which is collected from the instrument is quite valid.

#### 4.5.9.3 Dominating (DO)

**Table 4.14: DO Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained**

Cronbach's Alpha						No. of Items
.866						3
	N	Minimum	Maximum	Mean	Std. Deviation	
DO1	815	1	5	3.20	1.493	
DO2	815	1	5	3.15	1.548	
DO3	815	1	5	3.25	1.510	
DO	815	1.00	5.00	3.19	1.347	
Valid N (Listwise)	815					
Variables				KMO & Bartlett's Test	Sig.	
Dominating				.736	.000	
Component	Initial Eigen Values			Extraction Sums of Squared Loadings		

	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.368	78.925	78.925	2.368	78.925	78.925
2	.348	11.586	90.511			
3	.285	9.489	100.000			

*Extraction Method: Principal Component Analysis*

Component Matrix	Component
	1
DO1	.899
DO2	.876
DO3	.890

**Interpretation:** Table 4.14 shows results of reliability statistics, descriptive statistics and factor loadings of dominating (DO). For current sample, the Cronbach's Alpha is 0.866 examining the internal consistency of the items. Mean values show the overall average responses of majority of the respondents. This variable has three items having a Mean value of 3.19 and SD value is 1.34. The KMO value is 0.736 and Bartlett's test significant at 0.001 level. The eigenvalues and the total variance explained are shown for DO containing 3 items explaining 78.92% variance. The above stated results meet the criteria of construct validity hence the data which is collected from the instrument is quite valid.

#### 4.5.9.4 Obliging (OB)

**Table 4.15: OB Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained**

Cronbach's Alpha	No. of Items				
.877	3				
	N	Minimum	Maximum	Mean	Std. Deviation
OB1	815	1	5	3.11	1.496

OB2	815	1	5	3.17	1.528	
OB3	815	1	5	3.20	1.507	
OB	815	1.00	5.00	3.16	1.353	
Valid N (Listwise)	815					
Variables				KMO & Bartlett's Test	Sig.	
Obliging				.743	.000	
Component	Initial Eigen Values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.407	80.241	80.241	2.407	80.241	80.241
2	.306	10.215	90.456			
3	.286	9.544	100.000			

*Extraction Method: Principal Component Analysis*

Component Matrix	Component	
	1	
OB1	.892	
OB2	.896	
OB3	.899	

**Interpretation:** Table 4.15 shows results of reliability statistics, descriptive statistics and factor loadings of obliging (OB). For current sample, the Cronbach's Alpha is 0.877 examining the internal consistency of the items. Mean values show the overall average responses of majority of the respondents. This variable has three items having a Mean value of 3.16 and SD value is 1.35. The KMO value is 0.743 and Bartlett's test significant at 0.001 level. The eigenvalues and the total variance explained are shown for OB containing 3 items explaining 80.24% variance. The above stated results meet the criteria of construct validity hence the data which is collected from the instrument is quite valid.

#### 4.5.9.5 Compromising (CO)

**Table 4.16: CO Reliability, Descriptive Statistics, Factor Analysis & Total Variance Explained**

Cronbach's Alpha				No. of Items		
.854				3		
	N	Minimum	Maximum	Mean	Std. Deviation	
CO1	815	1	5	3.24	1.477	
CO2	815	1	5	3.25	1.527	
CO3	815	1	5	3.25	1.522	
CO	815	1.00	5.00	3.25	1.327	
Valid N (Listwise)		815				
Variables				KMO & Bartlett's Test		Sig.
Compromising				.731		.000
Component	Initial Eigen Values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.323	77.431	77.431	2.323	77.431	77.431
2	.370	12.328	89.759			
3	.307	10.241	100.000			

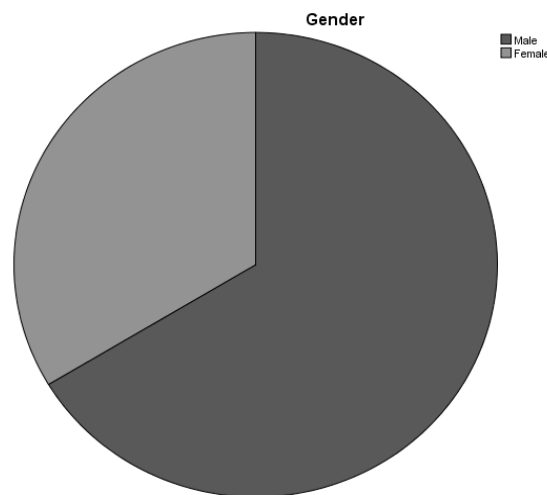
*Extraction Method: Principal Component Analysis*

Component Matrix	Component	
	1	
CO1	.873	
CO2	.876	
CO3	.894	

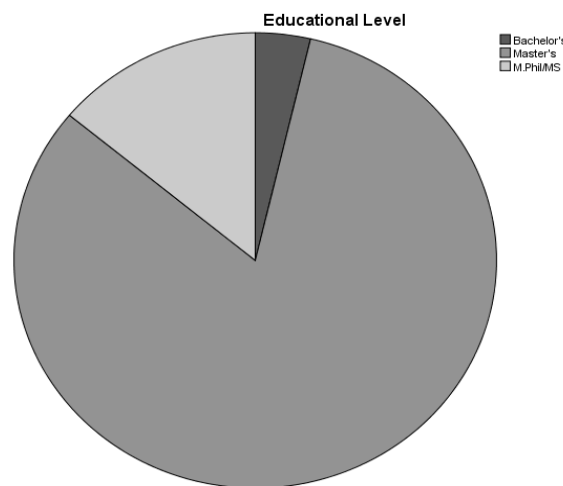
**Interpretation:** Table 4.16 shows results of reliability statistics, descriptive statistics and factor loadings of compromising (CO). For current sample, the Cronbach's Alpha is 0.854 examining the internal consistency of the items. Mean values show the overall average responses of majority of the respondents. This variable has three items having a Mean value

of 3.24 and SD value is 1.32. The KMO value is 0.731 and Bartlett's test significant at 0.001 level. The eigenvalues and the total variance explained are shown for CO containing 3 items explaining 77.43% variance. The above stated results meet the criteria of construct validity hence the data which is collected from the instrument is quite valid.

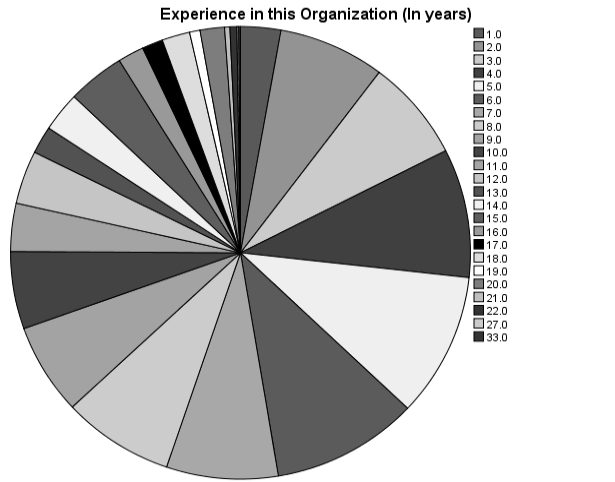
#### 4.6 Pie Charts of the Demographics



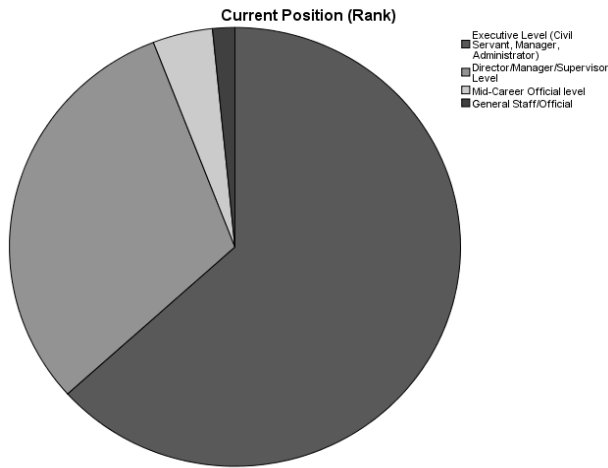
**Figure 4.2: Gender-wise Distribution of the Respondents**



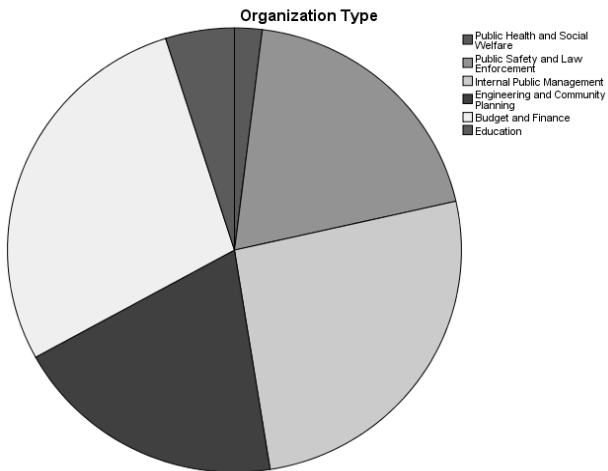
**Figure 4.3: Educational Details of the Respondents**



**Figure 4.4: Experience-wise Distribution**



**Figure 4.5: Designation-wise Distribution of the Respondents**



**Figure 4.6: Organization-Type Distributions**

**Interpretation:** The above mentioned pie charts display the distribution of demographic information of the respondents considered for this study. Pie chart for gender shows sample of study includes 66% males gave their responses and 34% females responses for the survey instrument. Out of the whole sample, 82% of the majority respondents have master's degree or even double masters. 14% respondents are MPhil or MS and a very low number of respondents i.e. 4% respondents are Bachelors. Respondents have experience ranging from 1 year to 33 years. 10 % respondents are of 5 year and 10% of 6 year experience showing high percentage. 6 % respondents are of 10 year experience. 4% are of 15 year experience and 2 % of the sample has 18 year experience. Regarding rank, sample comprises of 31% managerial level employees and 63% of the respondents have current position on executive levels which indicate that majority of the employees are civil servants.

A large number of civil servants responded the items of survey questionnaire and gave their perceived responses. Respondents belong to various types of organizations such as 28% are serving in offices of budget and finance. 26% are working in internal public management. 4% respondents are from education sector. 20% of the sample is from public safety and law enforcement. 20% are from departments of engineering and community planning. The pie charts give a snapshot that the sample of this study is a pool of respondents containing different features pertaining to the gender, education, experience, rank (current position) and organization type.

**Table 4.17: Correlation Matrix**

	DC	HC	GA	DCT	RC	TC	POP	CME	OP
DC	1.000								
Sig. (2 tailed)									
HC	.397**	1.000							
Sig. (2 tailed)	.000								
GA	.376**	.611**	1.000						
Sig. (2 tailed)	.000	.000							
DCT	.488**	-.479**	-.487**	1.000					
Sig. (2 tailed)	.000	.000	.000						
RC	.408**	.457**	.411**	-.453**	1.000				

Sig. (2 tailed)	.000	.000	.000	.000					
TC	.239**	.193**	.207**	-.238**	.246**	1.000			
Sig. (2 tailed)	.000	.000	.000	.000	.000				
POP	.390**	.582**	.554**	-.504**	.532**	.225**	1.000		
Sig. (2 tailed)	.000	.000	.000	.000	.000	.000			
CME	.537**	.586**	-.581**	.609**	-.639**	.297**	-.663**	1.000	
Sig. (2 tailed)	.000	.000	.000	.000	.000	.000	.000		
OP	.507**	.480**	-.430**	.512**	-.422**	.159**	-.521**	.664**	1.000
Sig. (2 tailed)	.000	.000	.000	.000	.000	.000	.000	.000	

\*\* Significant at 1% or 0.01 level

**Interpretation:** A correlation analysis depicts the basic association among the variables both dependent and independent variables. This study has a main research question to investigate the basic relationships between human factors namely task conflict, relationship conflict, goal ambiguity, conflict management effectiveness and organizational factors namely development culture, hierarchical culture, decentralization, perceived organizational politics and organizational performance. There are very less number of studies considering human and organizational factors simultaneously in one framework. The conflict measures are compared and tested with the measures of perceived organizational politics. This correlation analysis tries to help for future implications while analyzing the mutual relationships. The variable Goal ambiguity (GA) is showing a positive relation with RC, TC and POP but these have a negative relation with decentralization (DCT). That is, if there is greater goal ambiguity in an organization, there would be more organizational conflicts and politics. Moreover, strict bureaucratic and political climates of government organizations hamper decentralization in organization. This argument is supported by correlation of DCT negatively related with HC and GA. DCT and GA are significantly related with CME and OP.

Regarding variables of organizational conflicts, there is a positive relation between RC and TC as confirmed by previous studies (Daskin, 2013; Mare, 2014). These two conflict measures might influence each other so it is required to verify the association of conflicts with the organizational outcomes. The correlation analysis demonstrates the significant

relation of all variables with CME and OP. More specifically, GA, RC and POP have a negative relation with CME and OP. The negative sign of these relations is greatly in line with the prior researches and so with the hypotheses of this study. The study hypothesis says that TC has positive relation with CME and OP and correlation results depict the same. The study hypothesizes a negative relation of HC with CME and OP but in correlation, HC is positively associated with CME and OP. It is interesting to know that POP is positively related to TC and RC. Survey items of RC capture negative and emotional conflict among organizational employees. The correlation coefficient between POP and RC is relatively higher (0.532) as compared to that of POP and TC (0.225). As previously no study is examining the association between human conflict measures and organizational politics. In prior studies, the organizational politics showed a negative connotation. Due to the assumption of negative perception of organizational politics in previous studies, the hypotheses have been raised. Some researchers argued that organizational politics is the political climate of organizations and subjective interpretation of work environment of individuals (Angogo, 2016). Keeping in view the subjectivity of organizational politics, fundamental methodological implications when designing a research model, are drawn out when POP measure is compared with objective conflict measures. Based on previous research work, this study assumes the organizational politics to be a negative phenomenon in organizational life. The conceptual model includes objective measures of conflicts to make the model applicable framework to examine the dimensions of organizational dynamics and their impact on performance of public sector.

Although CME has positive relation with TC and OP but on the other hand, CME has negative relation with RC and POP. This situation proposes that CME may act as a mediator between human factors and organizational factors. This implies that usage of positive conflict management style has a positive relation with OP. But the usage of positive conflict management styles has a negative link with conflicts and organizational politics. As a consequence, usage of negative conflict management styles has positive relation with conflicts and organizational politics and negative relation with OP. Since the correlation analysis only gives simple bivariate correlation coefficients and does not explain the causal relationship between variables. Hence, the results depict the further need of comprehensive investigation of mutual relationships of TC, RC, POP and OP after employing Smart SEM with special reference to conflict management effectiveness as a mediator. Further statistical

analyses like regression and SEM are conducted to test and verify the hypotheses of this study.

#### 4.7 Simple Linear Regression

Initially two multiple regression equations are developed to test the linear relationships among variables. The initial analysis makes it possible to estimate a linear relationship between independent variables and dependent variable to employ SEM in this study (McKibben, 2017; Heinz, 2016). On the basis of hypotheses of this study, regression analysis includes seven independent variables and two dependent variables. Internal organizational factors namely DC, HC, GA, DCT, POP, RC and TC should put an influence on CME and OP respectively. The two models are given below:

$$CME = \beta_0 + \beta_1 * DC + \beta_2 * HC + \beta_3 * GA + \beta_4 * DCT + \beta_5 * POP + \beta_6 * RC + \beta_7 * TC \dots \dots \dots (1)$$

$$OP = \beta_0 + \beta_1 * DC + \beta_2 * HC + \beta_3 * GA + \beta_4 * DCT + \beta_5 * POP + \beta_6 * RC + \beta_7 * TC$$

The left side of the equation model is showing the dependent variable i.e. the variable to study. In first model, the dependent variable is the mediating variable conflict management effectiveness (CME). The right side of the equation model shows the set of core independent variables. In second model, left side shows the dependent variable organizational performance (OP). The effect of independent variables is to be studied on the dependent variable.

**Table 4.18: Linear Regression Analysis**

Variables	Model of CME		Model of OP	
	Coefficient	Std. Error	Coefficient	Std. Error
DC	0.165***	0.020	0.270***	0.030
HC	-0.081***	0.024	0.153***	0.036
GA	-0.121***	0.024	-0.110***	0.036
DCT	0.187***	0.023	0.232***	0.034
RC	-0.270***	0.021	-0.044	0.031
TC	0.048**	0.012	0.061**	0.018

POP	-0.207***	0.025	-0.228***	0.038
Observations (N)	815		815	
F-Stat	241.580***		120.353***	
R-Squared	0.677		0.511	
Adj. R Squared	0.674		0.507	

\*Significant at the 0.1 or 10%

\*\*significant at the 0.05 level or 5%

\*\*\*significant at the 0.01 level or 1%

**Interpretation:** Table 4.19 displays the results of multiple regression analysis. Table shows the direct effect of independent variables on dependent variable (CME) and the direct effect of independent variables on dependent variable (OP). The two models of regression analysis are significant and show the predictability power of organizational factors putting a contribution in conflict management effectiveness and organizational performance. The R-squared values in both the models are quite impressive. Independent variables have 68% and 51% explanatory power of CME and OP respectively. The two models have F-stat of 241.580 and 120.353 which indicates that the models are good fit. That is, all the independent variables are basic dimensions to examine the conflict management effectiveness and organizational performance. It can be argued that CME could be considered as a predictor of OP in second regression model. But to include CME in second model would be a serious violation of the regression assumptions that there is no relationship between the independent variables. Problems of multicollinearity and endogeneity would have arisen due to this violation. Although no regression model is there with perfectly exogenous independent variables. Simply it is assumed that independent variables have no relationship with each other in a multiple regression model. A research framework is designed to consider the mediating effect of CME and to verify the relationships of independent variables with the dependent variable using smart SEM as an appropriate statistical method.

In the first model regarding individual relationships, DC, TC and DCT are affecting positively and significantly the variable CME. Specifically, task conflict has a positive influence on conflict management that is; task conflict is a positive conflict. RC and POP are negatively and significantly linked with CME. In other words, relationship conflict and organizational politics have negative and significant influence on choice of positive and effective style of conflict management like integrating style. All linear regression

assumptions are satisfied in the regression model with no heteroskedasticity and multicollinearity problems. In case of second model, DC is significantly and positively influencing the OP. GA has a negative and significant effect on OP. RC and POP have a negative and significant effect on OP. Relationship conflict and organizational politics significantly put a negative impact on organizational performance. All linear regression assumptions are satisfied in the regression model with no heteroskedasticity and multicollinearity problems.

#### 4.8 Multiple Regression Analysis for Mediation

Technique namely Andrews F. Hayes (Model 4) was run in SPSS to verify the mediation among variables.

**Table 4.19: Model: Andrew F. Hayes (Model 4)**

	Independent Variables (X)	Direct Effect of (X) on Dependent Variable (Y) (OP)	Indirect Effect (M) (CME) on (OP)
Model 1	DC	0.2104***	0.3325***
Model 2	HC	0.1621***	0.3668***
Model 3	GA	-0.0787***	0.3944***
Model 4	DCT	0.2014***	0.3788***
Model 5	RC	-0.0184	0.4715***
Model 6	TC	-0.0442**	0.1435***
Model 7	POP	-0.1690***	-0.4247***

\*Significant at the 0.1 or 10%

\*\*significant at the 0.05 level or 5%

\*\*\*significant at the 0.01 level or 1%

**Interpretation:** Table 4.20 shows that each independent variable such as Development culture (DC) positively and directly puts significant influence on the dependent variable which is organizational performance (OP). This variable also indirectly puts positive and significant effect on OP which is greater than the direct effect. This indicates that full mediation exists as the presence of mediating variable conflict management effectiveness (CME) has increased the impact. In second model, Hierarchical culture (HC) puts directly positive and significant impact on OP. Its indirect influence is higher due to the presence of

mediator CME which is evidence of full mediation. Likewise Goal Ambiguity (GA) directly influences OP but this effect is lesser as compared to the indirect effect which has become positively and significantly greater as the mediating variable CME affects it. The variable Decentralization (DCT) directly has positive and significant influence on OP and this effect even gets higher in same direction due to the mediating variable CME. These all above discussed variables are significant at 1% level.

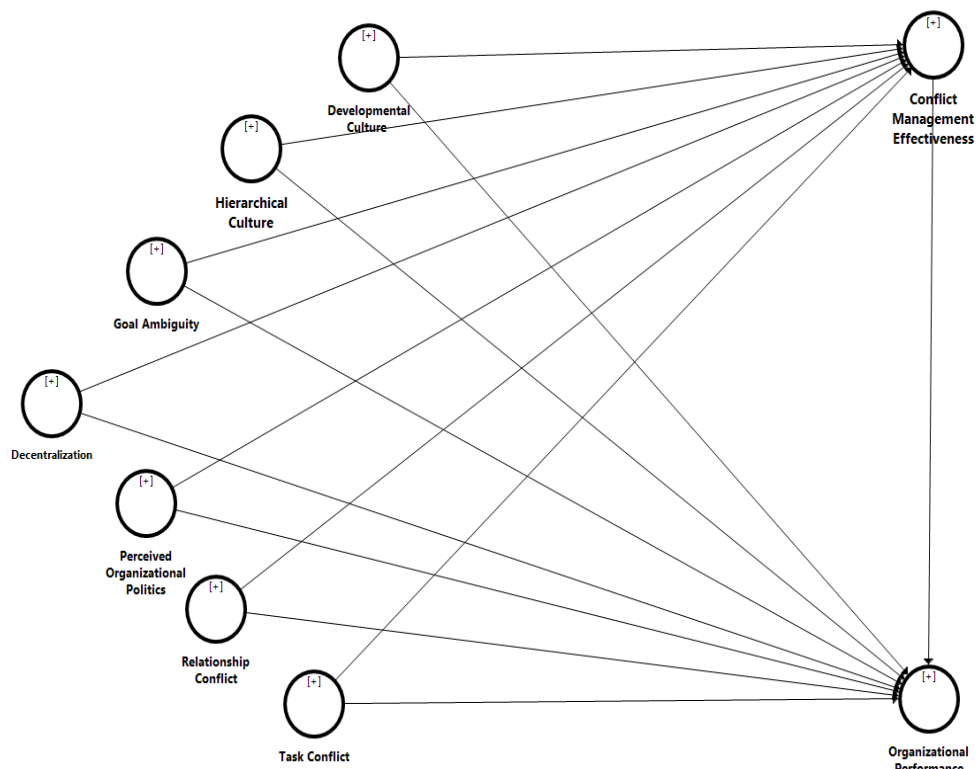
A drastic change can be observed in case of Relationship conflict (RC) which is directly related to OP but not giving a significant impact but after the mediating variable's role its indirect impact has become not only positive but significant on OP. CME has a strong mediating effect here on OP. The direct relationship of Task Conflict (TC) is negatively significant at 5% significance level but its indirect impact on OP is converted into a significantly positive effect on OP. Lastly, the independent variable Perceived Organizational Politics (POP) is directly having a negative and significant influence on OP. Its significance level is at 1%. On the other hand, the indirect effect of POP has significantly increased in the same direction on OP. The organizational members have organizational politics and relationship conflicts which may decrease the effectiveness of managing conflicts up to a significant extent. Task conflicts encourage the usage of effective strategies of conflict management.

The results shown in table above are quite in line with the correlation analyses and findings of regression analysis. In true sense, out of the complete set of predictors of organizational performance, the determinants namely TC, RC and POP are core factors that stand critical in determining the performance of public sector organizations. The consideration of these factors and the role of mediating variable conflict management effectiveness CME have given a distinctive edge to this study. The core determinants have significant impact on the mediator CME as well as the dependent variable. The importance and assessment of mediating variable CME in the middle relationship between independent variables and dependent variables is quite clear in results of above regression. Hence, structural equation modeling proves to be the most suitable methodology for the purpose of this study.

### 4.8.1 Pre-Assumptions of Mediation Analysis

Mediation is reasonably tested on the fulfillment of following conditions:

1. Independent Variable (X) significantly affects the Mediating Variable (Y)
2. Independent Variable (X) significantly affects the Dependent Variable (Z)
3. Mediating Variable (Y) significantly affects the Dependent Variable (Z)
4. To test the mediation of a variable, independent variable and mediating variable both are entered into the regression as independent variables.



**Figure 4.7: Graphical Display Model for Mediation**

Figure 4.7 shows the conceptual model of research for the assumptions of mediation in order to test the relationships among all the independent variables, mediating variable and the dependent variable for the purpose of the study. Firstly, to check the impact of independent variables such as development culture, hierarchical culture, goal ambiguity,

decentralization, perceived organizational politics, relationship conflict and task conflict on mediating variable which is conflict management effectiveness (CME). Secondly, to verify the impact of all these independent variables on the dependent variable, that is organizational performance (OP). Lastly, the impact of mediating variable conflict management effectiveness is observed on organizational performance. These effects have been observed in three steps of running the model in smart PLS-SEM 3.0. If the coefficients of both variables (IV & MV) are significant, it shows the partial mediation of MV between IV and DV. If the coefficient of MV remains significant but the coefficient of IV becomes insignificant when both are entered in the same regression as independent variables, it shows the full mediation of MV between independent and dependent variable (Hair et al., 2017).

