



INTERNATIONAL JOURNAL OF PHARMACEUTICAL SCIENCES
AND BUSINESS MANAGEMENT
**A STUDY ON CONFLICT MANAGEMENT
IN PHARMACEUTICALS COMPANY
LOCATED IN SIKKIM.**

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Abstract: - This research work was undertaken on behalf of Pharmaceutical company located in Sikkim (India).It has been observed that despite of several conflict resolution technique companies are facing dissatisfaction due to clashes between working staff from outside state and within state. The Objective of this research study is to identify the reason of conflict and resolution technique. Research Study shown that reason could be language differences, perception gap, Lack of awareness of pharmaceuticals company culture. This survey was conducted on 150 employees from different pharmacuticles Company of Sikkim. For the sake of Confidentiality the name of the company is not being disclosed.

Keywords: Conflict, Conflict Management, Language, Company Culture, Labour Law etc.

1. Introduction of Conflict

Conflict may be defined as a disagreement between two or more persons or groups in a social situation over issues of resource, policies, roles, emotions etc. Conflict takes place in any social unit and thus it is an inevitable dimension of social climate. However, the ability to deal with conflict situations depends on the interpersonal skill of the development functionaries. When we think about conflict in industry, we must understand that there is only one way to do things in the best way any deviation leads to conflict which needs immediate attention so that it does not escalate.



2. “A process that begins when one party perceives that another party has negatively affected, or is about to negatively affects something that first cares about”. Conflict occurs when there are two or more competing responses to single events.
3. Conflict must be perceives by the parties to it, whether or not conflict exist is a perception issues. If no one is aware of conflict then it is generally agreed that no conflict exist. Conflict can be a serious problem in an Organization. It can create chaotic condition that make it nearly impossible for employee to work together, on the other hand conflict also has a well-known positive sides.

2. Conflict Management:

Conflict management is a principle that all conflict cannot necessarily be resolved but learning how to resolve conflict can decrease the odds of non-productive escalation.

Conflict management involves acquiring skills related to conflict resolution, self-awareness about conflict modes, conflict communication skills and establishing the structure for management of conflict in your environment.

2.1. How Conflict arise?

In an organizational process, the management has many aspects to consider for a workplace to be harmonious and successful. One of these things that should not be left unattended is any presence of conflict. Conflict happens when individuals or groups do not meet their needs and when they do not find satisfaction to their own wants or self-interest.

Conflict can be internal when the conflict is only within the individual; it is external if it is between two or more individuals or between groups. Some people are not aware of the need and react negatively toward the situation unconsciously. Some people know what they want and would work hard at achieving such goal even to the point of going through conflict.

Situations that are triggered by fear, force, sense of fairness, and funds create conflict. In any type of circumstance, even in a workplace or organization, conflict is inevitable. When there are differences in background and orientations among employees in working toward a goal, conflict arises.



It is the differences of many aspects such as values, attitudes, needs, expectations, viewpoints, and personalities that cause conflict in an organization. But despite the inevitability of conflict, it can be minimized and even resolved when properly dealt with.

2.2 Conflicts; Sources & Mitigation:

These all lead to conflict. The best manager takes no time to resolve these conflicts. Let us examine the intervention:

Lack of team work	Proper Co-ordination
Buy passing channel	Fixing Channel
Working condition	Improvement
Benefits(Parties/Privileges)	Commensurate work content
Frequent change in policy	To be avoided (Fixed and Flexibilities)
Frequent change of job	Depending on position (Clerical, Technical)
Risks factors in job	Policy of hire & fire
Absence of job satisfaction	Policy research, job description
Job enrichment	Clear demarcation
Job Analysis	
Irregular attendance	Analysis the causes
Attendance punctuality	To be dealt firmly
Drop in individual effort	Motivation – inner core
Drop in overall effort	R&D in policy intervention & execution
Employee over-sensitive criticism	Be positive in dealing, encourage rather criticize



Lack of promotion	Policy change
Rules and Interpretation	Principle of Golden Rule
Improper equipment maintenance	Regular maintenance
Irregular supply of raw materials	Remove the barriers
Lack of motivation	Intervention
Least concern for Human Relations	Improve HR, Training
Job change/transfer	Training for new job first
Inter-personnel friction	JMC
External factor (UNIONISM)	JMC-regular meeting
Delay in dealing	Must be stopped
Proper Canteen facility	Welfare measure

2.3. Element of Conflict:

There are 3 elements involved in an organizational conflict: power, organizational demands, and self-worth. These components must be aptly matched through important organizational processes and decisions to resolve a conflict.

