

The Relationship Between Decentralization, Power and Conflict

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Doi:10.23918/icabep2018p4

Abstract

This paper takes a fresh look at Relationship Between Decentralization, Power, and Conflict in the organization, we examined that, Power will be distributed in decentralizing organization structure because nobody can control the entire organization by one director so that the CEO should hire someone to run the business process and divide the business process to the subunit. Accordingly, most of the time, the conflict will occur between subunit due to interdependent, scarcity and non-substitutability of the resource among the organization, department but we should consider that every time conflict doesn't mean negative point for the organization.

Keyword: Decentralization, Power, Conflict, Organization Structure, Decisions and Department

Introduction

The organization sets of interrelated process to achieving a goal or an objective by classifying and coordinated task to be implemented in order to outline plus organizing the employee task and responsibility to creating connections between the employee to enabling perform the task more effectively together in completing organization objectives. So, in order to do that organization, need to establish an efficient structure and Organizational structure will belong to in what way individuality plus teamwork inside a corporation are regulated to reach corporation goals and objectives. Cooperating viable in an institution isn't a simple errand. This is on the grounds that, it is persons in the institution that cooperate and individuals normally are minded confusing and remarkable.

Eze & Umar said that, In the administration of associations, directors utilize both the authority and power to an expert inside their transfer equally administrative weapons to control, adjust, direct, plus impact practices besides activities of their dependents regarding the acknowledgment of the association's objectives. Eze & Umar Note that, it is the capacity of a director to successfully and proficiently utilizes his administrative power and expert to deal with these conflicts (Eze & Umar 2014, p. 174). Today organization's particularly huge one, it can't be controlled and managed by a single individual and organizations gives an additional opportunity to the employee to participate in decision making and give them the power to make their own decisions in favor of the firm. Organizational structure when everyday procedures and fundamental governance duties will be assigned by the senior manager to the subunit plus lower-level flow inside the corporation, which empowering the manager to focus more on significant choices ought to be Decentralization structure. Also for a small business

company, expansions will need to decentralize to precede affective operations. Decentralization has risen as an exceedingly well-known procedure for enhancing Organization effectiveness, responsiveness, and responsibility in the creating scene. Boseman & Phatak mention that Decentralization has been conceptualized similarly as those levels which choice making will be delegated. To survey the degree on whichever secondary or low levels of decentralization portrayed those organizations for choice making (Boseman & Phatak 1984, p. 55). If command, motive, goals, opportunity is not communicated properly; it may lead to the loss of organization leads to conflicts. Because Miscommunication leads to lot many conflicts in the organization. It occurs most of the time something requested and something else offered due to the absence of communication. The conflict will be harmed for the organization and affect the quality of the organization and goal because of that we should resolve the conflict as soon as possible. In Many organizations, the manager should understand workplace conflict and conflict resolution theories is an important concern because being at work requires you.

1.1 Objective of the study

To find out distributing the authority among the organization creates conflict most of the time. At the same time the authority shouldn't be keep in top level management.

2. Methodology

2.1 Research Design

A Qualitative literature review was utilized to accomplish the purposes of the study in order to obtain a more detailed regarding the power, conflict and decentralization in different organization and from previous study we are examining qualitative methodology, which could not be gained using traditional survey methodologies. The future study will be quantitative based approach to examining the relation among those three factors on organization performance.

2.2 Sample size

The research was done in light of secondary data. Primary data was collected from diverse books, journal articles, site, distributed thesis papers of the graduates and so on.

3. Decentralization

Organizational structure is a method, which contains organizational rules and regulation and designed to describe how the task with responsibilities are, controlled and how knowledge will movements from one level to another level in the organization. As Ezigbo mentions that, mostly the organizational structure contains centralized or decentralized structure. Most of the traditional institutes have been designed with centralized control besides that as known as the chain of command on the other hand in a decentralized structure, the decisions are distributed among the department. Also, the departments

will be having diverse degrees of independence (Ezigbo 2012, p. 125).

Decentralization is one of the kinds of organizational structure when day-to-day operations plus decision-making power will distribute among subunit. Siggelkow & Levinthal Understood that to be exact, we call a hierarchical structure "decentralized" when basic leadership has been disaggregated into various subunits or divisions, each settling on its own choices (Siggelkow & Levinthal 2003, p. 651). Zájbojník In his study defines Decentralization as in decentralization the basic leadership expert is designated to the specialist, with no barrier from the supervisor (Zájbojník 2002, p. 5).

So as Daft said that, the level of centralization or decentralization in organization varies base on a numeral of influences, which could contain the organizational goals and strategy, size, culture, environment and its geographic distribution. For instance, in huge and expanded organization is improbable that a handful of employees and machine hold all the resources to obtain organizational goals. So, it becomes impossible to hold power and decision authority at the top level of management. Similarly, in a geographically dispersed organization, a centralized approach will not be the most efficient, but on the other hand in a small start-up business, the only owner or top executive manager could effectively hold all the organization decision and conflict (Daft 2010, p. 369).