#### 4.8.1.1 Assumption 1: Direct Relationship b/w Independent & Mediating Variables

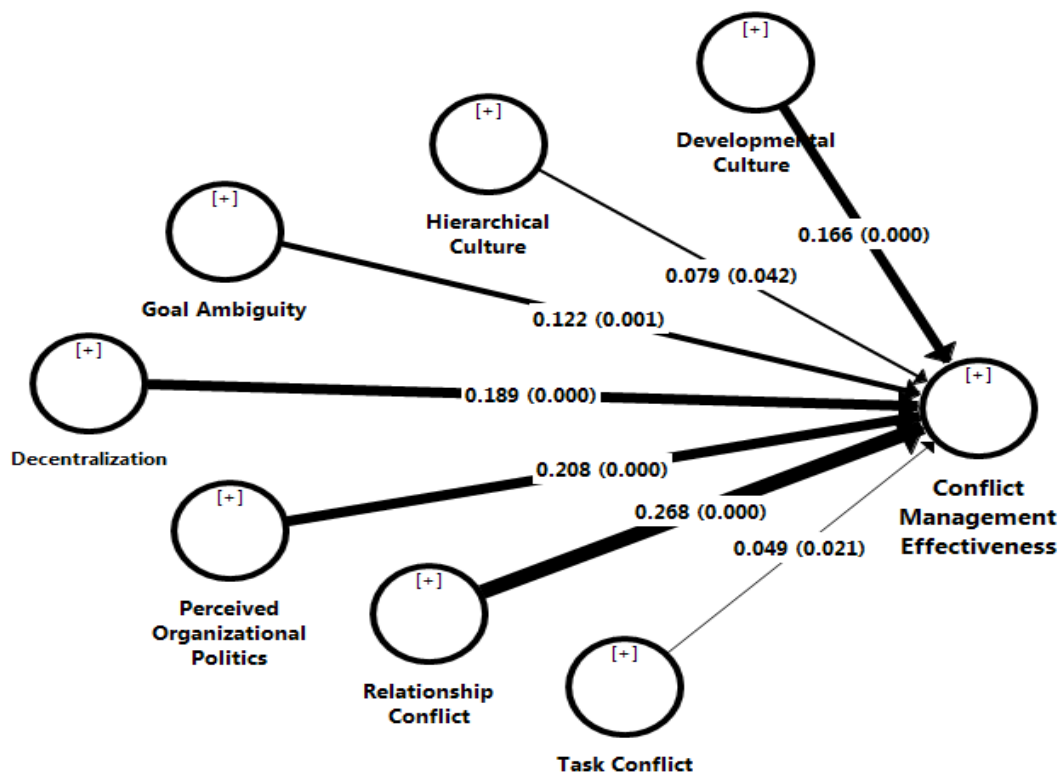
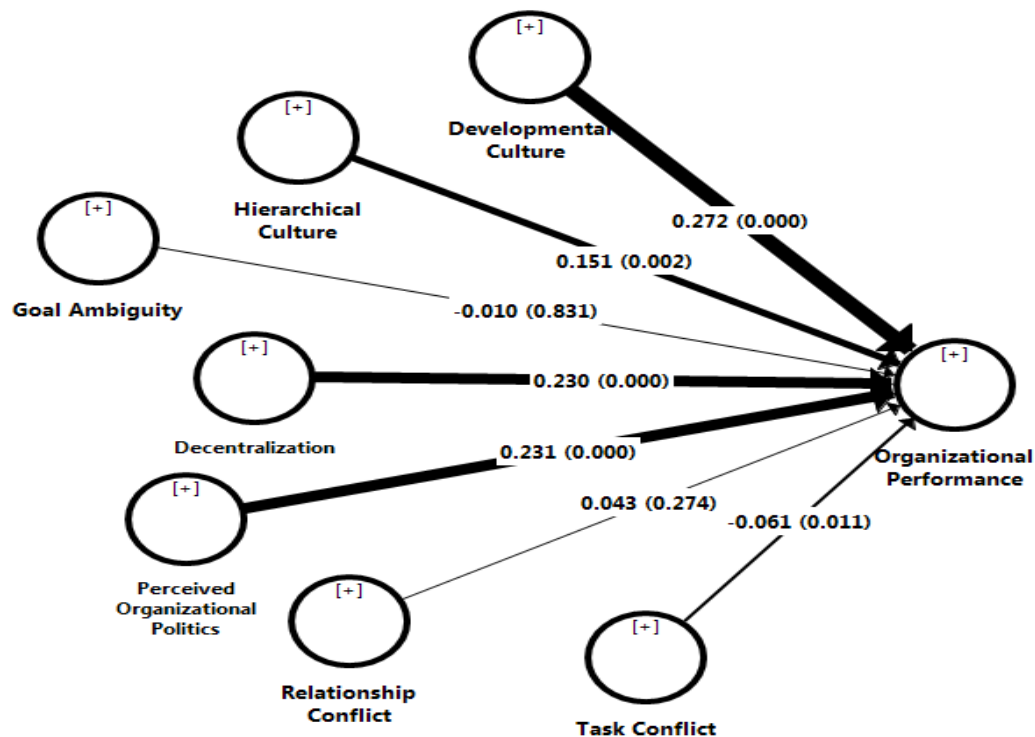


Figure 4.8: Assumption 1: Direct Relationship b/w Independent & Mediating Variables

**Interpretation:** Figure 4.8 shows the results of mutual relationships between the independent variables and the mediating variable. The relationship between development culture (DC) and conflict management effectiveness (CME) is positive and significant at 1%. The relationship of hierarchical culture (HC) is also positive and significant at 5% with conflict management effectiveness (CME). The goal ambiguity (GA) is also positively and significantly affecting conflict management effectiveness (CME) at 1% significance level. The variable decentralization (DCT) also has a positive and significant effect on conflict management effectiveness (CME). The variable perceived organizational politics (POP) has a positive and significant relationship with conflict management effectiveness (CME). The relationship conflict (RC) shows a positive and significant effect on conflict management effectiveness (CME). The variable task conflict (TC) also gives a strongly positive and significant linkage with conflict management effectiveness (CME). The values show that greater these variables in an organization, higher would be the conflict management effectiveness in that organization. The rising conflicts might be handled in a better way and the effectiveness of managing styles increases when an organization has higher values of these independent variables. The higher values provoke and demand better techniques to manage the conflicts among the public officers working in their offices. The abovementioned model gives a clear picture of direct relationship existing between the independent and mediating variables. This model also depicts the fulfillment of one of the pre-conditions for the mediation analysis.

#### 4.8.1.2 Assumption 2: Direct Relationship b/w Independent & Dependent Variables

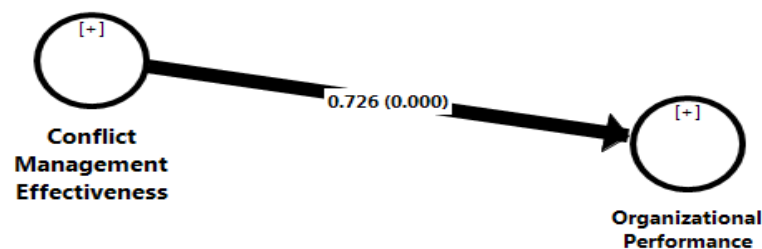


**Figure 4.9: Assumption 2: Direct Relationship b/w Independent & Dependent Variables**

*Interpretation:* Figure depicts the snapshot of direct relationship between independent and dependent variables of this study. The relationship between development culture (DC) and organizational performance (OP) is positive and significant at 1%. The relationship of hierarchical culture (HC) is also positive and significant at 5% with organizational performance (OP). The goal ambiguity (GA) is also negatively related to organizational performance (OP). The variable decentralization (DCT) also has a positive and significant effect on organizational performance (OP). The variable perceived organizational politics (POP) shows a positive connotation and significant relationship with organizational performance (OP). The relationship conflict (RC) is positively related to variable of organizational performance (OP). The variable task conflict (TC) also gives a strongly negative and significant linkage with organizational performance (OP). The values show that greater these variables in an organization, higher would be the organizational performance (OP) in that organization. This model also indicates that the second pre-condition of mediation analysis is being met. Apart from goal ambiguity and task conflict, the higher values of these independent variables tend to lead the organizational performance of the

public organizations. Higher values tend to increase the need of managing conflicts of employees working at different positions in their respective public offices. The abovementioned model gives a clear picture that direct relationship exists between the independent and dependent variables.

#### 4.8.1.3 Assumption 3: Direct Relationship b/w Mediating & Dependent Variable



**Figure 4.10: Assumption 3: Direct Relationship b/w Mediating & Dependent Variable**

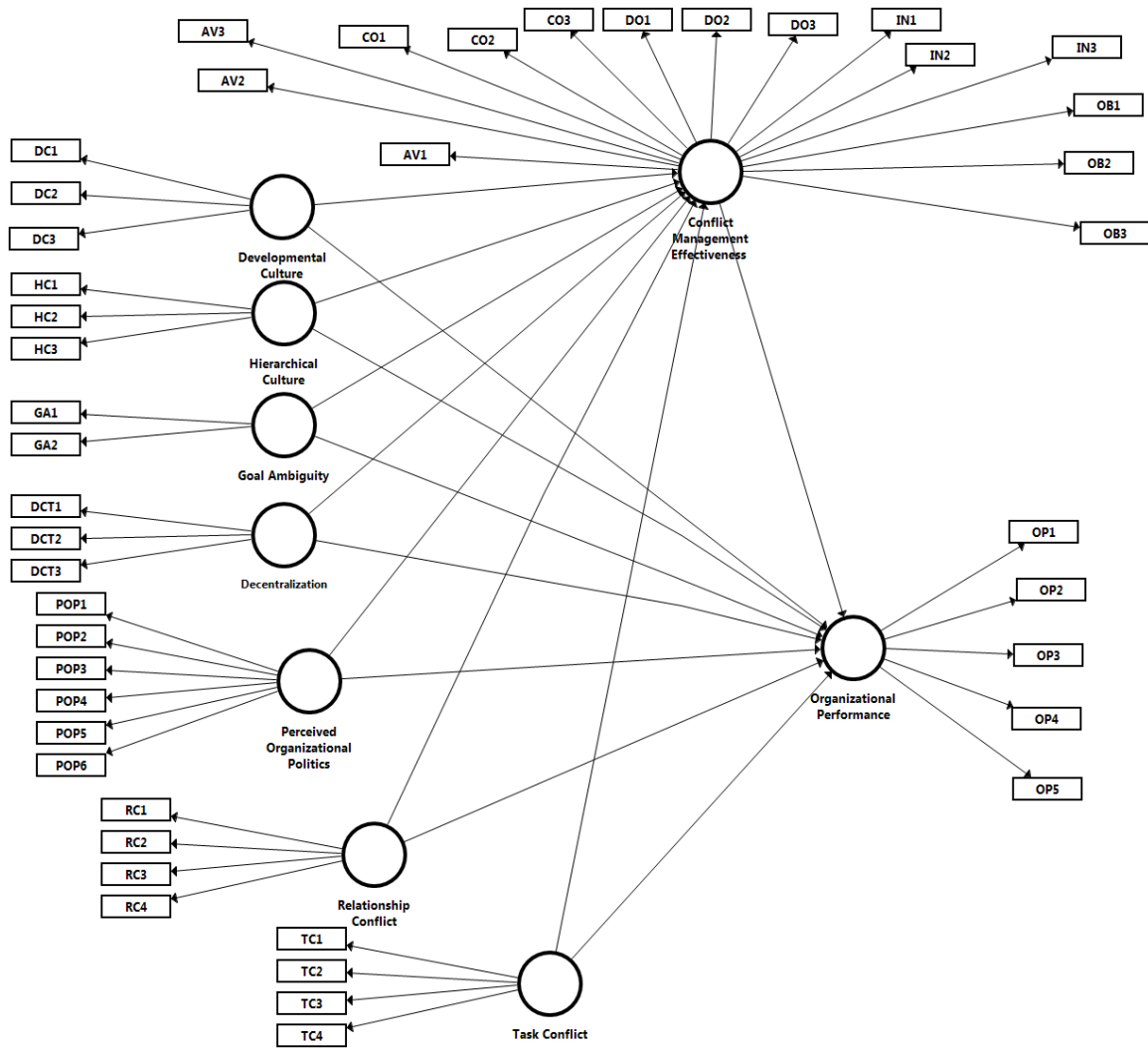
*Interpretation:* Figure depicts a snapshot of direct relationship between mediating and dependent variable. The model shows that the mediating factor i.e. conflict management effectiveness (CME) has a very strong, positive and highly significant association with the dependent variable i.e. organizational performance (OP). Higher the conflict management effectiveness in an organization; better would be the performance of that particular organization. This model is an evidence of one of the preconditions of mediation analysis. Before the mediation analysis, these above discussed three sub-models are essential to show the existing scenario between different sets of variables. After fulfillment of three preconditions of mediation, it becomes quite reasonable to run the mediation analysis between given variables in order to verify the tentative hypotheses of the study.

#### 4.9 Smart PLS SEM Model Assessment

The most challenging task in a survey research is to select an appropriate statistical model for analysis. Partial Least Squares based Structural Equation Modeling (PLS-SEM) is a popular multivariate data analysis method for the researchers (Henseler et al., 2012).

Covariance-based Structural Equation Modeling (CB-SEM) is another multivariate method of analysis which uses maximum likelihood estimation and it is based on factor analysis concept which is suitable for theory testing. PLS SEM does not assume the normal distribution of data. It is a non-parametric method in which the data should not necessarily meet certain distributional assumptions. As a matter of fact, in order to test the significance of coefficients like path coefficients, outer loadings and outer weights, the parametric tests of significance tests cannot be applied as applied for regression analyses. PLS SEM is based on the concept of principal component suitable for theory building. It uses the partial least squares estimator (Henseler, Ringle & Sarstedt, 2015; Dijkstra, 2010). Partial least squares, variance-based SEM has wide acceptance in research of business management such as organizational behavior, marketing management, human resource management, information systems management and operations management (Henseler et al., 2012; Peng & Lai, 2012; Wold, 1992).

This study has opted for PLS-SEM on the following grounds: It is suitable for studies of theory building. It is a non-parametric approach and poses lesser restrictions in terms of sample size and data distribution. It is appropriate to investigate complex models of cause and effect relationships. For hypotheses testing, smart PLS 3.0 software has been used. PLS-SEM approach has been employed and structural model (inner model) and measurement model (outer model) have been assessed. Figure shown below provides further details of this approach.



**Figure 4.11: Graphical Output of Conceptual Model of Study**

Fig 4.11 shows the proposed model is presented in the graphical output. To test the hypotheses and study the causal relationships between variables, PLS-SEM is employed here. On the basis of final measurement model, the initially proposed model is tested in this study using Smart PLS SEM 3.0 program. The above diagram displays the latent variables represented in the oval icons. The rectangles show the observed variables. On the basis of these observed variables, each latent variable has been constructed. With consideration for the set of such combination of variables, the smart PLS SEM program analyzes the factors and their existing relationships between independent, mediating and dependent variables after calculating the coefficients relating to variables. For instance, organizational performance (OP) has been constructed from five observed items (OP1, OP2, OP3, OP4, OP5). Moreover, all the variables are connected to each other using interactive arrows. That is, the smart PLS

SEM program considers all the relationships existing between variables while calculating the coefficient statistics of the model.

#### **4.9.1 Assessment of Measurement Model**

According to SEM, to assess the measurement model (also called outer model) includes evaluation of internal consistency using composite reliability (CR), average variance extracted (AVE) and individual indicator reliability for evaluation of convergent validity (Henseler, Ringle & Sarstedt, 2015).

##### **4.9.1.1 Internal Consistency Reliability**

This reliability determines if the items which measure a variable are similar in their scores. The consistency of results across items of the same variables is assessed using this form of reliability (Henseler et al., 2012). The assessment of internal consistency reliability uses value of composite reliability (CR). CR values of all the latent variables used in this study are shown in Table. As a rule of thumb, the internal consistency is established if the CR values are above than 0.70. This can be observed in table that CR values are found to be more than the prescribed value 0.7.

##### **4.9.1.2 Convergent Validity**

This validity examines how much a measure is positively correlated with alternative measures of the same variable (Dijkstra, 2010). The assessment of convergent validity uses measure of average variance extracted (AVE). AVE values of all the latent variables used in this study are shown in Table. As a rule of thumb, the convergent validity is established if the AVE values are greater than benchmark 0.5. This can be observed in the table that AVE values are found to be higher than the prescribed value of 0.5.

#### **4.9.1.3 Discriminant Validity**

This validity measures how much a variable is distinct from other variables in true sense, regarding its correlation with other variables, and the extent to which indicators represent a single variable (Hair et al., 2017). To establish discriminant validity, the HTMT ratio has been used instead of the criterion and cross-loading scores of Fornell & Larcker (1981).

#### **4.9.1.4 Indicator Reliability**

This reliability shows the extent to which a variable explains variation in an item. The outer loadings are used to assess the indicator reliability. Higher outer loading on a variable means that the related measure has much in common, which is measure by the variable (Henseler, Ringle & Sarstedt, 2015). Those items should be retained which have an outer loading above than 0.7 while those should be omitted having loading higher than 0.4 and its effect on CR and AVE should be analyzed. If the CR and AVE of a variable reaches more than the threshold value, that given item should be omitted, otherwise it must be retained. Omission of items results into greater AVE and CR more than the threshold values of 0.5 and 0.7 respectively.

#### **4.9.1.5 Partial Least Square Algorithm**

PLS Algorithm is necessarily a sequence of regression pertaining to weight vectors. Wold (1992) developed the method of PLS path modeling. Fixed point equations are satisfied using the weight vectors obtained at convergence (Dijkstra, 2010). The operation and implementation of basic PLS algorithm in Smart PLS 3.0 have been explained in detail by (Hair et al., 2017 & Henseler et al., 2012). Such equations are generally analyzed and convergence issues are ensued by the basic PLS algorithm having three stages. *Stage 1*: Iterative estimation of scores of latent variable having a 4-step iterative procedure repeated until maximum iterations are obtained or convergence achieved.

- Outer approximation of scores of latent variables
- Inner weights estimation
- Inner approximation of scores of latent variables
- Outer weights estimation

Stage 2: Estimation of Path coefficient and outer loadings/weights

Stage 3: Location parameters' estimation

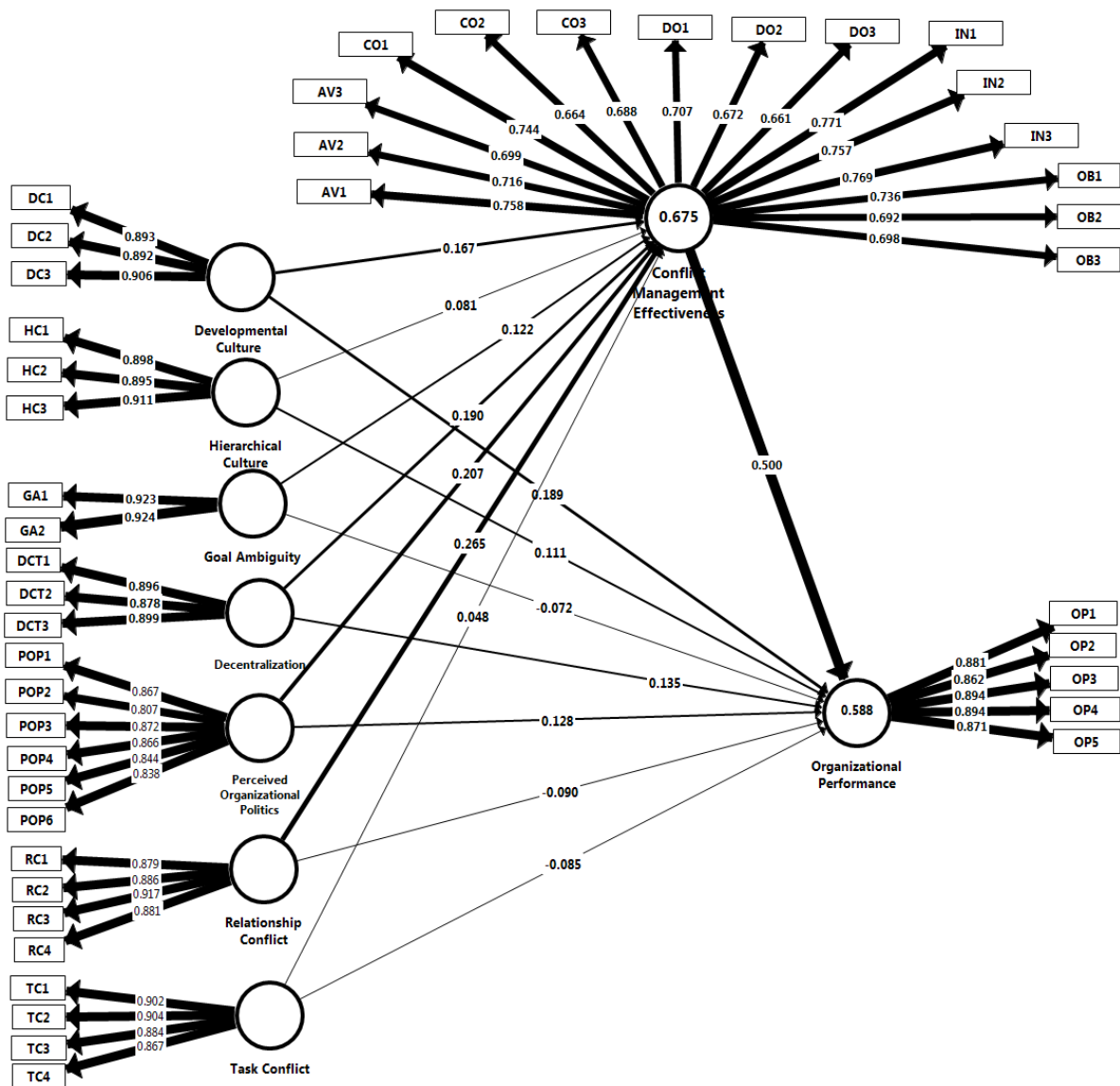
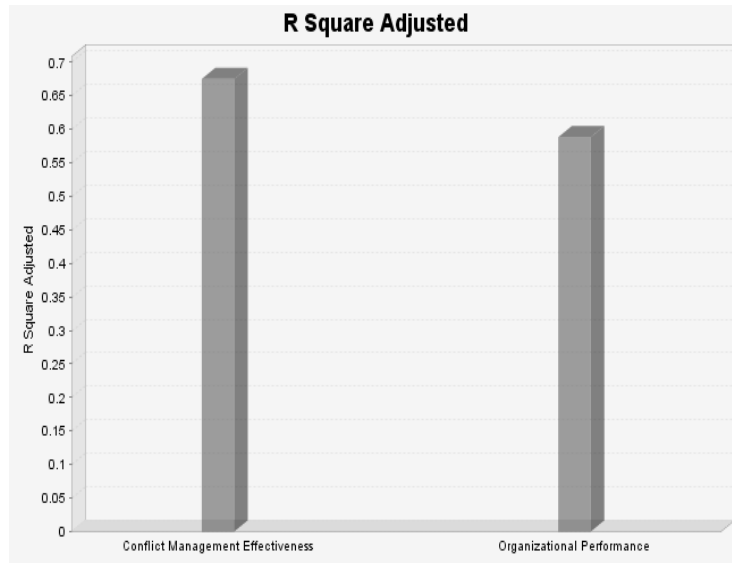


Figure 4.12: Initial Model Output Image of Algorithm



**Figure 4.13: Bar Chart R-Square Adjusted**

**Interpretation:** Figure 4.12 shows the initial model output of PLS SEM having the set of core latent variables/constructs in circles and their respective indicators in rectangles. The connectors' arrows are used to show the relationship initiating from the exogenous (independent) variables namely development culture, hierarchical culture, goal ambiguity, decentralization, perceived organizational politics, relationship conflict and task conflict towards the endogenous (dependent) variables i.e. mediating variable which is conflict management effectiveness and dependent variable which is organizational performance. The output model includes two main parts. An inner model comprises of relationships between latent variables or constructs. In inner model, the path coefficients between the latent variables are shown in the output image. The Outer model contains relationships between latent variables and their respective indicators. In outer model, the outer loadings/weights between the latent variables and their relevant indicators are shown in output image.

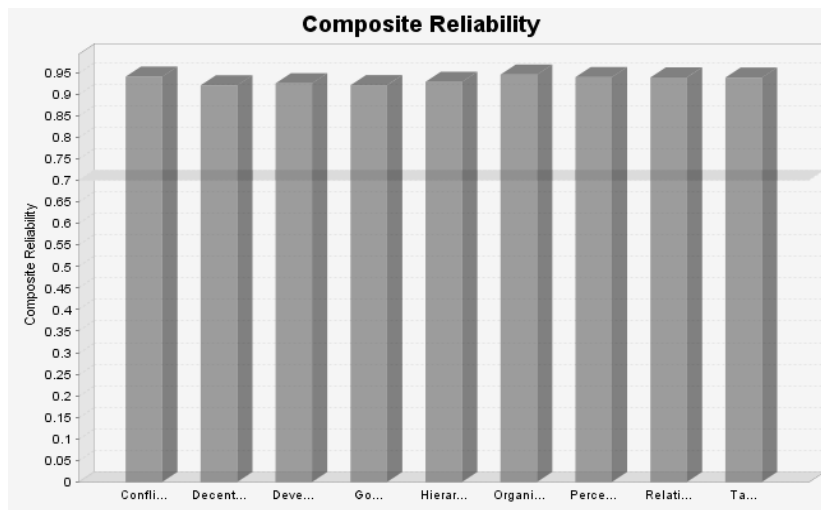
Figure 4.13 shows the bar chart representing the Adjusted R square values given for constructs of conflict management effectiveness and organizational performance approximately 67.5% and 58.8% respectively in these latent variables. It is not possible to display coefficients, direct/indirect effects, levels of significant, indices of model fit and remaining results; thus it is essential to look at the text output and results.