3.1 Vertical decentralization

Well Mintzberg said that Vertical decentralization is the transfer of shut down the hierarchy of leadership or shared specialist amongst superordinates and subordinates in any association. This normally, measures that the director of a profit center cost center or investment center has the right to make decisions that influence his area of responsibility (Mintzberg 1980, p. 327). Which mean that the authority of decisions can be pushed down to department only and the just director has the power to control the employee performance. For instance, in production organization, the line manager gives the order to the employee to perform the specific task and the employee will perform exactly what the manager wants. Accordingly, the labor doesn't have the power to change the order especially the low labor skill. Also, these kinds of organization are huge in size of number employee with low specialization plus partially technology. From the time when there are fewer levels of administration in a decentralized structure, the corporation is capable to create decisions more rapidly, which is useful in a warmly competitive market.

3.2 Horizontal decentralization

In horizontal decentralization span of control will be expanded in the organization to lower level employee as Ezigbo mention that, In a decentralized association, the best administrators appoint a lot of their basic leadership expert to bring down levels of the authoritative structure. In this manner, the association is probably going to work on less unbending arrangements and more extensive span of control among each director of the association. The more extensive span of control likewise lessens the quantity of levels inside the association, giving its structure a level appearance (Ezigbo 2012, p. 126).

Which mean, not only the director has the authority in the organization but the employee how really performs the task have the power to perform the way they like for instance the program employee in it service organization they have authority to perform the task the way they want and can affect the decision making in the organization. Those organizations are low in size with high skill labor plus more using technology in working process.

4. Power

Power has different mean based on person and condition. Certain people seen power as corrupt but other people, the additional authority they will have, the will be more successful as they feel. For even others, they did not concern power at all. But Power is the ability to influence others as (French & Raven 1959, p. 260) said it, also the greatest theories of power that comes by French and Raven, who define the sources of powerful leaders will be used to impact other people. Also, as Daft said that power is the capability of employee or unit in a corporation in an organization on impact other individuals to achieve each wanted conclusions. It may be that possibility should impact others inside the association with the objective from claiming to achieve wanted results for power containers (Daft 2010, p. 504). French and Raven classified five sources of power this could collect inside two groups: Organizational Power (Reward, Legitimate and Coercive) and Personal Power (Expert and Referent). When the personal power is belonging to workforces' job fulfillment and job implementation while organizational power related to work outcomes. But (Salancik & Pfeffer 1977, p. 4) they expand the strategic contingency theory, which is seeing the power to be divided in subunit among the organization unit by individuals or department. Then, they are using power to run their task beside control of scarcity of resource to solving problems or crises for the organization and achieving organizational goals.

4.1 Individual Power

As Eze & Umar said that, Power will be the possibility alternately real capacity of a person on the influence the conduct from claiming others. This capacity could make dependent upon a number of factors, for instance, such that knowledge, personality, Furthermore actually on power (Eze & Umar 2014, p. 174). While Lucas & Baxter define the power by, just in case a person has controlled access to assets, that individual will have power. Such power can be found in HR offices that have power outside their positions in the organization structure alone demonstrate. They control assets that are significant to people in the association (Lucas & Baxter 2012, p. 65).

4.2 Group Power

In 1971 Hickson et al. develop the theory of strategic contingency, which is about the necessity of the activities of one department that will be influenced by the activities of the additional

department. What will lead it to be a contingency strategic is that, one department controls the more contingencies, and the bigger is its power inside the organization. For instance, an engineering department has more power due to it rapidly fascinates uncertainty through fixing breakdowns which will affect a different kind of workflows for all of the numerous organizational productions (Hickson et al. 1971, p. 227). Which mean if person or department working inside a vital segment of the organization, and what you or they perform is more significant for the organization. This will give you or the department several chances to be observed. Besides that, you or department will be the serious route, for instance, if you or this department of the organization unsuccessful, the whole process of the organization will be unsuccessful or stops. Over, it provides you or department the bargaining power over the other department. Also, sometime, the one employee will be difficult to be replaced then they cannot just move the person out or sideways so that the person has power over the other employee.

5. Conflict

Conflict is belong to a condition when of two or more labor or functioning units they are appear to be mismatched about some idea, performance, using resource; as Omisore & Abiodun state that, Conflict is kind of a devoted segment of humans' lifecycle, there are several assessment concerning that. Some author explains the conflict as a negative situation for organization, which senior manager must avoided it at any cost that occur. Beside that others may understand that, it as an experience for organization, which necessitates management (Omisore & Abiodun 2014, p. 119). Conflict is mismatched of reverse concern. In simple words, it is the period where two diverse viewpoint clashes or can say, as period opposition. Eze & Umar Said that Corporation conflict happens at the point when two or more persons or units that have reversing goals, ideas, philosophies, or orientations can't help contradicting one another Previously, association choice making (Eze & Umar 2014, p. 178). For instance, if one division in organization demands some material from another division due to perform its work, but the second division doesn't reply to the demand for material, the conflict will arise between them.