**Table 4.20: Construct Reliability and Convergent Validity**

Constructs	Composite Reliability (CR)	Average Variance Extracted (AVE)
Conflict Management Effectiveness	0.940	0.513
Decentralization	0.920	0.794
Developmental Culture	0.925	0.805
Goal Ambiguity	0.921	0.853
Hierarchical Culture	0.929	0.812
Organizational Performance	0.945	0.775
Perceived Organizational Politics	0.939	0.721
Relationship Conflict	0.939	0.793
Task Conflict	0.938	0.791

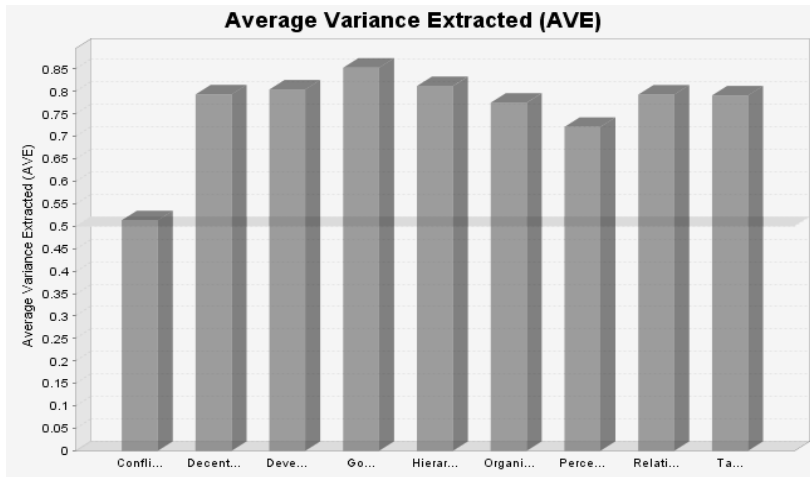
**Interpretation:** Construct validity means that a test designed to measure a particular construct is actually measuring that construct. For excellent construct validity, two subsets of validity are required. Convergent validity being a sub-type of Construct validity, takes two measures that are supposed to be measuring the same construct and shows that they are related. Convergent validity tests constructs that are expected to be related are, in actual, related. Conversely, discriminant validity means two measures that are not supposed to be related are in fact, unrelated. That is, it tests that constructs that should have no relationship with each other, do not have, any relationship. Convergent validity measured by AVE indicates that each measurement item has high correlations with other items measuring the same hypothetical construct. Average variance extracted (AVE) is a measure of the amount of variance captured by a construct in relation to the amount of variance due to measurement error. It is the average percentage of variation explained (variance extracted) among the items of a construct. It is a summary measure of convergence among a set of items representing a latent construct. Composite reliability checks internal consistency and evaluates the compliance of reflective indicators. Composite reliability should be greater than benchmark 0.7 considered adequate and highly reliable and average variance extracted (AVE) must be higher than 0.5 for all constructs of a measurement model. This research study has excellent construct validity as it possesses both validity types. Table displays CR and AVE values which show that all variables have good indicators as they are above than suggested value 0.5 in case of AVE being a conservative indicator. The results indicate that

reliable observed indicators have been used to appropriately construct all the latent variables for this study.



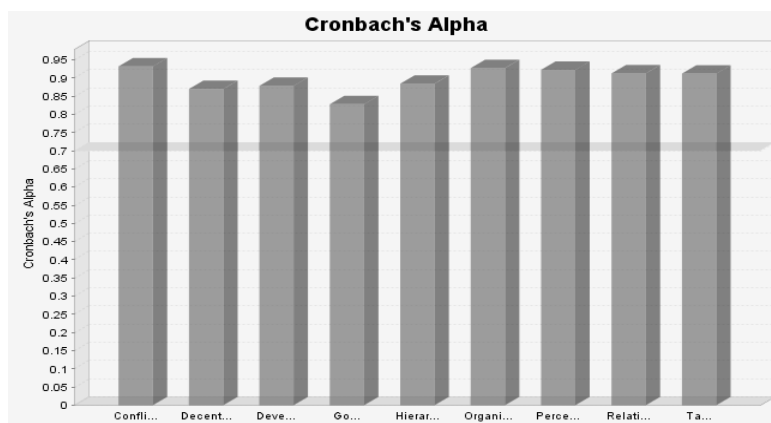
**Figure 4.14: Bar Chart of Composite Reliability**

**Interpretation:** Bar charts are a symbolic representation of sample data. The rectangular bars show the data with heights proportional to the values that they represent. The bars are plotted vertically. Figure \_ depicts the bar chart for composite reliability (CR) of variables such as conflict management effectiveness, decentralization, development culture, goal ambiguity, hierarchical culture, organizational performance, perceived organizational politics, relationship conflict and task conflict. This above shown chart for CR shows that the variables are internally consistent and the compliance of reflective indicators is also evaluated by values of composite reliability. The composite reliability values of all the variables are quite good as they are higher than the cutoff value of 0.7. That is, all the constructs have good internal consistency and reflective indicators.



**Figure 4.15: Bar Chart of Average Variance Extracted**

*Interpretation:* Figure depicts the bar chart for average variance extracted (AVE) of variables such as conflict management effectiveness, decentralization, development culture, goal ambiguity, hierarchical culture, organizational performance, perceived organizational politics, relationship conflict and task conflict. This above shown chart for AVE shows that all the items have convergent validity that is AVE show that all the measurement items of each construct have high correlations measuring that same variable. The average percentage of variance explained among the items of each construct is shown in bar chart. The AVE values of all the variables are quite good as they are higher than the threshold value of 0.5. It can be seen that convergence is measured among a set of items representing each latent construct.



**Figure 4.16: Bar Chart of Cronbach Alpha**

*Interpretation:* Figure 4.16 shows the reliability coefficients of variables such as conflict management effectiveness, decentralization, development culture, goal ambiguity,

hierarchical culture, organizational performance, perceived organizational politics, relationship conflict and task conflict. Greater the cron bach alpha value of a variable, the more the variable is said to be reliable. This is a function of number or items in a test. The coefficients are higher than the benchmark value 0.7 which indicates that the average covariance between pairs of items and the variance of the total score is quite good.

**Table 4.21: Collinearity Statistics (VIF) Inner VIF values**

Constructs	Conflict Management Effectiveness	Organizational Performance
Conflict Management Effectiveness		3.103
Decentralization	1.992	2.104
Developmental Culture	1.547	1.634
Goal Ambiguity	2.365	2.411
Hierarchical Culture	2.249	2.269
Organizational Performance		
Perceived Organizational Politics	2.289	2.421
Relationship Conflict	1.701	1.920
Task Conflict	1.098	1.105

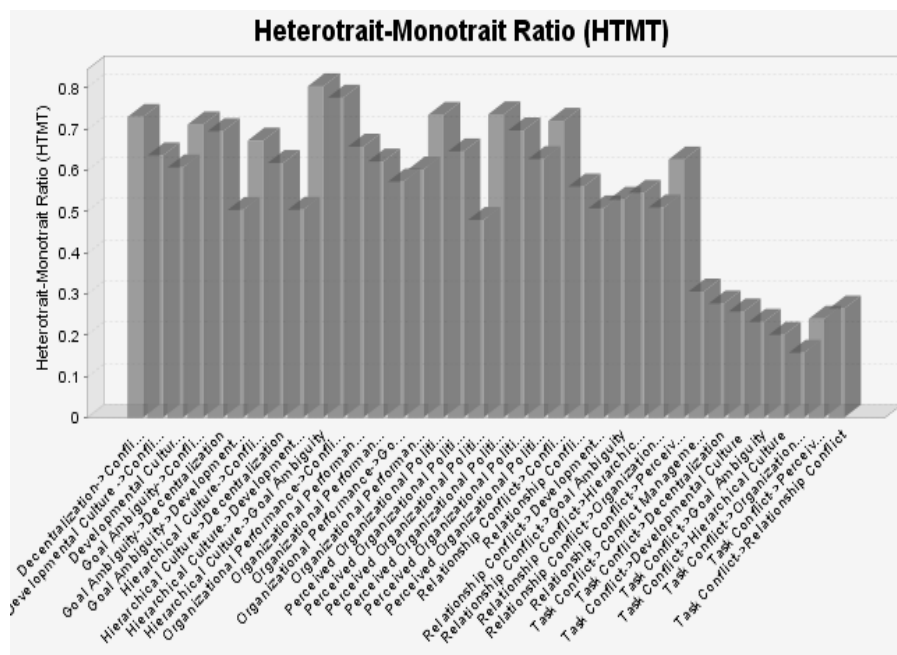
**Interpretation:** Variance Inflation Factor (VIF) is a measure of the amount of multicollinearity in a set of multiple regression variables and how much the variance is inflated to detect multicollinearity. The severity of multicollinearity in an ordinary least squares regression analysis is quantified by VIF. It provides an index measuring the increase in variance of an estimated regression coefficient due to collinearity. Within the set of independent variables, the presence of multicollinearity creates many problems to understand the significance of individual independent variables in a regression model. Model can be adjusted by identifying issues of multicollinearity using variance inflation factor. VIF quickly measures the contribution of a variable in standard error of the regression. This variance inflation factor will be large for variables involved if severe multicollinearity issues exist. The VIF values are below than threshold value 5 which indicates good signs of data free from multicollinearity issues.

**Table 4.22: Discriminant Validity Heterotrait-Monotrait Ratio (HTMT)**

Latent Variables	CME	DCT	DC	GA	HC	OP	POP	RC	TC
Conflict Management Effectiveness									
Decentralization	0.729								
Developmental Culture	0.636	0.607							
Goal Ambiguity	0.712	0.695	0.504						
Hierarchical Culture	0.672	0.618	0.504	0.804					
Organizational Performance	0.777	0.658	0.621	0.573	0.602				
Perceived Organizational Politics	0.735	0.646	0.480	0.736	0.697	0.628			
Relationship Conflict	0.720	0.561	0.508	0.529	0.545	0.510	0.626		
Task Conflict	0.306	0.277	0.258	0.232	0.201	0.157	0.240	0.264	0.235

**Interpretation:** Table 4.22 shows that tests of discriminant validity also support the reliability and internal consistency of the measurement model. Discriminant validity (Divergent validity) is used to test that if measurements or concepts that are not supposed to be related are actually unrelated. The assessment of discriminant validity is now a general prerequisite in variance-based structural equation modeling like partial least squares to analyze the relationships between latent variables. Discriminant validity is evaluated through dominant approaches namely the Fornell-Larcker criterion and the examination of cross-loadings but these are not so reliable for detecting lack of discriminant validity in researches. Therefore another alternative approach called the Heterotrait-Monotrait ratio of correlations (HTMT) was proposed (Henseler, Ringle & Sarstedt, 2015). The goal to assess the discriminant validity is to make sure that a reflective construct has the strongest relationships with its own indicators in the PLS path model in comparison with any other construct (Hair et al., 2017). It is recommended to use the HTMT criterion for assessing

discriminant validity. The HTMT value below cut off value of 0.90 means discriminant validity has been established between two reflective constructs.



**Figure 4.17: Bar Chart of HTMT Ratio**

**Interpretation:** Figure 4.17 depicts the rectangular bars for ratios of the Heterotrait-Monotrait (HTMT) of correlations being a new technique to assess discriminant validity in partial least squares structural equation modeling, which is one of the key building blocks of model evaluation. To analyze the relationship between latent variables, assessment of discriminant validity has become a generally accepted prerequisite. Researchers would be uncertain that the results which confirm hypothesized structural paths are either real or are just a result of statistical discrepancies if discriminant validity is not established. The classic and dominant approaches for assessing discriminant validity like Fornell-Larcker criterion and (partial) cross-loadings, have limitation of reliably detecting and evaluating the lack of discriminant validity while the HTMT criterion being an alternative approach, clearly outperforms. Discriminant validity is assessed using HTMT criterion and discriminant validity has been established between two reflective constructs if value of HTMT is below 0.90 as a rule of thumb.

**Table 4.23: Outer Loadings**

Indicators	CME	DCT	DC	GA	HC	OP	POP	RC	TC
AV1	0.758								
AV2	0.716								
AV3	0.699								
CO1	0.744								
CO2	0.664								
CO3	0.688								
DC1			0.893						
DC2			0.892						
DC3			0.906						
DCT1		0.896							
DCT2		0.878							
DCT3		0.899							
DO1	0.707								
DO2	0.672								
DO3	0.661								
GA1				0.923					
GA2				0.924					
HC1					0.898				
HC2					0.895				
HC3					0.911				
IN1	0.771								
IN2	0.757								
IN3	0.769								
OB1	0.736								
OB2	0.692								

---

OB3	0.698		
OP1		0.881	
OP2		0.862	
OP3		0.894	
OP4		0.894	
OP5		0.871	
POP1			0.867
POP2			0.807
POP3			0.872
POP4			0.866
POP5			0.844
POP6			0.838
RC1			0.879
RC2			0.886
RC3			0.917
RC4			0.881
TC1			0.902
TC2			0.904
TC3			0.884
TC4			0.867

---

**Interpretation:** The term structural equation model refers to both the structural and measurement model, combined. More precisely, the structural model consists of the mathematical equations expressing the relationships among latent variables. The measurement model consists of the equations expressing the relationships among latent variables and indicators. The inner models are regarded as structural models and outer models are regarded as measurement models. Outer loadings are also known as Reflective Indicators. The outer loading values are above than the benchmark value of 0.6 which indicates the outer loadings are quite good. In a structural equation modeling (SEM) analysis, the part of the

model describing the relationships among the latent variables that make up the model is the inner model and the part of the model describing the relationships among the latent variables and their indicators is the outer model. That is, *the path coefficients are inner model parameter estimates. The weights and loadings are outer model parameter estimates.* The values of outer loadings of indicators are strong and high enough to the set benchmarks that there is no need to discard the survey items from the instrument as all the items are approximately meeting the criteria of acceptability.

**Table 4.24: Model Fit Summary**

Fit Summary	Saturated Model	Estimated/Default Model
SRMR	0.046	0.046
NFI	0.819	0.819

**Interpretation:** A statistical model having the goodness of fit indicates how well it fits a set of observations. Measures of goodness of fit typically summarize the discrepancy between observed values and the values expected under the model in question. Model fit measures help in testing statistical hypotheses. The SRMR stands for Standardized Root Mean Square Residual. The SRMR being an absolute measure of fit and is actually the standardized difference between the observed correlation and the predicted correlation. For SRMR, the value of standardized root mean square residual value is 0.046. It is recommended that SRMR value of residual and error should be preferably less than  $< 0.05$  for a good fit model. The smaller the Standardized Root Mean square Residual value, the better it is for goodness fit of estimated model. For Normed Fit Index (NFI), NFI value lies between 0-1. The value of Normed Fit index in our default model = 0.819. The higher the NFI value, the better it is for a model to be good fit. As a general rule, this NFI value should preferably be equal to or greater than 0.90. In case of this default model, this value is closer to 0.90. The values closer to 1 indicate the model to be a good fit. Eventually it can be observed that the default model is a good fit model. Since the estimated or default model is a saturated model as the values of both default model and saturated model are equal.

## **4.9.2 Assessment of Structural Model**

In the measurement model, the reliability and validity of the latent variables have been established above. Now the structural model (also called inner model) is assessed for testing the relationships of exogenous variables with endogenous variable. In PLS SEM, assessment of structural model includes path coefficients for evaluating the relevance and significance of relationships of structural model,  $R^2$  value for evaluating the predictive accuracy of model,  $Q^2$  for evaluating the predictive relevance of model and  $F^2$  for evaluating the substantial influence of exogenous variables on endogenous variable (Hair et al., 2017).

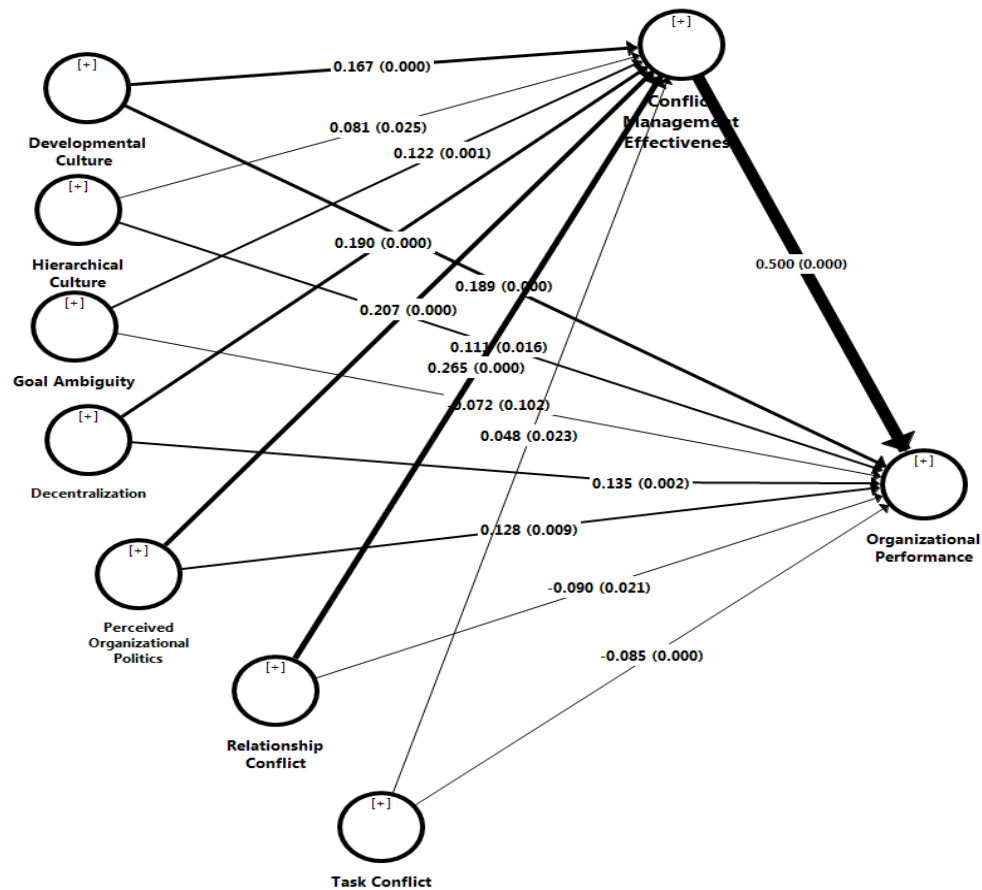
### **4.9.2.1 Path Coefficients**

Figure 4.16 and 4.17 depict the path coefficients pertaining to direct relationship between constructs such as organizational factors and organizational performance. Bootstrapping routine has been advocated by many researchers (Hair et al., 2017; Dijkstra, 2010) to use data points and around 5000 samples. It is a nonparametric approach used to obtain path coefficients, indirect and total effects of variables. Bootstrapping is a resampling approach in which random samples (with replacements) are drawn from the data and then these samples are used for estimating the path model multiple times under slightly changed constellations of data. The main aim of bootstrapping is the calculation of standard error of coefficient estimates for examining the statistical significance of coefficients.

### **4.9.2.2 Bootstrapping Routine to Assess Path Coefficients**

PLS SEM relies on a nonparametric procedure of bootstrapping used to test the statistical significance of various results of PLS-SEM like  $R^2$  values, HTMT ratio, Cronbach's Alpha and path coefficients. Out of original data set, subsamples are randomly drawn observations in bootstrapping. Then the PLS path model is estimated using the subsample. This process is repeated unless a large number of random subsamples are created like 5,000. Then the standard errors for the results of PLS SEM are derived using this estimation from the bootstrap subsamples. Hence the significance of results of PLS SEM is

assessed after calculating the p-values, t-values and confidence intervals using this information (Hair et al., 2017).



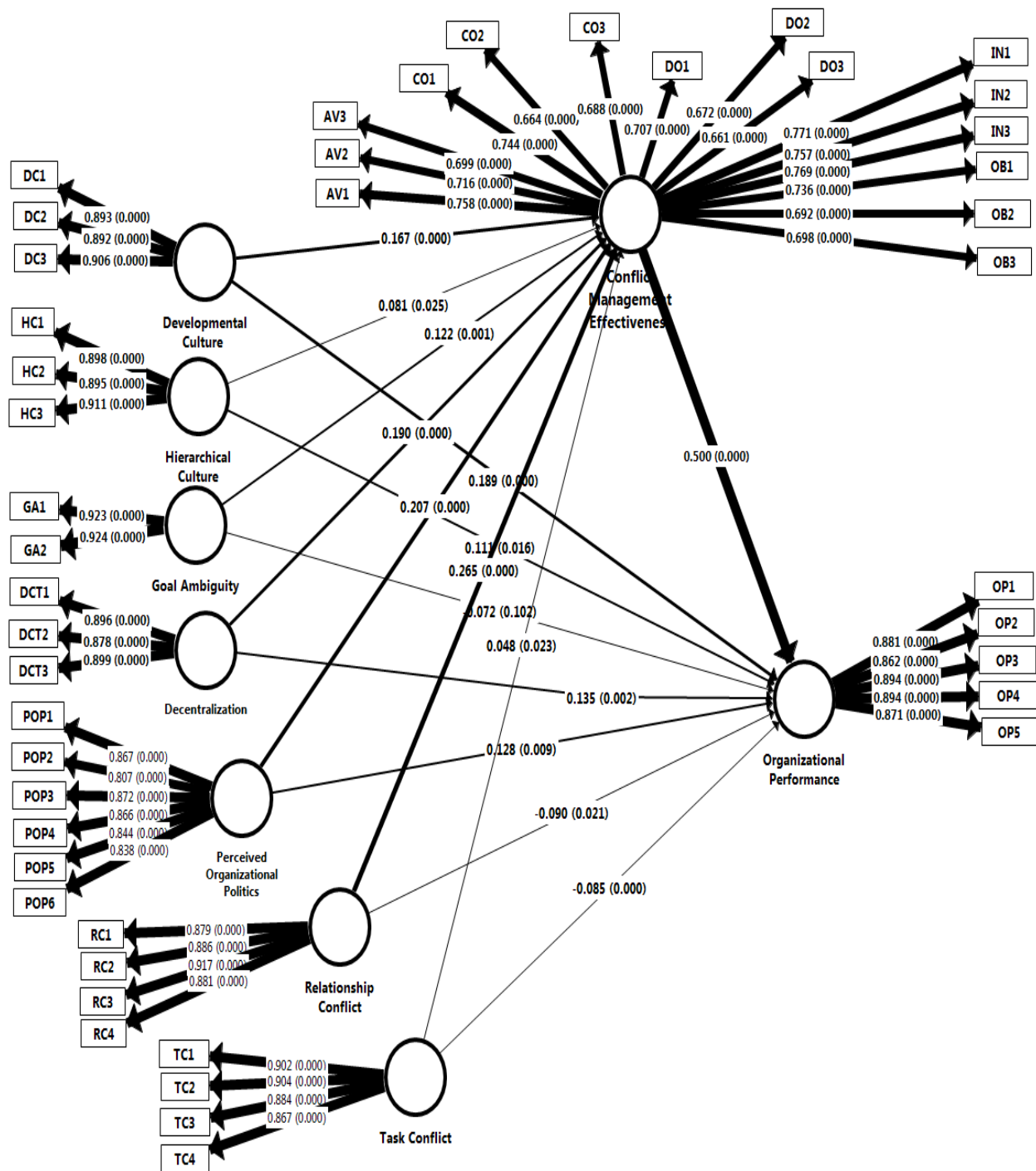
**Figure 4.18: Inner Model Output: Relationships between Latent Variables**

**Interpretation:** Figure 4.18 displays the output of inner model displaying a combination of all the latent exogenous and endogenous variables for this study. The inner model displays path coefficients and p values in parenthese. The exogenous variable development culture (DC) puts a positive and significant influence with beta coefficient 0.189 and significant at 1% level on the endogenous variable of organizational performance (OP) and same effect on the endogenous variable i.e. mediating variable conflict management effectiveness (CME) with beta value 0.167 at 1% significant level. The hierarchical culture (HC) affects positively and significantly the organizational performance (OP) with beta coefficient 0.111 at 5% significant level and positively significantly influence on conflict management effectiveness (CME) with beta 0.081 significant at 5% level.

The exogenous variable goal ambiguity (GA) is negatively related to organizational performance (OP) but puts a positive and significant influence on conflict management effectiveness (CME) with beta value 0.122 and significance level at 1%. The goal ambiguity has changed its impact from negative to positive on organizational performance due to mediation of conflict management effectiveness. The exogenous variable decentralization (DCT) positively and significantly influences organizational performance with beta value 0.135 and significance level at 1%. DCT has same positive and significant influence on conflict management effectiveness with beta 0.190 and significant at 1%. The exogenous variable perceived organizational politics (POP) affects negatively and significantly the organizational variable with beta coefficient 0.128 and significant at 1% level. POP has positive and significant effect on conflict management effectiveness with beta 0.207 and significance level at 1%.

The exogenous variable relationship conflict (RC) directly puts a negative and significant effect on organizational performance with beta -0.090 and 5% significance level. But this RC puts a positive and significant impact on conflict management effectiveness with beta 0.265 and significance level at 1%. This impact of RC has been changed from negative to positive because of the presence of the mediating variable CME. Lastly, the exogenous variable task conflict (TC) has directly a negative and significant impact on organizational performance (OP) with beta value of -0.085 and significance level at 1%. This task conflict positively and significantly influences conflict management effectiveness with beta coefficient 0.048 and significance at 5%. The impact has been changed from negative to positive due to mediating factor CME. The model also shows that the effect of conflict management effectiveness (CME) on organizational performance (OP) is also positive ( $\beta = 0.500$ ) and strongly significant at p-value 1%.

Surprisingly, on the grounds of significance of the path coefficients in the model, the initially proposed model does not need to be modified. The above mentioned results depict the path coefficients and levels of significance. As per the results, all the path coefficients are significant. So no need to drop any particular paths from the initial model. Eventually, the final research model was run to test the hypotheses and verify the ultimate relationships.



**Figure 4.19: Final Path Diagram of SEM Model Output**

**Interpretation:** The results depict that our model is a recursive model with a sample size N=815. A Recursive model is a simple model. There is a specific limit of regression paths. The inner model displays path coefficients with p values in parentheses. The outer model shows outer weights/loadings with p values in parentheses. General rule is that the number of parameters should be less than or equal to the number of observations for positive

degree of freedom. Since (Degree of Freedom = No. of Observations – No. of Parameters). It is necessary to keep the degree of freedom positive rather than zero or negative. As the number of observations increase, the degree of freedom increases as well. Since Errors are also estimated in a model so they are also the parameters. Each arrow regardless being a single headed or double headed, is representing a parameter in above mentioned PLS-SEM model.

**Exogenous variables:** Exogenous variables are the Predictors. All the variables which predict the other variables are called exogenous variables. In this model, the independent variables like development culture (DC), hierarchical culture (HC), goal ambiguity (GA), decentralization (DCT), perceived organizational politics (POP), relationship conflict (RC) and task conflict (TC) are the 7 exogenous variables. Their impact has been observed on endogenous variables. No path leads towards these 2 exogenous variables therefore Error terms cannot be shown with the exogenous variables.

**Endogenous variables:** Endogenous variables are the Outcomes. Remaining all other variables except exogenous variables, are the endogenous variables. An endogenous variable has at least one path leading to it. In this specified model, the conflict management effectiveness (CME) is the mediating variable and Organizational Performance (OP) is the dependent variable. But as a whole, both of these latent variables along with their indicators are the endogenous variables.

In a regression analysis, the direct and indirect effects of relationships are generally not analyzed. However, the final PLS SEM model gives a view of direct, indirect and total effects in respective relationships. The PLS SEM provides the level of significance for each effect so one can analyze if each of the direct, indirect and total effect is statistically significant or not. Furthermore, the significant levels of these effects are obtained by conducting resampling of bootstrapping method with the maximum likelihood estimation (number of bootstrap samples: 2000) of the smart PLS SEM software.

**Table 4.25: Path Coefficients for Direct Effects of Variables**

Relationships between Constructs & Variable Summary	Sample Mean	SD	T	P
Conflict Management Effectiveness -> Organizational Performance	0.500	0.050	9.975	0.000
Developmental Culture -> Conflict Management Effectiveness	0.167	0.032	5.156	0.000
Developmental Culture -> Organizational Performance	0.189	0.037	5.102	0.000
Hierarchical Culture -> Conflict Management Effectiveness	0.081	0.037	2.166	0.025
Hierarchical Culture -> Organizational Performance	0.111	0.045	2.444	0.016
Goal Ambiguity -> Conflict Management Effectiveness	0.122	0.037	3.307	0.001
Goal Ambiguity -> Organizational Performance	-0.072	0.043	1.669	0.102
Decentralization -> Conflict Management Effectiveness	0.190	0.035	5.382	0.000
Decentralization -> Organizational Performance	0.135	0.044	3.041	0.002
Perceived Organizational Politics -> Conflict Management Effectiveness	0.207	0.039	5.260	0.000
Perceived Organizational Politics -> Organizational Performance	0.128	0.048	2.637	0.009
Relationship Conflict -> Conflict Management Effectiveness	0.265	0.033	8.003	0.000
Relationship Conflict -> Organizational Performance	-0.090	0.039	2.304	0.021
Task Conflict -> Conflict Management Effectiveness	0.048	0.021	2.270	0.023
Task Conflict -> Organizational Performance	-0.085	0.023	3.716	0.000

**Interpretation of Estimates and Regression Weights:** Table 4.25 gives the path coefficients of the final PLS-SEM model. All the direct relationships are statistically significant. The above given Estimates column depict the list of Regression Coefficients that if there is 1.0 unit increase in development culture (DC) then there will be 0.167 units increase in Conflict management effectiveness (CME). Likewise if there is 1.0 unit increase in hierarchical culture (HC) then there would be 0.081 units rise in CME. If 1.0 unit in goal ambiguity then there will be 0.122 units increase in Conflict management effectiveness (CME). If 1.0 unit rises in decentralization (DCT) then there will be 0.190 units increase in

Conflict management effectiveness (CME). If 1.0 unit in perceived organizational politics (POP) then there will be 0.207 units increase in Conflict management effectiveness (CME). If 1.0 unit in relationship conflict (RC) then there will be 0.265 units increase in Conflict management effectiveness (CME). If 1.0 unit in task conflict (TC) then there will be 0.048 units increase in Conflict management effectiveness (CME). If there is 1.0 unit rise in Conflict management effectiveness (CME) then there will be 0.500 units increase in Organizational Performance (OP). The signs of regression coefficients are mostly positive and exogenous variables have a significant impact on all the endogenous variables.

The column of t-ratios or critical ratios is showing the good signs as these are greater than 2 having \*\*\* triple stars which depict that the significance level is < than 0.01. The t-statistic for CME and OP is 9.975 and the regression coefficient (estimate) of 0.500 has a standard error (S.E) of 0.050 and level of significance is less than 0.01. Similarly the t-ratio for DC and CME is 5.156 with regression coefficient 0.167 having a standard error of 0.032 having a significance level less than 0.01. The t-ratio for HC and CME is 2.166 with regression coefficient 0.081 having standard error 0.37 and level of significance is less than 0.05. The t-ratio for GA and CME is 3.307 with regression coefficient 0.122 having standard error 0.037 and level of significance is less than 0.01. The t-ratio for DCT and CME is 5.382 with regression coefficient 0.190 having standard error 0.035 and level of significance is less than 0.01. The t-ratio for POP and CME is 5.260 with regression coefficient 0.207 having standard error 0.039 and level of significance is less than 0.01. The t-ratio for RC and CME is 8.003 with regression coefficient 0.265 having standard error 0.033 and level of significance is less than 0.01. The t-ratio for TC and CME is 2.270 with regression coefficient 0.048 having standard error 0.021 and level of significance is less than 0.05.

The values of t-statistic depict that either the effects of all exogenous variables on endogenous variable (mediator) are significant or not. The t-test or critical ratios (C.R) show the significance of parameters. As rule of thumb, if the value of t-stat is equal to or greater than 2 then the parameters are statistically significant otherwise it is not. That is if t-stat is greater than or equal to 2, then the significance level would automatically be less than 0.05. The manifestation of latent variables can be undertaken through Confirmatory Factor Analysis (CFA) resulting into measures of goodness of fit such as Chi square values etc. Regression weights are named as factor loadings in CFA. The effects of latent variables on

manifest variables can be observed using regression weights. Regression weights are the regression coefficients or slope coefficients. The positive and negative signs along with the significant impact of endogenous variables are in line with the theory. This reveals that the default model which has been specified is closely measuring the reality as the direction of measured relationships could be justified based on the data sample. The signs of slope coefficients also indicate how well the model fits the data and up to which extent the specified and hypothesized model captures the reality.

***Slope Coefficients & P-values:*** In figure 4.19, Path coefficients are parameters so each one has its own p-value and standard error. There are 3 indicators of exogenous variable Development Culture (DC), DC1 has a regression coefficient of 0.893 with a level of significance less than 0.01. The 3<sup>rd</sup> indicator (DC3) has a regression coefficient of 0.906 with a significance level less than 0.01. There are 3 indicators of Hierarchical culture (HC), the 1<sup>st</sup> indicator has a regression coefficient of 0.898 with a level of significance less than 0.01. The 3<sup>rd</sup> indicator (HC3) has a regression coefficient of 0.911 with a significance level less than 0.01. There are 2 indicators of Goal Ambiguity (GA). The 1<sup>st</sup> indicator (GA1) has a regression coefficient 0.923 with a significant p-value less than 0.01. The 2<sup>nd</sup> indicator (GA2) has a regression coefficient 0.924 significant at less than 0.01 significance level. There are 3 indicators of Decentralization (DCT), the 1<sup>st</sup> indicator (DCT1) has a regression coefficient of 0.896 with a significance level less than 0.01. The 3<sup>rd</sup> indicator (DCT3) has a regression coefficient 0.899 with a significance level less than 0.01. There are 6 indicators of Perceived Organizational Politics (POP). The 1<sup>st</sup> indicator (POP1) shows a regression coefficient of 0.867 with a significance level lesser than 0.01. The 6<sup>th</sup> indicator (POP6) has a regression coefficient of 0.838 with a significant p-value less than 0.01.

There are 4 indicators of Relationship Conflict (RC). The 1<sup>st</sup> indicator RC1 has a regression coefficient of 0.879 with significance level less than 0.01. The 4<sup>th</sup> indicator (RC4) has a regression coefficient of 0.881 and significance level less than 0.01. There are 4 indicators of Task Conflict (TC). The 1<sup>st</sup> indicator (TC1) has a regression coefficient of 0.902 with a significance level less than 0.01. The 4<sup>th</sup> indicator (TC4) has a regression coefficient of 0.867 with a p-value less than 0.01. The 1<sup>st</sup> indicator of conflict management effectiveness

CME namely Integration (IN1) has highest regression estimate of 0.771 with a p-value which shows the significance level lesser than 0.01. The 2<sup>nd</sup> indicator of CME namely Avoiding (AV1) has highest coefficient of 0.758 with a significant p-value. The 3<sup>rd</sup> indicator of CME is Dominating and (DO1) has highest slope coefficient of 0.707 with a significant p-value. The 4<sup>th</sup> indicator of CME is obliging and (OB1) has highest coefficient of 0.736 with a significance level less than 0.01. The 5<sup>th</sup> indicator of CME is Compromising (CO) and (CO1) has highest slope coefficient of 0.744 and a significant p-value. The 1<sup>st</sup> indicator of Organizational performance (OP1) shows a slope coefficient of 0.881 with a significance level less than 0.01. It can be seen that the intercept for predicting the fifth indicator (OP5) is estimated to be 0.871 with a significant p-value at 0.01 level. The values of t-stats are greater than 2 and this depicts that parameters are statistically significant.

***Correlation between Exogenous Variables:*** The highly or moderately correlated variables can create serious problems in data analysis like exaggerated results of R-Square values therefore either the option is to skip them by trimming of data or to control their effect in the specified model. The independent variables must be uncorrelated otherwise multicollinearity issues arise.

**Table 4.26: Indirect Effects of Variables**

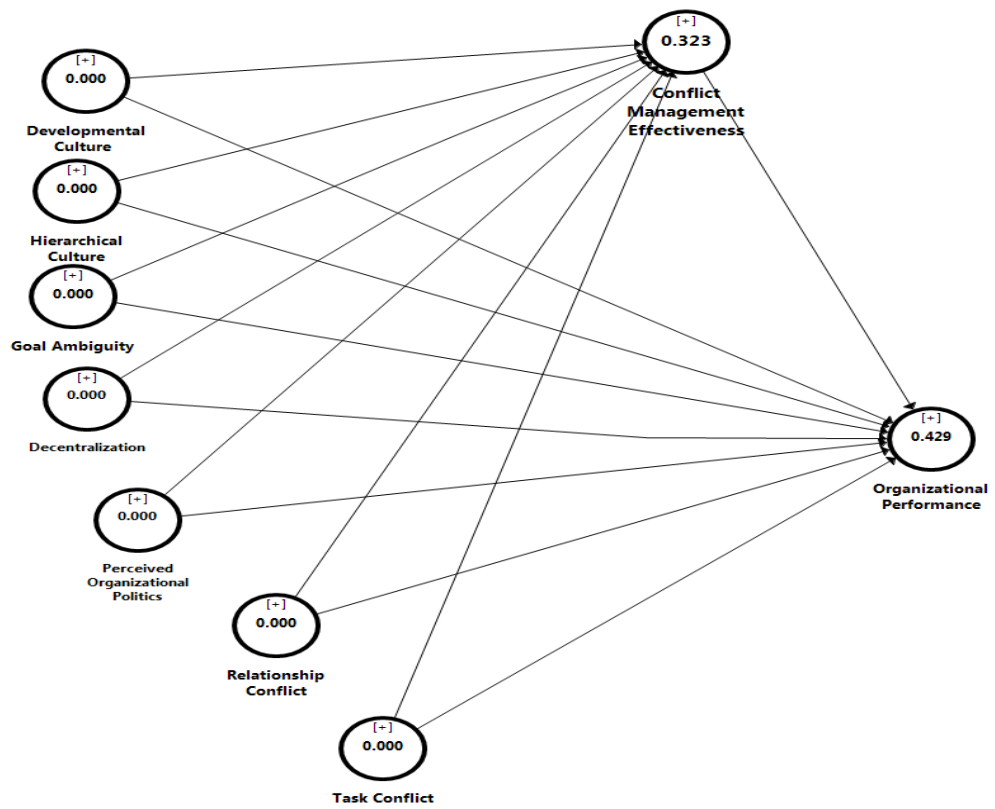
Indirect Effects of Constructs	Sample Mean (O)	SD	T	P
Conflict Management Effectiveness -> Organizational Performance				
Developmental Culture -> Conflict Management Effectiveness				
Developmental Culture -> Organizational Performance	0.084	0.018	4.576	0.000
Hierarchical Culture -> Conflict Management Effectiveness				
Hierarchical Culture -> Organizational Performance	0.040	0.019	2.112	0.028
Goal Ambiguity -> Conflict Management Effectiveness				
Goal Ambiguity -> Organizational Performance	0.061	0.019	3.176	0.001
Decentralization -> Conflict Management Effectiveness				
Decentralization -> Organizational Performance	0.095	0.021	4.572	0.000
Perceived Organizational Politics -> Conflict Management Effectiveness				
Perceived Organizational Politics -> Organizational Performance	0.103	0.024	4.390	0.000
Relationship Conflict -> Conflict Management Effectiveness				
Relationship Conflict -> Organizational Performance	0.133	0.020	6.690	0.000
Task Conflict -> Conflict Management Effectiveness				
Task Conflict -> Organizational Performance	0.024	0.011	2.262	0.023

**Interpretation:** Table 4.26 gives the indirect effects of variables for the final PLS SEM model. All the indirect relationships are statistically significant. The Estimate column depicts the variances of all the exogenous variables including the error terms. The intercept of development culture (DC) for predicting the organizational performance (OP) is estimated to be 0.084 with a significant p-value at 0.01 level and standard error is 0.018 showing t-stat as 4.576. The hierarchical culture (HC) has a slope coefficient of 0.040 in predicting OP and has a standard error of 0.019 with a t-stat of 2.112 and significance level is less than 0.05. The

goal ambiguity (GA) has a slope coefficient of 0.061 with significant p-value and standard error of 0.019 with a t-stat of 3.176. The intercept of decentralization (DCT) for predicting the organizational performance (OP) is estimated to be 0.095 with a significant p-value at 0.01 level and standard error is 0.021 showing t-stat as 4.572. The perceived organizational politics (POP) has a slope coefficient of 0.103 in predicting OP and has a standard error of 0.024 with a t-stat of 4.390 and significance level is less than 0.01. The relationship conflict (RC) has a slope coefficient of 0.133 with significant p-value at 0.01 level and standard error of 0.020 with a t-stat of 6.690. The intercept of task conflict (TC) for predicting the organizational performance (OP) is estimated to be 0.024 with a significant p-value at 0.05 level and standard error is 0.011 showing t-stat as 2.262. (See above table).

#### **4.9.2.3 Blindfolding to Assess $Q^2$ Values**

*A sample re-use technique which calculates Stone-Geisser's  $Q^2$  value (Stone, 1974; Geisser, 1974) representing an evaluation criterion for the cross-validated predictive relevance of the PLS path model.* Researchers not only evaluate the magnitude of the  $R^2$  values as a criterion of predictive accuracy but also evaluate Stone-Geisser's  $Q^2$  value as a criterion of predictive relevance. Blindfolding is an iterative procedure used to obtain  $Q^2$  stat of latent variables in PLS path model. Data points are systematically deleted to provide a prognosis of their original values. In measurement model, every data point of the indicators of the selected latent variable is omitted and predicted in procedure of blindfolding. It omits every D-th data point of indicator of a latent variable. Then remaining data points are used to estimate the PLS path model. The omitted data points are then predicted using the results of PLS-SEM. The prediction error is the difference between the omitted data points and the predicted ones. The  $Q^2$  value is calculated by the sum of squared prediction errors. The exhibition of predictive relevance in PLS SEM well predict s the indicators' data points. For a certain endogenous latent variable,  $Q^2$  value greater than zero shows the predictive relevance of PLS path model has for this construct (Hair et al., 2017).



**Figure 4.20: PLS-SEM Model Output for Predictive Relevance**

**Table 4.27: Construct Cross validated Redundancy**

	Q <sup>2</sup>	R <sup>2</sup>
Conflict Management Effectiveness CME	0.323	0.678
Decentralization		
Developmental Culture		
Goal Ambiguity		
Hierarchical Culture		
Organizational Performance OP	0.429	0.592
Perceived Organizational Politics		
Relationship Conflict		
Task Conflict		

**Interpretation:** Table 4.27 shows the cross validation results also known as rotation estimation. A model validation technique to assess that the results of statistical analyses could be generalized to an independent data set. Quantitative structure-activity relationship (Q2) modeling has a crucial aspect named as validation. Cross-validated redundancy measure has been used for examining the predictive relevance of theoretical or structural model in this study. The two popular validation criteria are Q2 and R2. In particular, the R<sup>2</sup> statistic is high enough which means the final model has a good explanatory power to explain the relationships between organizational dynamics, human factors and organizational performance. The Q<sup>2</sup>-statistic of mediating factor conflict management effectiveness (CME) and dependent variable organizational performance (OP) is also greater than 0 this indicates the accuracy of research model and relevant hypotheses. The results show that the model is appropriate for the prediction purpose. This predictive research model accurately performs the estimations. In summary, measures of fit (prediction error) are combined in cross-validation and a more accurate estimate of model prediction performance is derived.

**Table 4.28: Mediation Analyses & Hypotheses Testing**

	Direct Effect	P Value	Indirect Effect	P Value	Mediation Type
Conflict Management Effectiveness -> Organizational Performance	0.500	0.000	-	-	-
Developmental Culture -> Conflict Management Effectiveness					
Developmental Culture -> Organizational Performance	0.189	0.000	0.084	0.000	Partial Mediation
Hierarchical Culture -> Conflict Management Effectiveness					
Hierarchical Culture -> Organizational Performance	0.111	0.016	0.040	0.028	Partial Mediation
Goal Ambiguity -> Conflict Management Effectiveness					
Goal Ambiguity -> Organizational Performance	-0.072	0.102	0.061	0.001	Full Mediation
Decentralization -> Conflict Management Effectiveness					

Decentralization -> Organizational Performance	0.135	0.002	0.095	0.000	Partial Mediation
Perceived Organizational Politics -> Conflict Management Effectiveness					
Perceived Organizational Politics -> Organizational Performance	0.128	0.009	0.103	0.000	Partial Mediation
Relationship Conflict -> Conflict Management Effectiveness					
Relationship Conflict -> Organizational Performance	-0.090	0.021	0.133	0.000	Full Mediation
Task Conflict -> Conflict Management Effectiveness					
Task Conflict -> Organizational Performance	-0.085	0.000	0.024	0.023	Full Mediation

**Interpretation:** Table 4.28 shows the direct and indirect effects between independent, mediating and dependent variables. Direct effect means the relationship between independent and dependent variables while indirect effect means the relationship between independent and dependent variable in the presence of a mediating factor. The independent variable development culture (DC) has directly positive and significant impact on organizational performance (OP) while this impact decreases due to the mediator conflict management effectiveness (CME). Thus CME partially mediates between the relationship of DC and OP as direct effect ( $\beta=0.189$ ,  $p=0.000<0.01$ ) is lesser than the indirect effect ( $\beta=0.084$ ,  $p=0.000<0.01$ ). The independent variable hierarchical culture (HC) has directly positive and significant impact on organizational performance (OP) while this impact decreases due to the mediator conflict management effectiveness (CME). Thus CME partially mediates between the relationship of HC with OP as direct effect ( $\beta=0.111$ ,  $p=0.016<0.05$ ) is lesser than the indirect effect ( $\beta=0.040$ ,  $p=0.028<0.05$ ). The independent variable goal ambiguity (GA) has directly no significant impact on organizational performance (OP) but due to the mediator ‘conflict management effectiveness’ (CME), (GA) puts a positive and significant influence on (OP). Thus CME fully mediates between the relationship of GA with OP as indirect effect ( $\beta=0.061$ ,  $p=0.001<0.01$ ) is greater than direct effect ( $\beta=-0.072$ ,  $p=0.102$ ).

The independent variable decentralization (DCT) directly has a positive and significant impact on organizational performance (OP) while due to mediation, the impact is decreased. That is, direct effect of (DCT) on (OP) is greater as compared to the indirect effect. So Conflict management effectiveness (CME) partially mediates between the impact of decentralization on organizational performance as the direct effect ( $\beta=0.135$ ,  $p=0.002<0.01$ ) is greater than indirect effect ( $\beta=0.095$ ,  $p=0.000<0.01$ ). The independent variable perceived organizational politics (POP) directly has a positive and significant impact on organizational performance (OP) while due to mediation, the impact is decreased. That is, direct effect of (POP) on (OP) is greater as compared to the indirect effect. So Conflict management effectiveness (CME) partially mediates between the impact of perceived organizational politics on organizational performance as the direct effect ( $\beta=0.128$ ,  $p=0.009<0.01$ ) is greater than indirect effect ( $\beta=0.103$ ,  $p=0.000<0.01$ ). The independent variable relationship conflict (RC) has directly a negative and significant impact on organizational performance (OP) while due to the mediating effect of conflict management effectiveness (CME), this situation changes into a strongly positive and significant impact on OP. Thus, CME fully mediates between the relationship of RC with OP as indirect effect ( $\beta=0.133$ ,  $p=0.000<0.01$ ) is greater than direct effect ( $\beta=-0.090$ ,  $p=0.021<0.05$ ).

The independent variable task conflict (TC) has directly a negative and significant impact on organizational performance (OP) while due to the mediating effect of conflict management effectiveness (CME), this situation changes into a strongly positive and significant impact on OP. Thus, CME fully mediates between the relationship of TC with OP as indirect effect ( $\beta=0.024$ ,  $p=0.023<0.01$ ) is greater than direct effect ( $\beta=-0.085$ ,  $p=0.000<0.01$ ). According to the results, the mediator namely Conflict management effectiveness (CME) plays a key role in determining the relationship between all independent variables and dependent variable. There is a partial mediation between each of the variables development culture, hierarchical culture, decentralization, perceived organizational politics and organizational performance. However, there is a full mediation exists between each of the variables goal ambiguity, relationship conflict, task conflict and organizational performance.

#### 4.10 Impact Performance Matrix Analysis (IPMA)

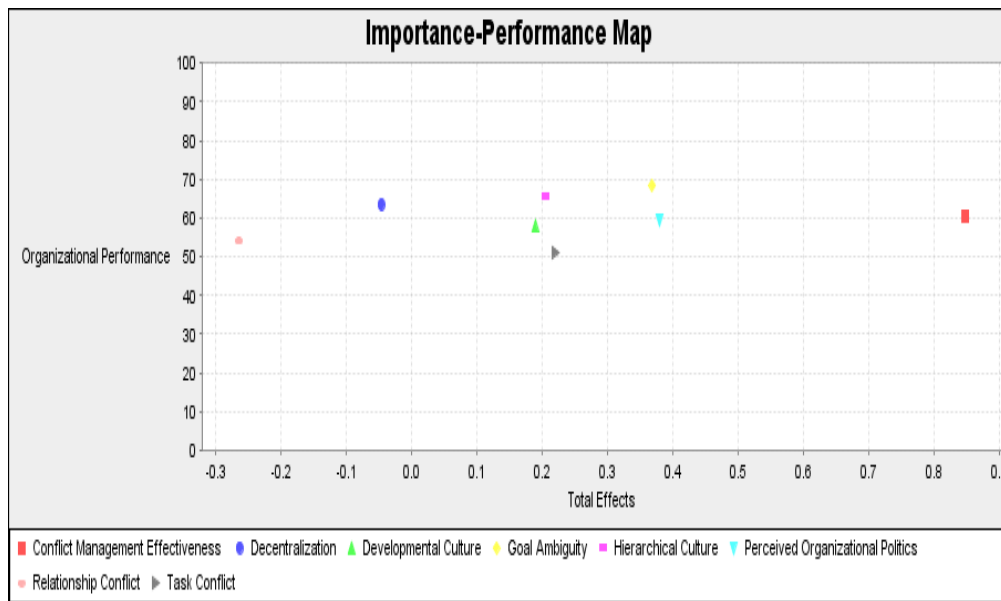
This investigation was carried out for analyzing the relative priority of organizational dimensions on organizational performance (OP). Using smartPLS, the performance of each exogenous latent variable was taken into account in IPMA (Höck, Ringle, & Sarstedt, 2010). Using IPMA, a priority map is extracted out for management-oriented presentations. Actions should have a relatively high impact (i.e. high path coefficient) and a relatively low performance in order to assign priorities to various areas of management activities for their improvement for performance level of a specific endogenous latent variable in future (Hair et al., 2013).