As Daft mentions that, the conflict majority of the chance may be Similar as an aftereffect of difference on asset allotment. Intergroup conflict can be characterized as the conduct that happens among hierarchical units when members relate to one unit and see that different units may hinder their groups' objective accomplishment or expectations. Conflict implies that unit trouble specifically, that they are in key restriction. (Daft 2010, p. 493) . Although diverse units that working cooperatively together, beside that the conflict will be occurs whenever one of the unit's objects diverge from other unit, for instance the a group's aim to instrument different software to run the project while the b group want to use the existing software application because the new one lead to slowdown their performance so that the conflict occur between them.

Sinding & Waldstrom State that Conflict between employment units, groups and divisions are a mutual risk to corporate competitiveness. Some groups might experience conflict as more threatening than others. On the other hand, if there are so much department and subunit involve in decision-making process much lead conflict between them because the manager cannot control them and difference in implementation (Sinding & Waldstrom 2014, p. 526). Also the stress of the work may lead conflict in organization because Individuals will grip stress inversely and that has directly affect the organization performance because employee may display insignificant attitudes when they are under too much stress and that make conflict.

6. The Relationship Between Decentralization, Power, and Conflict in organization

There are many relationships between decentralization structures, power, and conflict in an organization, in decentralization structure, the span of control will be expanded and the power will be distributed as from the definition of decentralization by Ezigbo which is the procedure of distributing powers between the employee or department. And they have authority to make decisions (Ezigbo 2012, p. 125). But sometime this distribution power among the organization will lead to conflict in organization because as Eze & Umar said that, the conflict occurs due to result of dissimilarity on resource allocation or the departments may have different objective, method and idea than other in decision making inside the organization (Eze & Umar 2014, p. 178). For example, the CEO decided to decrease the cost of production because of that the Human Resource department want to decrease the number of an employee at organization but at the same time, the production manager wants to hire two more employees because they increase the number of production in order to shrinkage the cost of production per unit. Accordingly, the conflicts occur in this two department because they have different method and objective to reduce the cost of production.

6.1 Interdependence

In decentralization structure there are many teams and task forces^[1] and they have different authority and task to implement inside the organization and most of the time as Omisore & Abiodun state that, the Interdependence and possibility of conflict have similar direction in organization, so when Interdependence increase more the conflict will increase too, which mean the employee or department rely on another department to send them the information, product, and resource (Omisore & Abiodun 2014, p. 126). Accordingly, in decentralization method gives power to each department to perform some duties but when somebody doesn't do it properly, they will affect the other department performance then conflict will arise between them which will affect the efficiency of the organization to obtain the objective. The real example regarding this conflict occur today in Kurdistan Regional Government (KRG), the ministry of natural resource doesn't perform their task properly and they are not operating transparency or the ministry of finance from the central government don't send monthly payment for another ministry department in order to perform their task and responsibility. Also, as Daft mention that

if some subunit or person has control over the all organization resource and all other unit depending on that resource this unit has more power over other (Daft 2010, p. 427). So that, the Kurdistan economic was a decline as the result of the other ministry rely on the payment, which should be sent by the central government, or ministry of natural resource and conflict occur between them.

6.2 Non-substitutability

When the employee or department are uncertain about their objective or goal to be obtain inside the organization they are trying to use their power to influence the top level management to perform their requirement especially if they are non-substitutability department as Salancik & Pfeffer said that when the employee or department unclear regarding the way organization perform the task or distribute resource among them and they can't argue to satisfy organization to resolving that conflict they are trying to use their power in order to solve it (Salancik & Pfeffer 1977, p. 13). So that, in decentralized organization structure when the subunit has some authority whenever they are uncertain about the significant decision that will directly affect them they will use their power to obtain the desired outcome. For instance, if the top management in Gas and Oil company decided to decrease the employee salary due to the recent economic crises in KRG but the security control department refused to accept it because they are the only one can run that department if they stop working for one day the company will lose millions of dollars and the company will take one year to hire new staff because the scarcity of high skill employee in local and they are non-substitutability.

6.3 Recommendation

Power will be decentralized in the organization because nobody can control the entire organization by one director and the conflict is not all time bad because the conflict can be considered as a positive point for organization too. Accordingly, some conflict can lead to open up new opportunities and assistance to create new ideas that might otherwise have not been considered. So that, Organizations should show labor how to consider conflict effectively that can generate an environment of innovation that could motivate a creative thinking and opens minds to new, previously unexplored, and opportunities. Seeing the probability of different ways of approaching challenges plus getting the requests of a competitive business industry can mark in enhancements that advantage employee together with the organization.

7. Conclusion

There are several uncertainties and critical in the organization, in order to decrease it we should subunit our organization and distributing organization power among numerous department which is called decentralized structure. Working together effectively an organization is not an easygoing assignment. Because of that, CEO should consider the several conflicts that will occur when they distribute authority among subunit and department. Accordingly, department or employee power will affect the all organization process if they are not performing effectively.

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