**Table 4.29: Importance-Performance Map Analysis (IPMA)**

Latent Variables/Constructs	Impact	Performances of Constructs
Conflict Management Effectiveness	0.847	60.194
Decentralization	-0.047	63.523
Development Culture	0.189	57.825
Goal Ambiguity	0.368	68.432
Hierarchical Culture	0.205	65.875
Perceived Organizational Politics	0.379	59.387
Relationship Conflict	-0.265	54.143
Task Conflict	0.220	51.231

**Interpretation:** Table 4.29 shows the impact and performance of each exogenous variable towards organizational performance (OP) the endogenous variable. The information is shown on constructs and their impacts in terms of standardized coefficients and their respective performances on the endogenous variable organizational performance. Information regarding the relative importance of constructs to explain other constructs in the structural model is provided in Standard PLS-SEM analyses. To draw the conclusions, the importance of constructs is relevant to study (Hair et al., 2017). That is, the performance of each construct is taken into account to further extend the results of PLS-SEM using the importance-performance map analysis (IPMA). Eventually, conclusions could be drawn

based on two dimensions (importance and performance) which are specifically vital for prioritizing the managerial actions. As a consequence, primarily the performance of the constructs is preferably to improve which exhibit greater importance in terms of explaining a certain target construct but, at the same time, have a relatively low performance (Schloderer, Sarstedt, & Ringle, 2014).



**Figure 4.21: Graphical Representation of Impact-Performance Map**

**Interpretation:** Figure 4.21 shows that the bureaucrats should emphasize on the given organizational dimensions in the descending order of priority keeping in view the impact and performance: conflict management effectiveness, decentralization, development culture, goal ambiguity, hierarchical culture, perceived organizational politics, relationship conflict and task conflict. The goal ambiguity scores high on both dimensions i.e. impact and performance. So the top executives need to collaborate to improve goal ambiguity. The results are consistent with those of previous studies which pinpoint how goal ambiguity influences the organizational performance. Hierarchical culture is the second next dimension to be taken to improve organizational performance. The top executives and bureaucrats should ensure that the organizational culture must be hierarchy-oriented and decentralization is to be also considered for the improvement of the said endogenous variable. The conflict management effectiveness is also another dimension in form of impact and its performance to be studied for getting enhanced performance of public organizations. The perceived organizational politics is another factor to consider its impact and performance on the

endogenous variable. Then comes the turn of relationship conflict's impact and its relevant performance to be studied on the organizational performance. The last on the list is task conflict which is also very crucial for the public organizations.

All the discussed exogenous factors in terms of their impact and performance on endogenous variable are the output of actions done by the top executives, directors and civil servants in their respective departments and public offices. The top administration has the capability to head their respective organizations and organizational goals can't be achieved without their core support. Therefore the civil servants working in different public departments must convince the top management that the organizational factors play a key role in determining and enhancing the performance of government organizations. The internal organizational politics and intraorganizational conflicts in tasks and relationships of officers may hinder the performance of public institutions. Therefore in order to provide the satisfactory public services, these core organizational dimensions should be given due importance not only in setting the goals, devising the policies but also in their implementation from top to bottom throughout the public organizations for ensuring the best public services to the general public at large and competing with public sector of other developing and developed democracies around the globe.

The public sectors of most advanced nations worldwide require innovation and creativity in offering public services which may create distinctive edge from those of other developing economies in Asia and in other continents. The democratic states ensure the successful implementation of their set rules and policies in public offices which may reach down the grass root level to the common citizens with its full true spirit. The successful public sector institutions tend to lead the success of that particular nation as a whole. The top management must not only support the performance evaluation framework and its factors to get the best outcomes but also must attempt to reduce the unfavorable influence of those obstacles which hinder the public offices to work effectively and efficiently. In this chapter, there is a description on sample characteristics of respondents. Using smart PLS 3.0, data were thoroughly analyzed, provides the tables, charts, graphs and their interpretations. In addition to this, a post hoc analysis was also employed namely impact-performance matrix analysis to generate deeper insights on set of latent variables. In the next chapter, the

discussion on the results obtained by smart SEM is provided and then the study is concluded with the recommendations, limitations, managerial implications and future research scope.

**Table 4.30: Result Summary**

Hypotheses of the Study		Result based Decision	
		Regression	SEM
H1a	Hierarchical Organizational Culture has a significant and negative relationship with perceptual conflict management effectiveness.	Supported	Not Supported
H1b	Hierarchical Organizational Culture has a significant and negative relationship with organizational performance.	Not Supported	Not Supported
H2a	Developmental Organizational Culture has a significant and positive relationship with perceptual conflict management effectiveness.	Supported	Supported
H2b	Developmental Organizational Culture has a significant and positive relationship with organizational performance.	Supported	Supported
H3a	Goal Ambiguity has a significant and negative relationship with perceptual conflict management effectiveness.	Supported	Not Supported
H3b	Goal Ambiguity has a significant and negative relationship with organizational performance.	Supported	Supported
H4a	Decentralization has a significant and positive relationship with perceptual conflict management effectiveness.	Supported	Supported
H4b	Decentralization has a significant and positive relationship with organizational performance.	Supported	Supported
H5a	Perceived organizational politics has a significant and negative relationship with perceptual conflict management effectiveness.	Supported	Not Supported
H5b	Perceived organizational politics has a significant and negative relationship with organizational performance.	Supported	Supported
H6a	Task conflict has a significant and positive relationship with perceptual conflict management effectiveness.	Supported	Supported
H6b	Task conflict has a significant and positive relationship with organizational performance.	Supported	Not Supported
H7a	Relationship conflict has a significant and negative relationship with perceptual conflict management effectiveness.	Supported	Not Supported
H7b	Relationship conflict has a significant and negative relationship with organizational performance.	Not Supported	Supported

H8	Effective Conflict Management has a positive relationship with higher perceived organizational performance.	-	Supported
----	---	---	-----------

#### 4.11 Model Fit Summary

The indices of model fit indicate that the model has a very good fit. The degree of freedom (DF) of default model may range from 0 to the DF of independence model. Default/Estimated model is that model which has been specified and assumed in this study. It is estimated one. Saturated model is that one which has used all the possible paths. Maximum and possible parameters are defined and identified in this model and it has a zero degree of freedom. Independence model is such a model in which zero parameters have been defined and maximum degree of freedom is given and assured. The default model is actually the saturated model as here we can observe this scenario. The default model with a justifiable sample size is a good fit model as it is a saturated model (see table). Change in sample size also affects the goodness of fit values. As the sample size is large, the standard errors will be small, the discrepancies would be small and it would be easier to detect the difference between the model and the data and the model apparently seems to be good fit. Thus the discrepancies between assumed relationships and the reality would not be observed prominently. On the other hand, if the sample size is small then the minute differences between hypothesized relationships and reality would seem significant and could be clearly seen.

For all the statistical tests applied, Rule of “Bigger is better”. However, it is a matter of the fact that these rules may not serve as a proof for a perfect model. These conditions symbolize a model to be a “good fit model”. Every test stat has a significance level. As a general rule, if the significance level is lesser  $<$  than 0.05, we reject the Null hypothesis  $H_0$  and if the level of significance is greater than 0.05, we accept the null hypothesis. It is desired and appreciated to come up with a significance level  $<$  0.05. There is no discrepancy between the actual relationships and hypothesized relationships. This implies that the assumed or hypothesized relationships in a model actually reflect the reality.

#### **4.12 Overall Summary of Results**

The Partial Least Square Structural Equation Model (PLS-SEM) and path diagram used in this study is a Recursive model. The results have been interpreted above. Although the default model is not reflecting the saturation point but this model may be improved further. It is clearly evident from the model that the default model is showing good enough results for the exogenous (the development culture, hierarchical culture, goal ambiguity, decentralization, perceived organizational politics, relationship conflict and task conflict) and endogenous variables (Conflict management effectiveness and institutional performance). The impacts and significance level of variable provide justifications and are in line with the already set theoretical perspectives.

## CHAPTER FIVE: DISCUSSION

The main objectives of the study are: (1) Which sort of relationships exist between organizational factors, conflicts and internal organizational politics? (2) What is the impact of perceived internal organizational politics on organizational performance and conflict management effectiveness? (3) How organizational performance and conflict management effectiveness are influenced by intraorganizational conflicts? Lastly (4) What is the role of conflict management effectiveness on performance of public sector organizations. Previously, many researchers have attempted to investigate this black box of organizational performance yet they somehow disregarded these factors like conflict management effectiveness, internal politics and conflicts while designing their models (Ingrams, 2017; Chun & Song, 2016).

As per the final results of PLS-SEM, majority of the hypotheses are confirmed through both the regression and structural equation modeling (Ryu & Johansen, 2015). According to the first CME model, the specific model shows the predictability power as  $R^2$  is 67.7% for variation in data in case of conflict management effectiveness and explanatory power for second model of OP is 51.1.% are good percentages to explain the particular variables. According to PLS-SEM, the R square values for CME model is 67.8% and for OP model is 59.2%. The regression analysis and PLS-SEM analyses in chapter 4 depict the  $R^2$  values for the research model of this study and verify that performance of government institutions could be better described by set of core factors of organizational performance that stand critical in examining the performance of government sector such as organizational culture, goal ambiguity, decentralization, internal politics and mutual conflicts (Cole, 2018; Ford & Andersson, 2017).

### 5.1 Culture Types & Organizational Performance

Regarding the two types of organizational culture, the variable Hierarchical organizational culture (HC) and Developmental organizational culture (DC), the hypotheses have been developed as Hierarchical Organizational Culture has a significant and negative relationship with perceptual conflict management effectiveness (H1a) and organizational performance (H1b). In the regression model, HC has a significant and negative relationship

with CME ( $\beta = -0.081^{***}$ ) but impact on OP ( $\beta = 0.153^{***}$ ) is significant but the direction is non-consistent with the proposed hypothesis and the statistically significant results also do not show the same direction of results in model of PLS-SEM. So hypothesis (H1a) and (H1b) are not supported. Hence the results of regression for HC are not same as those of PLS-SEM in terms of hypotheses testing (McKibben, 2017; Staniok, 2016). Moreover, it has been hypothesized that Developmental Organizational Culture has a significant and positive relationship with perceptual conflict management effectiveness (H1c) and organizational performance (H1d). Whereas, in regression model of DC, the significantly positive relationship of DC with CME ( $\beta = 0.165^{***}$ ) and OP ( $\beta = 0.270^{***}$ ) and in PLS-SEM model CME ( $\beta = 0.167^{***}$ ) and OP ( $\beta = 0.189^{***}$ ) completely support the hypothesis (H1c) and (H1d) of this study. Hence the results of both the regression and SEM for DC are same in terms of confirmation of hypotheses (Sangwa & Sangwa, 2018). The developmental culture in context of public sector organizations shows positive signs

## **5.2 Goal Ambiguity & Organizational Performance**

With reference to goal ambiguity (GA), according to hypothesis of this study, Goal Ambiguity has a significant and negative relationship with perceptual conflict management effectiveness (CME) and organizational performance (OP). In the regression model, there is a significant and negative relationship of GA with CME ( $\beta = -0.121^{***}$ ) and with OP ( $\beta = -0.110^{***}$ ). These results are in line with the hypothesis (H2a) and (H2b). In PLS-SEM model, the relationship of GA with CME is ( $\beta = 0.122^{***}$ ) does not support the hypothesis (H2a) as the direction of the result is not consistent with the hypothesis. The relationship of GA with OP ( $\beta = -0.072^{**}$ ) confirms the hypothesis (H2b). The results are supporting the hypothesis except (H2a) in case of SEM as there is no negative relationship between goal ambiguity and conflict management effectiveness (Almatrooshi, Singh & Farouk, 2016). Hence the results of regression for GA are not same as those of PLS-SEM in terms of hypotheses testing (Moon, 2017).

### 5.3 Decentralization & Organizational Performance

The results of decentralization (DCT) are quite consistent in both cases of regression and PLS-SEM. In case of regression, (DCT) has a strong positive and significant relationship ( $\beta = 0.187^{***}$ ) with conflict management effectiveness (CME) and (DCT) has also showed a significantly positive relationship with ( $\beta = 0.232^{***}$ ) organizational performance (OP). This situation confirms that the hypotheses H3a and H3b are fully supported in regression analysis. Similarly for PLS-SEM, the variable (DCT) shows a positive and significant relationship ( $\beta = 0.190^{***}$ ) with the mediator (CME) and also displays a significantly positive association ( $\beta = 0.135^{***}$ ) with OP. These resulting values from SEM analysis also confirm the hypothesis H3a and H3b of this study. Hence the results of both the regression and SEM for DCT are same in terms of confirmation of hypotheses.

### 5.4 Perceived Organizational Politics & Organizational Performance

With reference to the variable perceived organizational politics (POP), the study hypothesized that Perceived organizational politics has a significant and negative relationship with perceptual conflict management effectiveness (H4a) and Perceived organizational politics has a significant and negative relationship with organizational performance (H4b). As per the regression results, the variable POP shows a significantly negative relationship ( $\beta = -0.207^{***}$ ) with CME and POP shows a significantly negative relationship ( $\beta = -0.228^{***}$ ) with OP. This means that hypothesis H4a and H4b are fully supported in case of regression analysis. Furthermore, the PLS-SEM results prove the importance of POP as a strong predictor of OP showing a value as ( $\beta = -0.128^{***}$ ) confirming the hypotheses (H4b) and this variable (POP) changes its direction when having a relationship ( $\beta = 0.207^{***}$ ) with CME although it is significant. The positive direction of this relationship is not consistent with the hypothesis (H4a). This may be explained in the context of the fact that the role of mediator (CME) affects the same predictor and changes its relationship from negative to positive.

The findings elaborate that the public sector organizations which are frequently encountered with internal organizational politics (POP) are more inclined to use negative styles of conflict management like avoiding and dominating. Therefore (POP) gives a

negative connotation and impact on organizational performance (OP). The higher levels of internal organizational politics in public institutions lead to lesser performance comparatively to those institutions having low levels of organizational politics. The lower levels of organizational politics in government offices tend to improve and enhance the organizational performance of same sector. The theoretical grounds support these findings ().Hence the results of both the regression and SEM for POP are not same in terms of confirmation of hypotheses.

### **5.5 Task Conflict & Organizational Performance**

The study hypothesizes that task conflict has a significant and positive relationship with perceptual conflict management effectiveness (H5a) and Task conflict has a significant and positive relationship with organizational performance (H5b). The regression results depict that TC has a significantly positive relationship ( $\beta = 0.048^{**}$ ) with CME and ( $\beta = 0.061^{**}$ ) with OP. The hypothesis H5a and H5b are fully supported in case of regression. The results of regression are not same as those of the PLS-SEM in terms of hypotheses testing. As far as the PLS-SEM is concerned, the task conflict (TC) shows a negative and significant relationship ( $\beta = 0.085^{***}$ ) with OP while interestingly, TC has a significantly positive relationship ( $\beta = 0.048^{**}$ ) with mediator (CME). These results of partial least square-structural equation modeling display that in PLS-SEM, hypothesis (H5a) is confirmed but hypothesis (H5b) is not confirmed. Eventually, the decision for hypotheses testing in regression and SEM is not same regarding confirmation of hypotheses.

### **5.6 Relationship Conflict & Organizational Performance**

Discussing the variable Relationship Conflict, there are hypotheses that Relationship conflict has a negative relationship with perceptual conflict management effectiveness (H5c) and Relationship conflict has a negative relationship with organizational performance (H5d). As far as the regression analysis is concerned, the RC has ( $\beta = -0.270^{***}$ ) with CME and negatively but not significantly related to ( $\beta = -0.044$ ) OP. This scenario explains that hypothesis (H5c) is confirmed and (H5d) is not confirmed through regression analysis. According to PLS-SEM results, the RC depicts a significant and negative relationship ( $\beta = -$

0.090\*\*) with OP and shows a significantly positive relationship ( $\beta = 0.265^{***}$ ) with CME. This means the hypothesis (H5c) is not confirmed and (H5d) is confirmed in case of SEM. Hence the results of regression for HC are not same as those of PLS-SEM in terms of hypotheses confirmation.

## **5.7 Conflict Management Effectiveness & Organizational Performance**

With respect to the mediator conflict management effectiveness (CME), the hypothesis states that Effective Conflict Management has a positive relationship with higher perceived organizational performance (H6). As per the PLS-SEM results, it has been completely confirmed that conflict management effectiveness (CME) has strongly significant and positive relationship ( $\beta = 0.500^{***}$ ) with dependent variable organizational performance (OP). This could be explained as the greater levels of effectiveness of conflict management tend to lead towards higher level of organizational performance. Performance of public sector organizations is enhanced due to the greater conflict management effectiveness. Performance of organizations might be suffered because of the less effectiveness of conflict management.

The conceptual research framework and model designed for this study is satisfactorily confirmed through overall analyses and results drawn out through various techniques and statistical tests. More specifically, the linear & multiple regression analysis and smart partial least square structural equation modeling are deeply explaining major aspects and black box of performance management of government institutions. Through analyses of regression and PLS-SEM models, the R square statistics indicate that organizational dynamics including variables of conflicts and internal organizational politics are factors that stand critical and important to play a contribution in performance of public offices. In addition to this, the core set of variables like perceived conflict management effectiveness, relationship conflict, task conflict and perceptual organizational politics all put a significant impact on performance of public sector organizations (Moon, 2017). In the field of public administration, limited number of studies was pursued and the political behaviors of government organizations previously have not been treated appropriately being a main variable to examine public performance. Few empirical studies tested the relationship of internal politics with performance of government organizations in past (Arogundade, 2016; Piening, 2011).

Many of the previous studies have also confirmed these findings that perceived organizational politics is a critical factor as it relates to organizational performance (Angogo, 2016; Fiaz & Latif, 2016; Maré, 2014; Ofori, 2014). The researches having organizational power and politics were stimulated long ago but it requires due attention as emphasized in this current study to broaden the horizon of power and politics particularly in public offices serving in Pakistani contextual settings. As per the findings of the study, there is a significant and negative influence of factor 'perceived organizational politics' on perceptual conflict management effectiveness and performance of government organizations (Ismail & Daud, 2016; Ofori, 2014). Many researchers are of the view that the silent enemy encountered by the public organizations is in fact the organizational politics being very disastrous for systems of public administration (Daskin, 2013). The damaging effect of internal organizational politics is spilled over beyond the formal boundaries of government sector for exercising lower performance levels. In other words, the government employees are encountered with increased organizational politics levels and they respond with passive behaviors such as apathy and neglecting which are not so risky (Ingrams, 2017, Ofori, 2014; Mensah, 2013).

The job satisfaction and motivation of public office holders is reduced due to the negative connotation and influence of perceived organizational politics (POP) in this study. So these government employees react negatively with respect to the organizations' internal politics in public institutions (Chinomona & Mofokeng, 2016). More specifically, the general public and citizens face neglectful and passive behaviors from government officers. These negative outcomes of internal politics might hinder not only the innovation in government sector but also the improvement in public service is hampered (Hughes, 2018; Maré, 2014). Previous researchers have not been successful in designing a model for organizational politics that can examine the effect of organizational politics on performance of organizations (Posthuma, 2011). A basic effective model to capture the effects had not been suggested before this and there is a dearth of empirical researches to test how organizational politics affects the performance. After drawing out the findings of this study, it is clear that there exists a strong relationship between internal politics and performance of organizations. Therefore whenever the organizational performance would be explained, this factor of organizational politics will surely be somehow accounted for (Park & Kim, 2016).

The contribution of this study is core investigation of another relationship existing between perceptual conflict management effectiveness and perceived internal politics within organizations. As said earlier, no as such previous research tried to empirically test the variable of conflict management effectiveness (Jacobsen & Andersen, 2017). On the basis of suggestions of Rahim (2002), conflict management effectiveness is measured through an indicator developed for the purpose in survey. The results depict that perceived organizational politics is negatively related to conflict management effectiveness. The negatively significant impact of perceptions of internal politics on conflict management effectiveness and organizational performance explains that under a controlled mechanism, if there is more organizational politics among public employees then conflict management processes would be more coercive and passive. This implies that a complex relationship of conflict management and internal politics with organizational performance is portrayed through these results (Cosenz, 2018). Organizational life has inevitable part in form of conflicts. Furthermore, the organizations with greater levels of organizational politics mainly use dominating strategies of conflict management. The main reason behind this is main feature of political behavior of public office holders with authority and power. Consequently, government employees who perceive internal politics try to avoid the conflicting situations and therefore the organizational outcomes tend to decline. Thus, due to internal organizational politics, the usage of coercive and passive mechanisms of conflict management might be increased and it may reduce the performance of organizations as a consequence of interaction between usage of coercive and passive strategies of conflict management, organizational conflicts and internal politics (Ingrams, 2017). As a whole, the choice of effective styles of conflict management is negatively influenced by organizational politics. Along with these results, the conflict management effectiveness as a mediator partially mediates in between the relationship between organizational politics and organizational performance because the direct effect ( $\beta=0.128$ ,  $p=0.009<0.01$ ) is greater than indirect effect ( $\beta=0.103$ ,  $p=0.000<0.01$ ).

There has been a long debate over the argument that organizational politics are stemmed from the internal conflicts (Bobekova, 2015; Opute, 2014; Hares, 2009). Perceptions of organizational politics require being associated with organizational conflicts. The research model has been designed in an effort to consider the simultaneous linkage between conflicts and politics. This is the reason behind employing the structural equation

modeling. Hence, the major contribution of this study is in terms of relationship existing between organizational politics and conflict management effectiveness and ultimately with organizational performance.

The intraorganizational conflicts have also been examined showing mixed effects on organizational performance and conflict management effectiveness. On the basis of previous researches of organizational conflicts, this factor has been categorized in task and relationship conflicts. On the basis of previous studies, it was assumed that task conflict has a significant and positive relationship with perceptual conflict management effectiveness and on organizational performance (Villmer, 2015; Dechurch & Marks, 2001; Drory & Romm, 1990). These hypotheses are confirmed in regression and unconfirmed in PLS-SEM.

Although, previously the researchers identified that task conflict positively influence the performance of organizations due to the argument that task conflict might be correlated with relationship conflict and these organizational conflicts provoked negative aspects in each other (Waeyenberg & Decramer, 2018 ; Abbasi & Ghaziyani, 2015). There is a likelihood that some of the people might confuse task conflict as having relationship conflict. Moreover, considering less constructive aspects of mutual correlation between two organizational conflicts, it is somewhat plausible to have negative relationship between task conflict and organizational performance. Task conflict gives increased benefits with a minimal fear of relationship conflict (Hares, 2009). Furthermore, there are concerns that there is a high risk of relationship conflict being unintentionally triggered with all its negative outcomes due to the stimulation of task conflict as a primary intervention (Bobekova, 2015). Some researchers also concluded that “avoiding conflicts altogether is quite worse than to encourage the disagreements”. Thus, the findings suggest that both the organizational conflicts put different effects on the basis of core characteristics relating to each workplace despite the distinction between the two organizational conflicts which may provide clearer descriptions and reasonable prescriptions to manage conflicts (Masood & Javed, 2016; Mehrad, 2015; Drory & Romm, 1990).

On the other side, it has been found that task conflict puts a positive effect on conflict management effectiveness. The regression analyses also reflect that task conflict has a significant and positive relationship with perceptual conflict management effectiveness. This

indicates that task conflict can stimulate to frequently use the problem-solving mechanisms of conflict management like obliging and integrating. As a matter of fact, no such research study really tried to examine the two types of organizational conflicts with the usage of strategies of conflict management. More research efforts must elucidate the impact of two conflict types on conflict managing strategies. As per the description of hypotheses, two control variables are there in model: decentralization and goal ambiguity. Relying upon previous literature, these control variables have a strong relation with organizational politics and these also simultaneously affect the conflict management effectiveness and organizational performance. In actual, one can raise a question that why the individual factors like demographics or other organizational factors have not been taken in the model. The reason is that the ultimate aim of this study is to focus on organizational conflicts and politics and their impact on organizational performance with special reference to the mediating role of effective conflict management. Using structural equation modeling (SEM), an appropriate methodological framework has been used for the purpose of study to investigate the mediating effects of conflict management effectiveness.

As per the supposition, relationship conflict has a significant and negative relationship with organizational performance. This result is in conformance with the previous results (Opote, 2014; Posthuma, 2011; Shepherd, 2008). But the relationship conflict is having a positive and significant effect on conflict management effectiveness in SEM analysis which is opposed to the expectations. This means that the frequent use of passive and coercive mechanisms of conflict management are due to the detrimental effects of affective conflict. Previous studies confirm these results (Villmer, 2015; Hares, 2009). The particular influence of two types of organizational conflicts can further be investigated in future studies through employing statistical and multiple regression models taking each style of conflict management as a dependent variable (Opote, 2014).

Another important contribution of this research is with reference to the conflict management effectiveness as a mediator, the results of analyses depict that effective conflict management has a significant and positive relationship with higher perceived organizational performance (Moon, 2017). There is not a research exists previously on how to measure the conflict management effectiveness and test its relation with organizational performance. The literature on conflict management mostly favors the problem-solving style being an

appropriate style for effective conflict management (Mehrad, 2015; Posthuma, 2011; Rahim, 2002; Drory & Romm, 1990). It is also noteworthy from the results that conflict management effectiveness positively affects the organizational performance suggesting that obliging and integrating styles of conflict management lead to higher performance of organizations than avoiding and dominating styles (Spano & Monfardini, 2017; Daskin, 2013).

Discussing all the variables including their magnitude and direction, the development culture, decentralization and task conflict have significant and positive relationship with conflict management effectiveness in regression model (Rice, 2017). In contrast, hierarchical culture, goal ambiguity, perceived organizational politics and relationship conflict have significant and negative relationship with conflict management effectiveness. These results of research also describe the organizational factors that stand critical and enhance the frequent usage of each style of conflict management (Cosenz, 2018). Throughout this process, public office holders can analyze the use of conflict management styles and the level of organizational factors in order to initiate the organizational learning through a deliberative process under problem-solving approaches. Under this perspective, future research horizons can be opened in research models for organizational deliberation, organizational citizenship behavior and organizational learning as basic variables. With regard to the organizational culture, taking organizational culture being patterns of shared organizational meanings (Ford & Andersson, 2017; Rainey & Steinbauer, 1999), developmental culture focuses on adaptation, change, flexibility and growth (Chen, 2015; Bason, 2010). Thus, government sector organizations envisaged that greater levels of developmental culture lead to greater conflict management and organizational performance (Ofori, 2014).

In contrast, hierarchical culture emphasizes on control-oriented internal processes and organizational controls (Dooren, 2005). So it can be expected that hierarchical culture puts adverse influence on conflict management and organizational performance. This scenario can be observed in results of regression that hierarchical culture has a significantly negative relationship with conflict management effectiveness. Nevertheless, this factor was totally not supported in SEM results due to the reasons such as its indicators may be inadequate to capture it although indicators were based on the items widely used in previous studies. Hence just the developmental culture plays a significant role as organizational culture in structural equation model.

In structural equation model, the goal ambiguity has significant and negative effect on organizational performance whereas decentralization has significantly positive effect on organizational performance (Park & Kim, 2016). These two factors are essential predictors to explain outcomes of organizations because goal clarity and decentralization were included to investigate public performance and improve the managerial effectiveness. In models of regression and SEM, the variable goal ambiguity has a significant and negative effect on organizational performance. The results are consistent with the prior results (Chun & Rainey, 2005). In future, research studies may take organizational dimensions as control variables. But one must be careful about including number of control variables because too many control variables may weaken the statistical robustness of models and model fit indices based on the characteristics of statistical techniques (Chaung, 2018).

The variable decentralization significantly and positively affects the organizational performance and also conflict management effectiveness in regression model. This factor shows the significant and positive effect on organizational performance in case of structural model. The results are in line with the prior studies (Moynihan & Pandey, 2005). These results also reflect the accuracy of survey indicators used to capture the variable namely dct1, dct2 and dct3. The limitations of this study include the measurement problems and the methodological concerns are noteworthy implications for designing research studies in future.

Synthesizing theories of conflict management, goal interdependence and social identity, this research has built and verified a theoretical model in which bureaucratic perspectives are contemplated through multi-dimensional assessment of organizational performance of public sector organizations in Pakistan. Results of regression and PLS-SEM support the hypotheses of this study and the hypothesized conceptual model is proved that goal ambiguity, organizational culture, decentralization, perceived organizational politics, task conflict and relationship conflicts are antecedents of perceived organizational performance with the significant mediating role of conflict management effectiveness. This study creates some core and fundamental contributions that previously little understanding and knowledge has been given on factors of conflicts and politics in public sector organizations.

## CHAPTER SIX: CONCLUSION

With the advent of knowledge economy, relationships between organizations have subtly turned around to meet technological and global performance challenges (Philbin, 2017; Charlie 2018). Primarily this study aims at investigating the relationships of core set of organizational dynamics serving as independent factors such as organizational culture including developmental and hierarchical culture, goal ambiguity, decentralization, intraorganizational conflicts called relationship and task conflicts and perceived organizational politics with the organizational performance in contextual settings of Pakistan (Moon, 2017). In addition to this, the study attempts to explore the role of conflict management effectiveness and its association with organizational dynamics and performance (Temfn & Lec, 2018).

Majority of the respondents were of the view that there exists a definite connection between conflict management effectiveness and multi dimensions of organizational performance of public sector organizations. The organizations which managed conflicts well were capable enough to maintain good discipline and organizational survival (Razael & Bozorgmehr, 2018). Performance of bureaucratic organizations is improved through effective conflict management among the public office holders. If the administration is simultaneously knowledgeable in managing conflicts and put it into practice, the public sector organizations will observe lesser conflicts in public service areas (Hughes, 2018).

Many statistical tools and techniques have been employed such as frequency analysis, descriptive statistic, correlation analysis, confirmatory factor analysis, linear regression, multiple regression analysis, normality tests, reliability tests and lastly partial least square structural equation modeling to develop and test the conceptual model and achieve the purpose of this study (Castelli, 2016). In sum, this structural equation modeling provides sufficient information and evidence to test the hypotheses of the study. This study is empirical evidence which implies that organizational conflicts and politics are negatively related to conflict management effectiveness and organizational performance. Moreover, on the grounds of results of research, it can be concluded that those public sector organizations which have greater conflict management effectiveness lead to higher organizational performance (Rice, 2017). Even though, a number of prior studies exist on public performance, very few of them emphasized on organizational conflicts and their management

, internal politics and their impact on performance of organizations. Although, conflicts and politics are very common in government sector and there has been a little understanding and knowledge of influence of organizational outcomes keeping in view that both conflicts and politics are quite important in the government organizations. More specifically, it is interesting to know that no study ever attempted to analyze organizational conflicts and internal politics as respective factors in a conceptual framework and verify their influence simultaneously on performance of public offices. In addition to this, despite the fact that numerous studies exist on conflict management, not any one of them made any efforts for developing measurement indicators for conflict management effectiveness (Gupta & Chopra, 2018). Public resources could optimally be utilized by looking into what the stakeholders think about the organizational reputation.

The organizational interactions among bureaucrats from different public sector organizations require organic, flexible power relations. Practitioners and researchers have got the point that effective conflict management within and among organizations is a key factor to endorse satisfactory public service delivery and client satisfaction. Intra-department conflicts are rising frequently due to strains among public office holders. Conflicts itself are not useful for organizations but their effective management can produce remarkable results. Conflicts are reality and not only symbols of destruction and harm but have potential to take rational decision. This study has some fundamental contributions such as 1) to develop the indicators to measure the conflict management effectiveness, 2) to verify the relationships between conflicts, politics and performance of public organizations and 3) to test how conflict management effectiveness affects the performance of government organizations. As a whole, a compositional and integrated approach has been illuminated in this research study to investigate the organizational conflicts, internal politics and performance of public sector organizations.

In public sector organizations, from top administration to lower hierarchical levels, the factor of decentralization of managerial authority in decision-making is believed to lead to more empowered and committed middle and lower managers and consequently to better organizational performance. Generally speaking, nevertheless, the survey uses questionnaires and indicators on the basis of prior studies, verified through statistical tools and the thorough statistical analyses provide such results which are consistent with the previous studies

relevant to the research hypotheses. Moreover, the key variables have been measured in this study using perceived indicators so concerns of measurement validity may be raised. For instance some of the core organizational factors yielded unexpectedly good research results (Robin & Rice, 2017).

Although numerous studies confirm that low response rate do not necessarily give nonresponse bias (Weisberg, 2005) but to improve the response rate would be effective for attaining greater representative data and conducting more adequate statistical analyses. However, the response rate of this study is good enough but it may be increased and discussed further as the limitation of study. Since the surveys were perception-based and self-reporting so the public administrators possibly had negative feelings to share their experiences and relevant information regarding organizational conflicts and internal politics particularly with respect to their respective organizations even there was not any identifier in survey package. Public administrators and officers may be reluctant in providing sensitive information and uncomfortable with the questionnaire because of the survey items of organizational conflicts and politics having negative connotations. Thus some of the respondents skipped to respond to survey items. The response rate may be maximized by explaining the policy of privacy protection. The non-serious attitude of some respondents also raised problems in collecting data. These sorts of problems came in self-reporting survey. The future researches should try to modify these survey items. Qualitative studies can also be undertaken to capture deeper insights and clearer descriptions on internal conflicts and politics. This study has employed a multitude of mechanisms for conflict management effectiveness in a productive manner in overall organizational environment.

This study, by nature, has positivism (quantitative) philosophy. A limitation with this approach is that although scientific methods employed led to objective results yet such techniques are applied by human beings. It is, nevertheless, an argument that subjectivity element could not be ruled out. So further studies may be designed considering a realism approach to obtain a balanced elaborations on performance management. As future horizons of research, it deserves more attention on question of improving performance of organizations under adequate conflict management strategies. This question is still in a grey area in this study but this study provides fundamentals for such an inquiry to be conducted

and recommends continuous studies on the association between conflict management, other organizational factors like satisfaction, motivation, trust and the organizational performance.

In particular, future research scope may include organizational citizenship behavior and organizational learning as variables to study to test relationships with organizational conflicts, politics and performance. Moreover, there is a need to have a holistic picture of how two types of conflicts influence the strategies of conflict management and performance of organizations. Another pertinent question demands inquiry here that under which circumstances, the role of conflict management effectiveness can be increased in case of government organizations. The fact of the matter is that no prior studies ever attempted to determine conflict management effectiveness and its influence on organizational outcomes.

Only few studies were concerned about examining conflict management effectiveness and its determinants. Thus it is inevitable to distinguish the positive and negative organizational factors which affect conflict management effectiveness. This study tried to measure the construct of conflict management effectiveness as a mediating variable but future researches may develop such research models which consider each strategy of conflict management individually (compromising, dominating, obliging, avoiding and integrating) and then verify how each strategy relates to the organizational factors. The research will surely provide not only academic but practical implications to build up effective systems of conflict management. The upcoming research scope may possibly include comparative studies with respect to various circumstances and organizational cultures for public sector of specific countries (Spano & Monfardini, 2017). In context of Asia, the countries have more bureaucracy and hierarchical levels as compared to the western world. Thus future research studies may focus on cultural differences in cross country government offices for determining the links between cultural differences, conflicts, politics and performance of public departments. Social identity theory has been used to elaborate the relationships between public office holders and their organizations. Conflict is an inevitable phenomenon occurring in every organizational context (Mesling, 2017).

Conclusively, it is vivid that the performance of public offices is broadly influenced by both internal and external determinants in government sector. The conflict management, intraorganizational conflicts and organizational politics have been studied in depth in this

research. In sum, conflict management does matter to the performance of public sector organizations. The effective management of organizational conflicts and internal politics increasingly demand the improvements in public performance. The informational insights generated through this research would undoubtedly play a role in managing the organizational conflicts and internal politics effectively in public institutions. Future research studies should be pursued further to improve and refine the research results and findings.

The performance of public sector organizations demand the strength in terms of effectiveness, responsiveness, timeliness, quality, improved productivity of public agencies both for taxpayers and beneficiaries of public service as a whole. Government performance is hampered due to the political, bureaucratic and technical constraints. Performance measurement is an interesting concern for all the stakeholders of any organization. Many elements of an organization come close for learning and development of human resource and organizational goals. It is widely argued in literature of organizational behavior that the extents to which performance parameters play a role in determining the success and public satisfaction of the whole government sector (Ammons & Rivenbark, 2008). The problem of less public trust could also be tackled by addressing the issues of internal politics and conflicts. The originality lies in verifying relationships between organizational factors (DC, HC), human factors (POP, TC, RC) and perceived organizational performance (OP). Further researches may focus on using conflict management strategies to compete effectively (Erdenk & Altuntas, 2017; Koh & Coles, 2019).

## **6.1 Contributions of This Study**

Theoretically, this study fills the gap in literature of organizational performance by investigating measures of organizational culture, goal and decentralization. This study contributes that effective management of conflicts leads to better organizational performance (Robin & Rice, 2017). The results of this study are also in conformity with theory of organization identification that every organization is unique and situational. This study relies on the theory of representative bureaucracy to verify the role and responsibility of bureaucratic elite in conflict management to sustain power sharing (Ford, 2018; Cole, 2018). Another theoretical contribution is in literature of internal politics and conflicts by validating politician-bureaucratic relationships, tasks and internal politics. Contextually, this study

primarily contributes in conflict management theory when applied in settings of public sector organizations that if conflicts among bureaucrats and politicians are managed properly, this effective management of conflicts can turn around the outcomes (Staniok, 2016).

Performance measurement is gaining importance with the attempts of organizations to implement the systems of measurement to support objectives of organizations in a better way. Private sector has done many initiatives in this regard but recent efforts have been made for not only improving performance and decision-making of governmental institutions but enhancing the accountability. Stakeholders usually disagree on importance of performance elements due to their nature. Tinkering with agency performance also has strong political implications in the public sector. Furthermore, transparency can build trust on service delivery (Heinz, 2016). Undoubtedly, the development culture, hierarchical culture, goal ambiguity, decentralization, perceived organizational politics, relationship conflict and task conflict have significant impact on the organizational performance of government institutions (Robin & Rice, 2017; Ford, 2018). The analyses results of default model which has been specified and analyzed in Smart PLS-SEM 3.0; clearly depict the significant and positive and negative impact of all exogenous variables on endogenous variable. Conflict management effectiveness (CME) significantly and positively influences the original relationship between independent and dependent variables. A difference exists in the performances of employees working in climate of conflicts and organizational politics with those working in environment free from these dimensions. The policy issues might be resolved to ensure the presence of effectively managing the conflicts arising among bureaucrats (Jones & George, 2017). The civil servants on basic pay scale 17 or above, work keenly and have a grip on resolving issues of their subordinates. Role of conflict management effectiveness is very important here because it is essential to keep the performance of employees in line with their respective institutions (Louis & Caphem, 2018). This all leads to “successful, effective management of conflicts” which reflects that the bureaucrats are actually interested in improving the work climate and culture. The well qualified and competent civil servants serving at various core positions want to effectively and efficiently contribute in increasing the quality of public service and productivity of their respective public institutions. Consequently, the deeper insights might help the government policy makers and academicians in this regard (deHaaff, 2017; Ojo, 2016).

It has also been observed that employees feel more stress at workplaces and ultimately employees remain unable to achieve the desired organizational targets. The employee satisfaction also reduces due to this politics. The results of this study are broadly consistent with earlier observations by (Charlie, 2018; Mesling, 2017; Staniok, 2016; Ryu & Johansen, 2015).

If the administration is not knowledgeable with resolution strategies of conflicts, there would be negative repercussions on organizational performance while if these conflicts are managed constructively, organizational performance goes higher and improved. The managing strategies adopted for conflict-handling differ as per the rank of participants. The causes of conflicts within organizations are same in most of the departments of public offices. The relationship conflicts have adverse repercussions on performance of government institutions. Poor communication gap among employees from top to bottom is a major cause of mutual conflicts. Constant dialogue might be supportive and facilitating for resolving the conflicting situations. The study concludes that public sector organizations with greater conflict management effectiveness tend to have higher organizational performance. Those public sector organizations which don't implement the mechanism of conflict management effectiveness, would more be encountered by internal politics and relationship conflicts and consequently put adverse influence on the perceived organizational performance (Taylor, Mackinnon & Tein, 2018; Villmer, 2015; Gorard, 2013).

## **6.2 Limitations of the Study**

Several limitations have been acknowledged to interpret the results of this research. The cross-sectional research design has been used with a single method of data collection which might inflate the relationships between hierarchical culture, goal ambiguity, perceived politics and conflict outcomes and the causal inferences might become problematic. Although previous studies confirm that common method variance is not so strong to invalidate research findings. For future researches, longitudinal and experimental designs with greater internal validity would directly address these weaknesses (Sachs & Kayser, 2017). There can be made a comparison of public and private sector employees by enhancing the number of respondents in future. The data gathered from same individuals raises the concerns about common method bias. The respondents were reluctant in providing the data as it was sensitive to respond on

core factors of public organizations. It may give rise to biasedness regarding specific measures (Park & Kim, 2016). A comparative study can be conducted taking the private firms as well. Another limitation of his study is to rely on same-source data and all the variable assessments came from the public office holders and employees. Although it seems appropriate that the employees assessed these variables pertaining to their responses and perceptions. This self-reported data are not as limited as expected commonly (Field, 2013). The findings could be more strengthened by applying these assessments from other sources like peers and those of private sector. Another important limitation is the specific regions being the major hubs of Pakistan i.e. Lahore where most of the public sector organizations are situated and civil servants are serving in them. The study has been conducted in these areas so it might affect the generalizability of the research results. The participants serving in these public organizations come from diverse background and cultures. The findings of this study may be compared and assessed with those of the other developing countries in Asian region. The upcoming studies should investigate the potential cross-cultural differences and contextually for enhancing the external validity of the study. The sample size of this study can be larger as the lack of time and resources have been a hurdle to incorporate a larger size. The validation and generalization of findings would demand a larger sample size (Cole, 2018, Sulle, 2014).

This study has some limitations as well. This study is empirical evidence and it is based on the self-reporting data by the employees of public organizations working on basic pay scale 17 or above. So there is a possibility that the perceptions of respondents may be somehow limited by the specific conditions which they have experienced in their organizational settings. Traditionally and reputation wise, the bureaucratic organizations perform legislative and authority-oriented functions while the reputation of more flexible organizations is to apply modernized functions of semi-commercial and research (Staniok, 2016; SMcKibben, 2017).

### **6.3 Practical Implications, Recommendations & Future Research Horizons**

Organizations are encountered with challenges of collaboration and coordination problems arisen out of division of tasks and goals over the respective departments. Future researches may adopt a mixed method approach by conducting interviews of the public office

holders and reaching out at a holistic insight about the conflict management of civil servants (Suhonen & Tiirinki, 2018). Future researches may explore the role of mediator conflict management effectiveness among some other set of organizational and human factors of both public and private sector employees. In upcoming studies, interviews of participants can be carried out to explore their workplace experiences and knowledge about the nature and phenomena of conflict management (Razael & Bozorgmehr, 2018). The performance of public sector organizations is affected both by internal and external factors of organizations. The scope, sample and geographical location of data collection might be extended and expanded throughout Pakistan to broaden the outcomes and generalizability of results of study (Ford, 2018; Vickers, 2017).

Findings suggest some pertinent practical implications that bureaucrats, who are serving in various public sector organizations in Pakistan, can improve their performance outcomes if they strengthen their mutual relationships minimizing their mutual conflicts. Conflicts can be resolved using viable strategies of conflict management which give rise to conflict management effectiveness. The study contributes to the literature of social identity and conflict management in the field of organizational behavior (Hakza, Wilson & Colin, 2018; Weeks & Erasmus, 2013). Both practitioners and academic scholars give a tremendous attention to conflict because of its rapid rise. It is pertinent to mention here that conflicts have given far more positive outcomes particularly in context of bureaucratic organizations (Sachs & Kayser, 2017; Yesil & Kaya, 2013).

This research study sheds light and supports policy makers in devising policies and reforming the federal institutions and agencies to better serve the common citizens at large. Several recommendations and implications are as follows:

- The policies on performance measurement and development need to be directly linked up with strategic plans of public sector organizations in a sense that there might be a translation of strategic plans into target areas.
- All the public interest policies must be driven by the relevant ministries along with the senior bureaucrats.
- Successful policy implementation demands the formal training of public officials and managers being a prerequisite.

- The public policies allow that objectives of federal organizations need to be aligned and cascaded throughout the public organizations.
- Assessment of performance of public sector institutions should be consistent and objective.
- Performance measurement processes should have policies for personal development as an integral part and an enabler.
- It is recommended that performance management must not be employed as a tool for prejudice and unfair favors to any other office holder or staff member.
- It is advisable that officials must be responsible for their own work performance.
- The performance management in a non-discriminatory manner must be the key responsibility of every public office holder serving on a core position.
- All the stakeholders must be communicated regarding the performance standards.
- Each public office holder and organizational member must strive simultaneously to promote productivity and opportunity for employee job satisfaction.

The study provides academic and practical implications to build effective systems of conflict management. Since Asian countries have more rigid levels of hierarchy and bureaucracy therefore comparative studies can be conducted in context of public sector (Vries & Nemec, 2013). The value and originality of this study lies in applying a holistic bureaucratic approach which inculcates both the human and organizational factors to examine organizational performance of Pakistani public sector organizations (Gupta & Chopra, 2018). This study sheds light on the fact that effective performance management must be taken seriously to satisfy the general public at large. That is, the mediating effects would be investigated as next step concerning the dispositional factors like situational factors and conflict management effectiveness construct examining the association between organizational characteristics and performance of public offices (Castelli, 2016). Secondly, the two dimensions for future research arise out of current discussion. The other factors like accountability and red tapism may be verified by broadening the theoretical framework of this study. Secondly, the future studies may include the subjective aspects by conducting a qualitative study to incorporate the broad views of public office holders and obtain a holistic picture (Park & Kim, 2016).

This study is an invitation to gain insight about the situations prevalent in both public and private sectors. The administration and managers should formulate appropriate procedures and policies for the management of conflicts. Research on dispute resolution is being emanated worldwide but Pakistan lacks such effective and productive mechanisms. In case of any grievances and conflicts, public and public office holders prefer lawsuits and litigation against each other. Experience can be gained from western world to implement formal mechanisms in public sector organizations where civil servants are employed to serve in the best interest of general public. The public reforms must predict and detect the origins of conflicts and internal politics so that emerging grudges and conflicts may be managed skillfully. The construct of conflict management will go a long way to reduce personnel conflicts in public sector organizations. If goals are clear at every organizational level, conflict measures may prove to be amicable. It is further require to verify that conflict permeates all human relations and its potential may be proved to be a healthy source of growth or destruction. Conflicts are further needed to be potentially resolved on a continuum to reap its maximum benefits. Conflict resolution is recommended to be inevitable aspect in any organization life to foster strong socio-cultural environment. The study should further investigate that if conflicting parties reach to consensus, then which impact will be on the public service delivery (Hakza, Wilson & Colin, 2018).

Some yet unexamined aspects of this study endorse the idea of comparing the public sector with the private sector in terms of perceived organizational politics and conflicts. This study recommends that the public servants can be given proper awareness regarding the beneficial usage of conflict management. Training programs on conflict management should be devised for bureaucracy. Conflict management strategies by giving due attention may be utilized optimally in bureaucratic structure. The deadly aspects of conflicts could be minimized and performance of bureaucratic organizations could be boosted. Future studies could also examine other mediators which can influence the organizational culture and climate on organizational performance from a broader perspective. The role of psychological factors at workplace may also be analyzed thoroughly to see their impact on organizational outcomes. The perceptions of grass-root staff can also be included to widen the horizon of the study constructs. The findings of this study have some noteworthy practical implications. Workable relationships, effective collaboration and coordination, team-building spirit can be

maintained among public sector employees from different departments to harvest the performance benefits.

In closing, the present study has raised awareness of the multifaceted nature of conflict management and organizational performance with idiosyncratic behaviors of public office holders. This study conceptualizes and operationalizes multi-dimensions of organizational performance and conflict management effectiveness when contemplating the effective management of conflicts in organizational settings hence this study acts as a bridge towards systematic and contextual frame of mind of policy makers and reform setters.

## REFERENCES

- Abbasi, B., & Ghaziyani, F. N. (2015). The relation between individual-social factors and conflict management styles: an empirical case study. *International Journal of Productivity and Quality Management*, 16(2), 231-247.
- Agnello, L., Castro, V., Jalles, J. T., & Sousa, R. M. (2015). What determines the likelihood of structural reforms? *European Journal of Political Economy*, 37, 129-145.
- Alas, R., & Vadi, A. (2003). The Impact of Organizational Culture on Organizational Learning at Six Estonian Hospitals. *TRAMES*, 7(2), 83-98.
- Alfawzan, A. (2016). The differences among the traditional, interactionist, and managed views on conflict. *International Journal of Scientific and Engineering Research*, 7(3), 749-751.
- Almatrooshi, B., Singh, S. K. & Farouk, S. (2016). "Determinants of organizational performance: a proposed framework", *International Journal of Productivity and Performance Management*, Vol. 65 (6), 844859.
- Amayah, A. T. (2013). Determinants of knowledge sharing in a public sector organization. *Journal of Knowledge Management*, 17(3), 454 – 471.
- Ammons, D. N., & Rivenbark, W. C. (2008). Factors Influencing the Use of Performance Data to Improve Municipal Services: Evidence from the North Carolina Benchmarking Project. *Public Administration Review*, 68(2), 304-310.
- Andrews, M. (2015). Explaining Positive Deviance in Public Sector Reforms in Development. *World Development*, 74, 197-208. Doi: 10.1016/j.worlddev.2015.04.017.
- Andrews, R., Boyne, G. A., & Enticott, G. (2006). Performance failure in the public sector. *Public Management Review*, 8(2), 273-296.
- Arfeen, M. I., & Khan, N. (2009). Public Sector Innovation: Case study of e-governments projects in Pakistan. *The Pakistan Development Review*, 48(4), 439-457.
- Angogo, F. A. (2016). *The Influence of Organizational Politics on Career Development Among Administrative Staff in Public Universities: A Case of the University of Eldoret, Kenya* (Doctoral dissertation, COHRED, JKUAT).
- Arogundade, O. T. (2016). A Psychological Appraisal of Perceived Organizational Politics in Selected Profit and Non-Profit Organizations in Lagos Metropolis, Nigeria. *Ife Psychologia*, 24(1).

- Balaboniene, I., & Vecerskiene, G. (2015). The Aspects of Performance Measurement in Public Sector Organization. *Procedia-Social and Behavioral Sciences*, 213, 314-320. Doi: 10.1016/j.sbspro.2015.11.544.
- Ballantine, J. A., Brignall, T. J., & Modell, S. (1998). Performance measurement and management in public health services: A comparison of UK and Swedish practices. *Management Accounting Research*, 9, 71–94.
- Bason, C. (2010). Leading public sector innovation: co-creating for a better society. *The Policy Press*.
- Behn, D. R. (2003). Why Measure Performance? Different Purposes Require Different Measures. *Public Administration Review*, 63 (3).
- Bellou, V. (2009). Matching individuals and organizations: evidence from the Greek public sector. *Employee Relations*, 31(5), 455 – 470.
- Bhuiyan, S. H., & Amagoh, F. (2011). Public sector reform in Kazakhstan: issues and perspectives. *International Journal of Public Sector Management*, 24(3), 227 – 249.
- Bobekova, E. (2015). Third party conflict management of trans boundary river disputes", *International Journal of Conflict Management*, 26 (4), 402 – 426.
- Boipono, M., Tsomele, G., & Mogadime, R. (2014). Implementation of Performance Management System (PMS) in Schools: Success Factors. *International Journal of Research in Applied, Natural and Social Sciences*, 2(5), 189-194.
- Bongini, P., Nieri, L., & Pelagatti, M. (2015). The importance of being systematically important financial institutions. *Journal of Banking and Finance*, 50, 562-574. Doi: 10.1016/j.jbankfin.2014.07.006.
- Bournakis, I., & Tsoukis, C. (2016). Government size, institutions, and export performance among OECD economies. *Economic Modelling*, 53, 37-47.
- Borins. (1999). *Defining and Defending the New Public Management*.
- Bovaird, T., & Loffler, E. (2009). *Public Management and Governance*, (Routledge Taylor & Francis Group: New York).
- Brewer, A. G., & Selden C. S. (2000). Why Elephants Gallop: Assessing and Predicting Organizational Performance in Federal Agencies. *Journal of Public Administration Research and Theory*, 4, 685-711.
- Brignall, T. J., & Modell, S. (2000). An institutional perspective on performance measurement and management in the ‘New Public Sector’. *Management Accounting Research*, 11, 281–306.

- Briody, E., Cavusgil, S., & Miller, S. (2004). Turning Three Sides into a Delta at General Motors: Enhancing Partnership Integration on Corporate Ventures. *Long Range Planning*, 37(5), 421 – 434.
- Brooks, A. C. (2002). Can Nonprofit management help answer public management's "big question? *Public Administration Review*, 62 (3), 259–66.
- Bryman, A. (2012). *'Social Research Methods' (4<sup>th</sup> Ed.)*. Oxford University Press.
- Bryman, A., & Bell, E. (2007). *'Business Research Methods'*. Oxford University Press.
- Bryman, A. A. & Bell, E. (2008). *'Business Research Methods' (2<sup>nd</sup> ed.)*, Oxford University Press, Oxford.
- Bulawa, P. (2011). *Implementation of the performance management system in senior secondary schools in Botswana: The perspective of senior management team* (PhD thesis, James Cook University, Australia). Retrieved from <http://eprints.jcu.edu.au/26275>.
- Buschor, E. (2013). Performance Management in the public sector: Past, current and future trends. *Review of Applied Management Studies*, 11, 4-9.
- Busler, M. (2014). The role of properly structured public-private partnerships in promoting economic development. *World Journal of Entrepreneurship, Management and Sustainable Development*, 10(2), 90 – 97.
- Carmeli, A., & Tishler, A. (2004). The Relationships between Intangible Organizational Elements and Organizational Performance. *Strategic Management Journal*, 25(13), 1257–1278.
- Castelli, P. A. (2016). "Reflective leadership review: a framework for improving organizational performance", *Journal of Management Development*, Vol. 35 Issue: 2, pp.217-236, <https://doi.org/10.1108/JMD-08-2015-0112>
- Chari, M. D. R., & Dixit, J. (2015). Business groups and entrepreneurship in developing countries after reforms. *Journal of Business Research*, 68, 1359-1366.
- Charlie M. (2018). Developing a Plan for Managerial Systems. *Social Care and Work Balance*, 4, 51-65.
- Chaug, L. (2018). "Understanding the features of performance measurement system: a literature review", *Measuring Business Excellence*, 7(3), pp.12-21.
- Chawla, D., & Joshi, H. (2010). Knowledge management initiatives in Indian public and private sector organizations. *Journal of Knowledge Management*, 14(6), 811 – 827.

- Chen, T. (2015). Institutions, board structure, and corporate performance: Evidence from Chinese firms. *Journal of Corporate Finance*, 32, 217-237. Doi: 10.1016/j.jcorpfin.2014.10.009.
- Chinomona, E., & Mofokeng, T. M. (2016). Impact Of Organizational Politics On Job Dissatisfaction And Turnover Intention: An Application Of Social Exchange Theory On Employees Working In Zimbabwean Small And Medium Enterprises (SMEs). *Journal of Applied Business Research (JABR)*, 32(3), 857-870.
- Chittoo, H. B., Ramphul, N., & Nowbutsing, B. (2009). Globalization and Public Sector Reforms in a Developing Country. *Culture Mandala: Bulletin of the Centre for East-West Cultural & Economic Studies*, 8(2), 30-51.
- Choi, Y., & Ha, J. (2018). Job satisfaction & work productivity: The Role of Conflict management culture. *Social Behavior and Personality: An International Journal*, 46(7), 1101-1110. Doi: 10.2224/sbp.6940
- Cho, T., & Kim, C. (2009). Participative Management Practices for Improving Performance in Public Sector Organizations: Mediating Roles of Performance Feedback. *International Review of Public Administration*, 3(3), 35-51.
- Choong, K. K. (2013). Understanding the features of performance measurement systems: A literature review. *Measuring Business Excellence*, 17 (4), 102-121. Doi: 10.1108/MBE.05.2012.0031.
- Chun, Y. G., & Rainey, H. G. (2005). Goal Ambiguity and Organizational Performance in U.S. Federal Agencies. *Journal of Public Administration Research and Theory*, 15 (4), 529-557.
- Conaty, F. J. (2012). Performance management challenges in hybrid NPO/public sector settings: an Irish case. *International Journal of Productivity and Performance Management*, 61(3), 290 – 309.
- Coste, A., & Tudor, A. T. (2013). Service performance – Between Measurement and Information in the Public Sector. *Procedia-Social and Behavioral Sciences*, 92, 215-219. Doi: 10.1016/j.sbspro.2013.08.662.
- Chun, Y. H. & Song, M. (2016). Performance impacts of management in Korean schools: Testing the Meier and O’Toole model, *Public Management Review*, 19:8, 1047-1065
- Cole, N. L. (2018). Symbolic Interaction Theory: History, Development & Examples. Retrieved from <https://www.thoughtco.com/symbolic-interaction-theory-p2-3026645>

- Cosenz, F. (2018). Supporting public sector management through simulation-based methods: a dynamic performance management approach, *International Review of Public Administration*,
- Cresswell, J. W. (2003). Research Design. *Qualitative and Quantitative Approaches*.
- Creswell, J. W. (2012). *'Qualitative inquiry and research design: choosing among five approaches'*. (3<sup>rd</sup> Ed.) Sage Publications, New Delhi.
- Cunningham, J. B., & Kempling, J. S. (2009). Implementing change in public sector organizations. *Management Decision*, 47(2), 330 – 344.
- Curristine, T., Lonti, Z., & Joumard, I. (2007). Improving Public Sector Efficiency: Challenges and Opportunities. *OECD Journal on Budgeting*, 7(1),
- Das, A., & Kapil, S. (2015). Inorganic growth of technology sector firms in emerging markets: Influence of firm-specific factors in Indian firms' M&A activities. *International Journal of Emerging Markets*, 10 (1), 52 – 72.
- Daskin, M. (2013). Favoritism and self-efficacy as antecedents on managers' politics perceptions and job stress. *Anatolia*, 24(3), 452-467.
- Davies, H. T. O., Nutley, A. S. M., & Mannion, R. (2000). Organizational culture and quality of health care. *Quarterly in Health Care*, 111-119.
- deHaaff, B. (2017). Workplace Conflict Costs \$359 billion, according to science. *Inc*. Retrieved from <https://www.inc.com/brian-de-haaff/the-359-billion-problem-driving-your-project-under-the-radar.html>
- deWaal, A., & Counet, H. (2009). Lessons learned from performance management systems implementations. *International Journal of Productivity and Performance Management*, 58(4), 367-390.
- Dijkstra, T. K. (2010). Latent Variables and Indices: Herman Wold's Basic Design and Partial Least Squares, in *Handbook of Partial Least Squares: Concepts, Methods and Applications* (Springer Handbooks of Computational Statistics Series, vol. II), V. Esposito Vinzi, W. W. Chin, J. Henseler and H. Wang (eds.), Springer: Heidelberg, Dordrecht, London, New York, pp. 23-46.
- Domingues, A. R., Pires, S. M., Caeiro, S., & Ramos, T. B. (2015). Defining criteria and indicators for a sustainability label of local public services. *Ecological Indicators*, 57, 452-464. Doi: 10.1016/j.ecolind.2015.05.016.

- Dooren, V. W. (2005). What makes Organizations Measure? Hypotheses on the causes and conditions for Performance Measurement. *Financial Accountability and Management*, 21(3).
- Drory, A. & Romm, T. (1990). The Definition of Organizational Politics: A Review. *Human Relations*, 43(11), 1133-1154.
- Eckerson, W. (2006). *Performance Dashboards: Measuring, Monitoring, and Managing Your Business*: John Wiley & Sons.
- Edmiston, K. D. (2003). Electronic state and local government: prospects and challenges. *American Review of Public Administration*, 33(1), 20-45.
- Erdenk, N., & Altuntas, S. (2017). Do personality traits of nurses have an effect on conflict management strategies? *Journal of Nursing Management*, 25(5), 366-374. Doi: 10.1111/ppc.12236
- Erzen, E., & Armağan, Y. (2015). The Effect of Leadership Leadership on Conflict Conflict Management Management. In *Leadership and Organizational Outcomes* (pp. 225-237). Springer International Publishing.
- Esteban, G., & Dalehite. (2008). Determinants of Performance Measurement: An Investigation into the Decision to Conduct Citizen Surveys. *Public Administrative Review*, 68 (5), 891- 907.
- Fernandez, S., Cho, Y. J., & Perry, J. L. (2017). Exploring the link between leadership and public sector performance. *The Leadership Quarterly*, 21, 308-323. Doi: 10.1016/j.leaqua.2010.01.009.
- Fiaz, F., & Latif, B. (2016). Antecedents of Organizational Politics in the Education Sector of Pakistan. *Int. J. of Multidisciplinary and Current research*, 4.
- Field, A. (2013). *Discovering conflicts using statisitcs*. Thousand Oaks, CA: Sage Publications
- Fitzsimons, V. G. (2018). A troubled relationship: corruption and reform of the public sector in development. University of Bradford. MPRA Paper No. 33932, posted 7. October 2011
- Ford, J. (2018). Systems of Managing Organizational politics. *Journal of Managerial Research*, 2(4), 230-255.
- Ford, M. R. & Andersson, F. O. (2017). Determinants of organizational performance in a reinventing government setting: evidence from the Milwaukee school voucher program,

- Fryer, K., Antony, J., & Ogden, S. (2009). Performance management in the public sector. *International Journal of Public Sector Management*, 22(6), 478 – 498.
- Fritzen, S. A. (2007). Crafting performance measurement systems to reduce corruption risks in complex organizations: The case of the World Bank. *Measuring Business Excellence*, 11 (4), 23-32.
- Flyn, N. (2002). *Public Sector Management*. 4<sup>th</sup> ed. London: Pearson Education.
- Geisser, S. (1974). A Predictive Approach to the Random Effects Model, *Biometrika* 61(1): 101-107.
- George, M., & Hamlet, L. (2018). Negotiation, politics, organizational conflicts with contemporary research. *Journal of Management Research*, 2(3), 149-167.
- Girard, J. P. (2005). Taming enterprise dementia in public sector organizations. *International Journal of Public Sector Management*, 18(6), 534 – 545.
- Goodsell, C. (1994). *The Case for Bureaucracy (3<sup>rd</sup> ed)*. Chartham, NJ: Chatham 141 House.
- Goh, S.C. (2012). Making performance measurement systems more effective in public sector organizations. *Measuring Business Excellence*, 16(1), 31 – 42.
- Gorard, S. (2013). *Research Design: Creating Robust approaches for the social sciences*. Thousand Oaks, CA: Sage Publications
- Greiling, D. (2016). Performance measurement: a remedy for increasing the efficiency of public services?. *International Journal of Productivity and Performance Management*, 55(6), 448-465.
- Gupta, V. & Chopra, M. (2018). "Gauging the impact of knowledge management practices on organizational performance – a balanced scorecard perspective", VINE Journal of Information and Knowledge Management Systems, Vol. 48 Issue: 1, pp.21-46.
- Haas, E. J., & Yorio, P. (2016). Exploring the state of health and safety management system performance measurement in mining organizations. *Safety Science*, 83, 48-58. Doi: 10.1016/j.ssci.2015.11.009.
- Hailesilasie, G. (2009). Determinants of public employees' performance: evidence from Ethiopian public organizations. *International Journal of Productivity and Performance Management*, 58(3), 238 – 253.

- Hair, J. F., Hult, G. T. M., Ringle, C. M., and Sarstedt, M. (2017). *A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM)*, 2<sup>nd</sup> Ed., Thousand Oaks, CA: Sage.
- Halachmi, H., & Bouckaert, G. (1996). *Organizational Performance & Measurement in the Public Sector: Towards Service and Accomplishment Reporting*. Quorum Books, Connecticut.
- Hale, J. (2004). *Performance-Based Management – What Every Manager Should Do to Get Results*. San Francisco: Pfeiffer.
- Halkos, G. E., & Tzeremes, N. G. (2014). Public transparency and countries' environmental performance: A non-parametric analysis. *Resource and Energy Economics*, 38, 19-37. Doi: 10.1016/j.reseneeco.2014.06.001.
- Hall, M. (2008). The effect of comprehensive performance measurement systems on role clarity, psychological empowerment and managerial performance. *Accounting, Organizations and Society*, 33(2-3), 141-163.
- Hakza C., Wilson, M., & Colin, R. (2018). New Horizons in Conflict Management Effectiveness. *Emerging Managerial Social Sciences*, 33(1), 28-35.
- Hares, M. (2009). Forest conflict in Thailand: Northern minorities in focus. *Environmental management*, 43(3), 381-395.
- Hawke, L. (2012). Australian public sector performance management: success or stagnation? *International Journal of Productivity and Performance Management*, 61(3), 310 – 328.
- Heinz, D. (2017). Automated conflict resolution for civil aviation. *Journal of Public management*, 2(3), 167-189.
- Helden, G. J. V., & Huijben, M. (2014). Controlling overhead in public sector organizations. *International Journal of Public Sector Management*, 27(6), 475 – 485.
- Henseler, J., Ringle, C. M., and Sarstedt, M. (2012). Using Partial Least Squares Path Modeling in International Advertising Research: Basic Concepts and Recent Issues, in *Handbook of Research in International Advertising*.
- Henseler, J., Ringle, C. M., and Sarstedt, M. (2015). A New Criterion for Assessing Discriminant Validity in Variance-based Structural Equation Modeling., *Journal of the Academy of Marketing Science*, 43(1): 115-135.

- Höck, C., Ringle, C. M., and Sarstedt, M. (2010). Management of Multi-Purpose Stadiums: Importance and Performance Measurement of Service Interfaces. *International Journal of Services Technology and Management*, 14(2/3), 188-207.
- Hodgkinson, P., & Wright, G. (2002). Confronting Strategic Inertia in a Top Management Team: Learning from Failure. *Organizational Studies*, 24(6), 949 – 977.
- Hoffman, N., & Klepper, R. (2006). Assimilating new technologies: The role of organizational culture. *Information Systems Management*.
- Hood, C. (2000). A public management for all seasons? *Public Administration*, 69 (1), 3-19.
- Hughes, M. (2018). Organizational ambidexterity and firm performance: burning research questions for marketing scholars, *Journal of Marketing Management*, 1, 22-45
- Husain, I. (1999). Institutions of Restraint: The Missing Element in Pakistan’s Governance. *The Pakistan Development Review*, 38(4), 511-536.
- Ingrams, A. (2017). Transparency for Results: Testing a Model of Performance Management in Open Government Initiatives, *International Journal of Public Administration*, 2, 10-25.
- Ishrat, D., & Kumar, R. (2010). Reviewing Structural Reforms in India and Pakistan, URL, viewed May 20, 2010.
- Ismail, S. A. B., & Daud, Z. B. (2016). The Impact of Organizational Justice on Organizational Politics at Islamic Financial Based Organization in Malaysia. *International Journal*, 23.
- Jacobsen, C. B. & Andersen, L. B. (2017). High Performance Expectations: Concept and Causes, *International Journal of Public Administration*, 4, 12-23.
- Jas, P., & Skelcher, C. (2005). Performance Decline and Turnaround in Public Organizations: A Theoretical and Empirical Analysis. *British Journal of Management*, 16(3), 195–210.
- Johansson, T., & Siverbo, S. (2014). The appropriateness of tight budget control in public sector organizations facing budget turbulence. *Management Accounting Research*, 25, 271-283. Doi: 10.1016/j.mar.2014.04.001.
- Johnsen, A. (1999). Implementation mode and local civil services performance measurement: A Norwegian experience. *Financial Accountability and Management*, 15, 41–66.
- Jones, M. L., Blunt, P., & Sharma, K. C. (1996). Managerial perceptions of leadership and management in an African public service organization. *Public Administration Review*, 16, 455–467, John Wiley & Sons, Ltd.

- Jones, G. R. (2010). *Organization theory design and change*. Upper Saddle River, NJ: Prentice- Hall.
- Jones, R. A., Jimmieson, N. L., & Griffiths, A. (2005). The Impact of Organizational Culture and Reshaping Capabilities on Change Implementation Success: The Mediating Role of Readiness for Change. *Journal of Management Studies*, 42(2), 361–86.
- Jung, C. S., & Kim, S. E. (2014). Structure and Perceived Performance in Public Organizations. *Public Management Review*, 16 (5), 620-642.
- Junior , A. L. N., Siluk , J. C. M., Soliman , M., Oscar, E., Nara , B., & Kipper , L. M. (2014). Hierarchy the sectorial performance indicators for Brazilian franchises. *Business Process Management Journal*, 21(1).
- Kelly, J. (2004). Corporate Leadership: Reflections of a CEO and CEO Advisor. *Long Range Planning*, 37(5), 389 – 98.
- Kelman, S. (2006). Downsizing, Competition and Organizational Change in Government: Is Necessity the Mother of Invention? *Journal of Policy Analysis and Management*, 25 (4), 875–95.
- Kennerley, M., & Neely, A. D. (2003). Measuring Performance in a Changing Business Environment. *International Journal of Operations and Production Management*, 23(2), 213-229.
- Kloot, L., & Martin, J. (2000). Strategic performance management: A balanced approach to performance management issues in local civil services. *Management Accounting Research*, 11, 231–251.
- Koh, H. K., & Coles, E. (2019). Body & Soul: Health collaborations with faith-based organizations. *American Journal of Public Health*, 109(3), 369-370.
- Kong, S. Z. (1998). Explaining Federal Government Performance Information Utilization. *UMI Microform 9842242*.
- Kossova, T., & Sheluntcova, M. (2016). Evaluating performance of public sector projects in Russia: The choice of a social discount rate. *International Journal of Project Management*, 34, 403-411.
- Kluvers, R. (1998). Development and uses of performance indicators in Victorian local government. *Accountability and Performance*, 61–78.
- Kumar, S., & Gulati, R. (2010). Measuring efficiency, effectiveness and performance of Indian public sector banks. *International Journal of Productivity and Performance Management*, 59(1), 51 – 74.

- Lapsley, I., & Mitchell, F. (1996). *Accounting and Performance Measurement. Issues in the Private and Public Sectors*. London, Paul Chapman Publishing.
- Lawson, R., Hatch, T., & Desroches, D. (2007). *Scorecard Best Practices: Design, Implementation and Evaluation*: Wiley.
- Leedy, P. D., & Ormrod, J. E. (2019). *Practical Research: Planning & Design*. Newyork, NY: Pearson
- Leslie, A., & Katherine, L. (2017). Effects of Conflict Management Strategies on Perceptions of Intragroup Conflict. *Craig Haas Group Dynamics: Theory, Research & Practice*.
- Louis, K., & Caphem, M. (2018). Effectiveness of Organizational factors in government settings. *International journal of Advanced studies, 1(3)*, 45-76.
- Look, P., & Crawford, J. (1999). The relationship between commitment and organizational culture, subculture, leadership style and job satisfaction in organizational change and development. *Journal of Leadership and Organization Development, 20(7)*, 365-373.
- Luoma-aho, V. (2008). Sector reputation and public organizations. *International Journal of Public Sector Management, 21(5)*, 446 – 467.
- Maré, E. (2014). *The influence of perceived office politics on stress, turnaround intent and work engagement of employees in law firms* (Doctoral dissertation).
- Martocchio, J. J. (2006). *Strategic Compensation – A Human Resource Management Approach*. New Jersey: Pearson Education, Inc.
- Makanyeza, C., Kwandayi, H. P., & Ikobe, B. N. (2013). Strategies to improve service delivery in local authorities. *International Journal of Information Technology and Business Management, 15(1)*, 1-10.
- Masood, M. T., & Javed, S. (2016). Impact of Conflict Management Styles on Affective and Cognitive Trust: Moderating Role of Transformational Leadership. *Pakistan Business Review, 17(4)*.
- Mayer, B. S. (2012). *The dynamics of conflict: A guide to engagement and intervention* (2<sup>nd</sup> ed). San Francisco, CA: Jossey-Bass.
- Mayston, D. J. (1985). Non-profit performance indicators in the public sector. *Financial Accountability and Management, 1*, 51–73.
- McCormick, B. A. (2008). What's responsible for business success or failure. *Its... the organisation's culture. Amherst: HRD*.
- McKibben, L. (2017). Conflict Management: Importance & Implications. *British Journal of Nursing, 26(2)*, 100-103.

- McNulty, T., & Ferlie, E. (2004). Process Transformation: Limitations to Radical Organizational Change within Public Service Organizations. *Organization Studies*, 25(8), 389–412.
- Mehrad, A. (2015). Conflict Management Styles and Staff Job Satisfaction at Organization. *Journal of Educational, Health and Community Psychology*, 4(2), 98-104.
- Mehrad, A., Zangeneh, M. H. T., Dokoushkani, F., & Razali, A. (2014). Effect of Conflict Management Styles on Managers' Burnout at Governemntal Guidance Schools in Tehran, Iran. *International Journal of Technical Research and Applications*, 2(3), 8-10.
- Mellahi, K., & Wilkinson, A. (2004). Organizational Failure: A Critique of Recent Research and a Proposed Integrative Framework. *International Journal of Management Reviews*, 5,6 (1), 21 – 41.
- Melkers, J. A., & Willoughby, K. G. (2005). Models of Performance Measurement Use in Local Governments: Understanding Budgeting, Communication and Lasting Effects. *Public Administration Review*. 65(2), 180-190.
- Mensah, G. T. (2013). *Relationship Between Perceived Organizational Politics, Organizational Commitment and Organizational Citizenship Behavior Among Some Selected Public Sector Organizations in Accra* (Doctoral dissertation, University of Ghana).
- Mesling, L. (2017). The Concept of Organizational Procedures to Improve Outcomes of Bureaucrats, *The Managerial Perspective*, 32(3), 46-53.
- Moon, K. (2017). Voluntary turnover rates and organizational performance in the US federal government: the moderating role of high-commitment human resource practices, *Public Management Review*, 19:10, 1480-1499.
- Midwinter, A. (1994). Developing performance indicators for local government: the Scottish experience. *Public Management and Money*, 37–43.
- Mihaiu, D. M., Opreana, A., & Cristescu, M. P. (2010). Efficiency, Effectiveness and Performance of the Public Sector. *Romanian Journal of Economic Forecasting*, 4.
- Miller, K. (2005). *Public Sector Reforms: Governance in South Africa*. (Aldershot: Ashgate Publishing).

- Millar, P., & Doherty, A. (2016). Capacity building in nonprofit sport organizations: Development of a process model. *Sport Management Review*, xxx, xxx-xxx. Doi: 10.1016/j.smr.2016.01.002.
- Mohamad, N. (2014). Telecommunications reform and efficiency performance: Do good institutions matter? *Telecommunications Policy*, 38, 49-65. Doi:10.1016/j.telpol.2013.04.006.
- Mothusi, B. (2008). *Public Sector Reforms and Managing Change in Botswana: The Case of Performance Management System (PMS)*, Doctoral Thesis.
- Modell, S. (1998). Performance Measurement Systems and Control in Municipal Services (in Swedish). Research Report, 55-98, Bergen, SNF.
- Moynihan, D. P. (2006). Managing for Results in State Government: Evaluating a Decade of Reform. *Public Administration Review*, 66 (1), 77-89.
- Mwita, J. I. (2000). Performance management model: A system-based approach to public service quality. *International Journal of Public Sector Management*, 13(1), 19-37.
- Nasir, M., & Bashir, A. (2012). Examining workplace deviance in public sector organizations of Pakistan. *International Journal of Social Economics*, 39 (4), 240 – 253.
- Neely, A. (2008). Does the balanced scorecard work: An empirical investigation. In C. Figueura (Ed.), *The Cranfield Scholl of Management Research Paper Series*, 763-770: Centre for Business Performance, Cranfield.
- Northcott, D., & Taulapapa, T. M. (2012). Using the balanced scorecard to manage performance in public sector organizations: Issues and challenges. *International Journal of Public Sector Management*, 25(3), 166 – 191.
- Nudurupati, S. S., & Bititci, U. S. (2005). Implementation and impact of IT-supported performance measurement systems. *Production Planning & Control*, 16(2), 152-162.
- Nurkholis, M. H. S., & Ismail, S. (2000). Antecedents to Performance Measurement under Results-Based Management: The Case of Local Government Agencies in East Java, Indonesia.
- Ofori, E. (2014). *The Relationships between Perceived Organisational Politics, Employee Political Skill and Job Stress among Employees in the Ghanaian Private Sector* (Doctoral dissertation, University of Ghana).
- Ogbeidi, M.M. (2017). Political Leadership and Corruption in Nigeria Since 1960: A Socio-economic Analysis. *Journal of Nigeria Studies*, 1(2), 1-25.

- Olu, O., & Adesubomi, A. (2016). Impact of Conflict Management on Employees' Performance in public sector organizations in Nigeria. *International Journal of Humanities & Social Sciences*, 1(3), 123-134.
- Ojo, O. (2016). *Fundamentals of Research Methods*. Lagos: Standard Publications.
- Oliver, D. (1991). *Government in the United Kingdom: The Search for Accountability, Effectiveness and Citizenship*, Buckingham: Open University Press.
- Opute, A. P. (2014). Cross-functional bridge in dyadic relationship: Conflict management and performance implications, *Team Performance Management*, 20(3/4), 121 – 147.
- Pfeffer, J. (1981). *Power in Organization*. Marshfield, MA: Pitman Publishing Inc.
- Ospina, G., & Zaltmans, A. (2004). Performance Evaluation, Public Management Improvement and Democratic Accountability. *Public Management Review*, 6 (2), 229-25.
- Othman, R., & Said, J. (2007). Enhancing Control Through Participation: Issues of Conflicts in Public Sector Organizations. *Journal of Financial Reporting and Accounting*, 5(1), 71 – 86.
- Otmazgin, N. K. (2013). *Regionalizing Culture*. University of Hawai'i Press.
- Owoyemi, O., & Ekwoaba, J. (2014). Organisational Culture: A Tool for Management for Management Control, Motivate and Performance Enhancement. *American Journal of Business and Management*, 3(3), 168-177.
- Owusu, F. (2006). On Public Organizations in Ghana: What Differentiate Good Performer From Poor Performer. *The Author Journal Compilation African Development bank*.
- Paluku, K. (2016). Analysis of Conflict management & leadership for organizational change. *International Journal of Research in Social Science*, 2(4), 115-137.
- Panagiotis, M., Alexandros, S., & George, P. (2014). Organizational Culture and Motivation in the Public Sector. The case of the City of Zografou. *Procedia Economics and Finance*, 14, 415-424.
- Pandey, K. S., & Garnett, L. J. (2006). Exploring Public Sector Communication Performance: Testing a Model and Drawing Implications. *Public Administration Review*.
- Pang, M. (2014). IT governance and business value in the public sector organizations \_ The role of elected representatives in IT governance and its impact on IT value in U.S. state governments. *Decision Support Systems*, 59, 274-285.

- Parhizgari, A. M., & Gilbert, G. R. (2004). Measures of organizational effectiveness: Private and Public sector performance. *The International Journal of Management Sciences, Omega* 32, 221-229.
- Park, J. & Kim, S. (2016). Pay Dispersion and Organizational Performance in Korea: Curvilinearity and the Moderating Role of Congruence with Organizational Culture, *The International Journal of Human Resource Management*, 28:9, 1291-1308.
- Parker, R., & Bradley, L. (2000). Organizational culture in the public sector: Evidence from six organisations. *The International Journal of Public Sector Management*, 13(2), 125-141.
- Patanakul, P., Kwak, Y. H., Zwikael, O., & Liu, M. (2016). What impacts the performance of large-scale government projects? *International Journal of Project Management*, 34, 452-466.
- Petrovsky, N., & Ritz, A. (2014). Public service motivation and performance: A critical perspective. *Evidence-based HRM: a Global Forum for Empirical Scholarship*, 2(1), 57-79.
- Das, A., & Kapil, S. (2015). Inorganic growth of technology sector firms in emerging markets. *International Journal of Emerging Markets*, 10(1), 52-72. doi: doi:10.1108/IJOEM-06-2012-0057.
- Piening, E. P. (2011). Insights into the Process Dynamics of Innovation Implementation: The Case of Public Hospitals in Germany. *Public Management Review*, 13(1), 127-57.
- Piening, E. P. (2013). Dynamic Capabilities in Public Organizations, *Public Management Review*, 15(2), 209-245.
- Philbin, S. (2017). "The art of improvement: How reliance on integrative strategic performance measurements can provide stable and lasting performance", *Strategic Direction*, Vol. 33 Issue: 5, pp.14-16.
- Poister, T. H., & Streib, G. D. (2005). Elements of Strategic Planning and Management in Municipal Government: Status after Two Decades. *Public Administration Review*, 65(1), 45-56.
- Pollitt, C. (1990). *Managerialism and Public Services: The Anglo-American Experiences*. Oxford: Basil Blackwell.
- Pollitt, C. (2005). Decentralization: A central concept in contemporary public management. *The Oxford handbook of public management*. Oxford University Press. 371-397.
- Posthuma, R. A. (2011). Managing Ethnic Conflicts, *International Journal of Conflict Management*, 22(1), 5 - 9.

- Pratt, N., & Richter-Devroe, S. (2011). Critically examining UNSCR 1325 on women, peace and security. *International Feminist Journal of Politics*, 13(4), 489-503.
- Rainey, H.G., & Steinbauer, P. (1999). Galloping elephants: developing a theory of effective government organizations. *Journal of Public Administration Research and Theory*, 9(2), 1–32.
- Rahim, M. A. (2002). Toward a Theory of Managing Organizational conflicts. *The International Journal of Conflict Management*, 13(3), 206-235.
- Rantanen, H., Kulmala, H. I., Lonnqvist, A., & Kujansivu, P. (2017). Performance measurement systems in the Finnish public sector. *International Journal of Public Sector Management*, 20(5), 415 – 433.
- Razael, G. & Bozorgmehr, H. (2018). Outcomes & Effects of Rigidity on Government Officials. *Journal of Emerging Sciences*, 1(3)
- Rice, B. (2017). "Feed forward or feedback – reframing positive performance management", *Human Resource Management International Digest*, Vol. 25 (5), 7-9.
- Robin, K. & Rice, M. (2017). The Bureaucratic Structures of Government Institutions. *Governance & Administration*, 3(2), 25-38.
- Ryu, S. & Johansen, M. S. (2015). Collaborative Networking, Environmental Shocks, and Organizational Performance: Evidence From Hurricane Rita, *International Public Management Journal*, 20:2,206-225.
- Ridder, H. G., Doege, V., & Martini, S. (2007). Differences in the Implementation of DRGs across Clinical Departments: A German Hospital Case Study. *Health Services Research*, 42(6), 2120–2139.
- Rogers, M. K. (2006). *Explaining performance measurement utilization and benefits: An examination of performance measurement practices in local governments*. Public Administration Published Doctoral Dissertation. The Graduate faculty of North Carolina State University.
- Rosli, M.H., Abd Aziz, M. A., Mohd, F., & Said, J. (2015). Integrity Systems in Malaysian Public Sector: An empirical finding. *Procedia Economics and Finance*, 260-265.
- Salge, T. O. (2011). A Behavioral Model of Innovative Search: Evidence from Public Hospital Services. *Journal of Public Administration Research and Theory*, 21(1), 181–210.
- Samaratunge, R., Alam, Q., & Teicher, J. (2008). Public sector reforms and accountability: The case of south and Southeast Asia. *Public Management Review*, 10(1), 101-126.

- Sardana G. D. (2008). Measuring business performance: a conceptual framework with focus on improvement. *Performance Improvement*, 47(7). DOI: 10.1002/pfi.20014.
- Schacter, M. (2000). Public Sector Reform in Developing Countries Issues, Lessons and Future Directions. *Canadian International Development Agency*, 1-17.
- Schwartz, R., & Deber, R. (2016). The performance measurement-management divides in public health. *Health Policy*. Doi: 10.1016/j.healthpol.2016.02.003.
- Schloderer, M. P., Sarstedt, M., and Ringle, C. M. (2014). The Relevance of Reputation in the Nonprofit Sector: The Moderating Effect of Socio-Demographic Characteristics, *International Journal of Nonprofit and Voluntary Sector Marketing*, 19(2), 110-126.
- Service Quality Initiatives in OECD Member Countries, Background paper for eponymous symposium, by the secretariat of the OECD Public Management Service (PUMA), Paris, November 1994. OECD, 1995, 25.
- Shepherd, L. J. (2008). Power and authority in the production of United Nations Security Council Resolution 1325. *International Studies Quarterly*, 52(2), 383-404.
- Sole, F. (2009). A management model and factors driving performance in public organizations. *Measuring Business Excellence*, 13(4), 3 – 11.
- Soni, V. (2011). A General Framework For Understanding 21st Century Public Sector Organizations. *International Journal of Public Administration*, 34(1-2), 76-83.
- Sotirakou, T., & Zeppou, M. (2006). Utilizing performance measurement to modernize the Greek public sector. *Management Decision*, 44 (9), 1277 – 1304.
- Spano, A. (2014). How do we measure public value? From Theory to Practice. *Public Value Management, Measurement and Reporting*, 3, 353-373.
- Spano, A. & Monfardini, P. (2017). Performance-Related Payments in Local Governments: Do They Improve Performance or Only Increase Salary?, *International Journal of Public Administration*, 41:4,321-334
- Spekle, R. F., & Verbeteen, F. H.M. (2014). The use of performance measurement systems in the public sector: Effects on performance. *Management Accounting Research*, 25, 131-146. Doi: 10.1016/j.mar.2013.07.004.
- Stanley, G. (2001). *Public Sector Reform in Western Australia the role of chief executive officers in leading cultural change in their organizations*. Dissertation of Doctor of Philosophy of the Curtin University of Technology.
- Stephen, P. O. (2002). *Public management: critical perspective on business and management*. 4 (Routledge Taylor & Francis Group: London)

- Stone, M. (1974). Cross-Validatory Choice and Assessment of Statistical Predictions, *Journal of the Royal Statistical Society* 36(2): 111-147.
- Sulle, A. (2014). The Use of Performance Measurement Information in the Tanzanian Public sector: The case of National Housing Corporation. *International Journal of Management Sciences and Business Research*, 3(7), 1-10.
- Sutheewasinon, P., Hoque, Z., & Nyamori, R. O. (2015). Development of a performance management system in the Thailand public sector: Isomorphism and the role and strategies of institutional entrepreneurs. *Critical Perspectives on Accounting*, xxx, xxx-xxx.
- Sachs, A., & Kayser, L. (2017). The Association of Organizational Performance to Assure Quality Performance, *Journal of Performance Management*, 36(1), 19-30.
- Suhonen, M., & Tiirinki, H. (2018). The Finnish healthcare services lean management: Health services managers' experiences in a special health care unit", *Leadership in Health Services*, Vol. 31 Issue: 1, pp.17-32.
- Sangwa, N. R. & Sangwan, K. S. (2018). "Leanness assessment of organizational performance: a systematic literature review", *Journal of Manufacturing Technology Management*.2.12-33.
- Staniok, C. D. (2016). Performance Implications of Public Managers' Goal Prioritization: An Empirical Test of the Link between Internal Management and Organizational Performance, *International Journal of Public Administration*, 40:11, 918-929.
- Taylor, A., MacKinnon, D., & Tein, J. (2018). Tests of the three-path mediated effect. *Organizational Research Methods*, 11(2), 241-269.
- Toor, S. R., & Ogunlana, S. O. (2010). Beyond the 'iron triangle': Stakeholder perception of key performance indicators (KPIs) for large-scale public sector development projects. *International Journal of Project Management*, 28, 228-236.
- Temfn, K., & Lec, J. (2018). The Complexities in Management Systems of Asian Business Sectors, *The Global Perspective*, 4 (3), 23-37.
- Ulbrich, F. (2010). Adopting shared services in a public-sector organization. *Transforming Government: People, Process and Policy*, 4(3), 249 – 265.
- Ukko, J., Tenhunen, J., & Rantanen, H. (2008). The impacts of performance measurement on the quality of working life. *International Journal of Business Performance Management*, 10(1), 86-98.

- Vaughan-Jones, C. (2010). Lecture notes for the research methods module. June 2010. Herold Pukewitz Business School: Polytechnic of Namibia.
- Verbeeten, F. H. M. (2008). Performance management practices in public sector organizations: Impact on performance. *Accounting, Auditing & Accountability Journal*, 21(3), 427 – 454.
- Vickers, M. (2017). The essentials of high performing organizations. American Management Association. Retrieved May 10, 2009, from <http://www.amanet.org>
- Villmer, A. (2015). Conflicts in innovation and how to approach the “last mile” of conflict management research – A literature review, *International Journal of Conflict Management*, 26(2), 192 – 213.
- Vries, M. D., & Nemec, J. (2013). Public sector reform: an overview of recent literature and research on NPM and alternative paths. *International Journal of Public Sector Management*, 26 (1), 4 – 16.
- Walker, R., Damanpour, F., & Devece, C. (2011). Management innovation and organizational performance: The mediating effect of performance management. *Journal of Public Administration in Research and Theory*, 21(2), 367-386.
- Wang, X., & Gianakis, A. G. (1999). Public Officials Attitudes towards Subjective Performance Measures. *Public Productivity & Management Review*, 22 (4), 537-553.
- Wang, X.H. & Berman, E. (2001). Hypotheses about Performance Measurement in Counties: Findings from a Survey. *Journal of Public Administration Research and Theory*.
- Wang, X. H. (2002). Assessing Performance Measurement Impact: A Study of U.S. Local Governments. *Public Performance and Management Review*, 26(1). 26 - 43.
- Warwick, Donald P. (1975). *A Theory of Public Bureaucracy*. Cambridge, MA: Harvard University Press.
- Wayne, C. (2004). Public accountability: effectiveness, equity, ethics. *Australian Journal Of Public Administration*, 63(4), 59-67.
- Waeyenberg, T. V. & Decramer, A. (2018). Line managers’ AMO to manage employees’ performance: the route to effective and satisfying performance management, *The International Journal of Human Resource Management*, DOI: 10.1080/09585192.2018.1445656
- Weeks, R. V., & Erasmus, R. V. (2013). Organisational culture and climate: elusive pieces in the healthcare technology management puzzle.

- Wold, H. (1982). Soft Modeling: The Basic Design and Some Extensions, in Systems Under Indirect Observations: Part II, K. G. Jöreskog and H. Wold (eds.), North-Holland: Amsterdam, pp. 1-54.
- Widener, S. K. (2007). An empirical analysis of the levers of control framework. *Accounting, Organizations and Society*, 32(7/8), 757-788.
- Wholey, S. (1999). Performance based management: responding to the challenges. *Public Productivity and Management Review*, 22 (3), 288-307.
- World Bank, (2000). Anticorruption in Transition: a contribution to the policy debate. (Washington DC: World Bank)
- Yang , Y., Brennan, I., & Wilkinson, M. (2014). Public trust and performance measurement in charitable organizations. *International Journal of Productivity and Performance Management*, 63(6), 779 – 796.
- Yesil, S., & Kaya, A. (2013). The effect of organizational culture on firm financial performance: Evidence from a developing country. *Procedia-Social and Behavioral Sciences*, 81, 428-437.
- Yilmaz, E., Ozer, G., & Gunluk, M. (2014). Do organizational politics and organizational commitment affect budgetary slack creation in public organizations? *Procedia-Social and Behavioral Sciences*, 150, 241-250. Doi: 10.1016/j.sbspro.2014.09.047.
- Young, L., & Denize, S. (2008). Competing interests: the challenge to collaboration in the public sector. *International Journal of Sociology and Social Policy*, 28(1/2), 46 – 58.

## ANNEXURES

### Appendix-A

#### **List of Public Sector Organizations (PSOs)**

1. Federal Board of Revenue (FBR) & Customs House
2. Punjab Police
3. State Bank of Pakistan (SBP)
4. Water and Power Development Authority (WAPDA)
5. National Transmission Dispatch Company Ltd. (NTDCL)
6. State Life Insurance Corporation (SLIC)
7. Lahore Chamber of Commerce & Industry (LCCI)
8. Karachi Chamber of Commerce & Industry (KCCI)
9. Trade Development Authority of Pakistan (TDAP)
10. Pakistan Telecommunication Authority (PTA)
11. Pakistan Post
12. Pakistan Railways
13. Board of Investment Pakistan (BOI)
14. Pakistan Electronic Media Regulatory Authority (PEMRA)
15. Oil & Gas Regulatory Authority (OGRA)
16. National Electric Power Regulatory Authority (NEPRA)
17. Pakistan Cricket Board (PCB)

## **Appendix – B**

### **Cover Letter & Questionnaire**

#### **CONTEMPLATING BUREAUCRATIC OUTCOMES THROUGH MULTI-DIMENSIONAL ASSESSMENT OF ORGANIZATIONAL PERFORMANCE WITH MEDIAITNG ROLE OF CONFLICT MANAGEMENT EFFECTIVENESS: AN EMPIRICAL ANALYSIS OF PUBLIC SECTOR ORGANIZATIONS IN PAKISTAN**

Dear Respondent !

This study is conducted by Haleema Tariq Ch. under the supervision of Prof. Dr. Muqqadas Rehman in Superior University. The information you provide is very important for my PhD dissertation and your help is highly appreciated.

I am humbly inviting you to participate in a research study to investigate how multi dimensions of organizational performance affect and influence the bureaucratic performance in public sector organizations. I hope that the results of the survey will be useful for analyzing the comprehensive relationships between conflict management and organizational performance. Filling out this survey will not compromise your privacy or subject you to any known risks. No identifiers are included in the questionnaires. The information in the study will be kept strictly confidential and data will be stored securely.

I would greatly appreciate your completing the survey. The survey should take you about 15-20 minutes to complete. Since you people are civil servants and serving our dear homeland with great hardwork, your response is very important for this study. Thank you in advance for your time and effort!

Sincerely,

**Haleema Tariq Chaudhary**

**PhD Researcher, The Superior University, Lahore, Pakistan**

**\* Please indicate the extent to which you agree with each of the following statements.**

<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

**Questionnaire** **Disagree – Agree**

1. Focus of my organization is on readiness to meet new challenges, acquiring new resources and growth ① ② ③ ④ ⑤
  
2. Employees of my organization work in dynamic environment and show continuous willingness to take risks ① ② ③ ④ ⑤
  
3. My organization tries to be proactive and vigilant through a glue of commitment ① ② ③ ④ ⑤
  
4. Stability and continuity are core features of my organization ① ② ③ ④ ⑤
  
5. My organization is well-formalized to follow bureaucratic procedures for good Governance ① ② ③ ④ ⑤
  
6. My organization believes in formal policies and rules to maintain smooth-running of its operations ① ② ③ ④ ⑤
  
7. The goals of this organization are easily explainable to others outside the organization ① ② ③ ④ ⑤
  
8. My organization has clarity in its goals ① ② ③ ④ ⑤
  
9. People are discouraged at once here for taking their own decisions ① ② ③ ④ ⑤
  
10. A final decision is given by only the higher authority even in minor matter ① ② ③ ④ ⑤
  
11. The approval of a higher authority is ultimately required for actions and decisions to be taken here ① ② ③ ④ ⑤

12. Fear of retaliation keeps employees silent here in this organization (1) (2) (3) (4) (5)
13. Policies are modified here not in favor of whole organization but only in favor of few individuals (1) (2) (3) (4) (5)
14. My organizational employees try to build themselves by underestimating others (1) (2) (3) (4) (5)
15. A specific group of my organizational employees get things their ways as no one wants to challenge them (1) (2) (3) (4) (5)
16. The people of this organization believe in hard work to receive rewards (1) (2) (3) (4) (5)
17. Instead of merit, favoritism is a yardstick to get ahead here in this organization (1) (2) (3) (4) (5)
18. Employees are indulged in “plotting” here behind the scenes (1) (2) (3) (4) (5)
19. Parties used to undermine each other in various matters on frequent basis (1) (2) (3) (4) (5)
20. People at workplace usually are involved in backbiting against each other (1) (2) (3) (4) (5)
21. The organizational atmosphere is frequently charged with unfriendly climate and Hostility (1) (2) (3) (4) (5)
22. My colleagues have differences of opinions during work (1) (2) (3) (4) (5)
23. My colleagues have conflicts of ideas at workplace (1) (2) (3) (4) (5)

24. My organization value conflicts regarding work responsibilities (1) (2) (3) (4) (5)
25. My organization allow healthy disagreements of opinions for the work being done arise (1) (2) (3) (4) (5)
26. All concerns are brought open by the employees to resolve issues in the best possible way in this organization (1) (2) (3) (4) (5)
27. Issues are investigated by employees here for an acceptable remedy to the whole organization (1) (2) (3) (4) (5)
28. Accurate information is exchanged among employees for solving a problem collectively (1) (2) (3) (4) (5)
29. Arguments among each other are avoided up to the maximum among organizational members (1) (2) (3) (4) (5)
30. Mutual Disagreements are avoided maximum among the organizational stakeholders (1) (2) (3) (4) (5)
31. Hard feelings are avoided by staying away from the mutual Disagreements (1) (2) (3) (4) (5)
32. Power for winning competitive situations is often used by employees of my organization (1) (2) (3) (4) (5)
33. Influence for getting ideas accepted is used by the employees of my organization (1) (2) (3) (4) (5)
34. Authority for making favorable decisions is used by my organizational employees (1) (2) (3) (4) (5)
35. Expectations of the stakeholders are satisfied by employees of this organization (1) (2) (3) (4) (5)
36. Employees of my organization usually agree with the desires of the stakeholders (1) (2) (3) (4) (5)

37. Wishes of members are generally accommodated by employees of my organization (1) (2) (3) (4) (5)
38. Mutual negotiations are made among employees to reach compromise in this organization (1) (2) (3) (4) (5)
39. Compromises are made in this organization using a practice of “give and take” (1) (2) (3) (4) (5)
40. Mid grounds are suggested by employees of this organization to break deadlocks (1) (2) (3) (4) (5)
41. The vision, mission and values of this organization are clearly communicated by organizational employees (1) (2) (3) (4) (5)
42. For the last few years, the client satisfaction and organizational productivity has gone up in comparison of productivity of other government organizations (1) (2) (3) (4) (5)
43. My organization has become more efficient in terms of using best of competencies and knowledge of employees (1) (2) (3) (4) (5)
44. In case performance standards are not met by employees, corrective measures are taken in this organization (1) (2) (3) (4) (5)
45. General public gets a worthwhile return on its tax rupees in terms of work done by my organization (1) (2) (3) (4) (5)

## Appendix – C

### ANOVA TABLES

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	491.962	1	491.962	435.861	.000 <sup>b</sup>
	Residual	917.643	813	1.129		
	Total	1409.606	814			
2	Regression	612.485	2	306.243	311.959	.000 <sup>c</sup>
	Residual	797.120	812	.982		
	Total	1409.606	814			
3	Regression	695.760	3	231.920	263.485	.000 <sup>d</sup>
	Residual	713.845	811	.880		
	Total	1409.606	814			
4	Regression	713.927	4	178.482	207.812	.000 <sup>e</sup>
	Residual	695.678	810	.859		
	Total	1409.606	814			
5	Regression	718.280	5	143.656	168.109	.000 <sup>f</sup>
	Residual	691.325	809	.855		
	Total	1409.606	814			

*a. Dependent Variable: Perceived Organizational Performance*

*b. Predictors: (Constant), Decentralization*

*c. Predictors: (Constant), Decentralization, Perceived Organizational Politics*

*d. Predictors: (Constant), Decentralization, Perceived Organizational Politics, Developmental Culture*

*e. Predictors: (Constant), Decentralization, Perceived Organizational Politics, Developmental Culture, Hierarchical Culture*

*f. Predictors: (Constant), Decentralization, Perceived Organizational Politics, Developmental Culture, Hierarchical Culture, Task Conflict*