Power is the individual's capacities and means in getting a goal done. This element uses personal influence, information, and time. Managers and those in the higher management make good use of power to resolve conflict, making the members cooperate toward reaching a unanimous decision. But when not used properly, power can also develop conflict.

Organizational demands pertain to the expectations of a working individual regarding the job performance. There are employees who tend to have very high expectations of the company for them which can be rather impractical and difficult for the organization to provide. When these



are not met, the person becomes disappointed and dismayed, leading him to cause conflict through constant disputes and protests on the processes.

Self-worth is the individual's self-esteem or value for oneself. When you work for a particular organization, you always want to show that you can perform and deliver. An employee wants to be rewarded and properly compensated for the kind of performance that is shown. If this is not acknowledged, the person may feel unappreciated for the efforts shown. The feeling of loss of self-worth may arise in conflict.

3. Pharmaceutical industry in India

Ranks 3rd in the world terms of volume and 14th in terms of value.^[1] According to Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, the total turnover of India's pharmaceuticals industry between 2008 and September 2009 was US\$21.04 billion. Hyderabad, Mumbai, Bangalore and Ahmedabad are the major pharmaceutical hubs of India.^[2] The domestic market was worth US\$13.8 billion in 2013.^[3] The government started to encourage the growth of drug manufacturing by Indian companies in the early 1960s, and with the Patents Act in 1970.^[4] However, economic liberalization in 90s by the former Prime Minister P.V. Narasimha Rao and the then Finance Minister, Dr. Manmohan Singh enabled the industry to become what it is today. This patent act removed composition patents from food and drugs, and though it kept process patents, these were shortened to a period of five to seven years. The Lack of patent protection made the Indian market undesirable to the multinational companies that had dominated the market. Whilst the multinationals streamed out, Indian companies carved a niche in both the Indian and world markets with their expertise in reverse-engineering new processes for manufacturing drugs at low costs. Although some of the larger companies have taken baby steps towards drug innovation, the industry as a whole has been following this business model until the present.^[5]

3.1 Pharmaceutical industry in Sikkim

Sikkim, a pristine hill state synonymous with travel and tourism, could turn out to be the next pharmaceutical hub. Situated amidst the verdant Eastern Himalayas, the state has already attracted an investment of over \$400 million (Rs 2000 crores) from 22 major pharma companies in the last three years.



Sikkim has been able to offer a host of tax benefits to the industry. Thus it is no wonder that the state has already attracted an investment of over \$400 million from 22 major pharma companies in the last three years. At this pace, the state could emerge as a major pharma hub in the North Eastern region by 2020.

Many pharma companies and their ancillary units have migrated from Baddi in Himachal Pradesh and Uttarakhand to Sikkim, as the excise duty exemption given to these states will soon expire. In order to avail tax benefits for the next ten years, several pharma companies have opted to migrate to Sikkim. Besides tax incentives, low manufacturing and labour costs and pollution – free environment have also proved to be the key attractions for these pharma companies.

“Sikkim, which offers 100 per cent excise and income tax benefits in addition to freight subsidy, provides continuous support to set up new plants with other facilities. By 2018, the state will become a full-fledged pharma hub in the North Eastern region, predict industry experts. A senior official from Commerce and Industries Department, Government of Sikkim, while speaking to *Express Pharma*, on condition of anonymity said, “Today, Sikkim is home to as many pharma companies. According to the official, North-East Industrial and Investment Promotion Policy (NEIIPP) 2007 has played an active role to attract pharma investments in the state.

“Many pharma companies have set up shop because of the big tax advantages as earning is at a faster pace due to tax savings. Apart from pharma companies, ancillary units like packaging, access to raw materials, components, machinery, have also set up their base. We are now working to make the state more conducive for pharma units, so that it can become a major pharma destination in the next two years,” the official stated.

3.2. Conflict in Pharmaceuticals Company in Sikkim:

Conflict now days become a major issue in Pharmaceuticals Company in Sikkim. Most of the company in Sikkim is facing similar type of conflict, between locals and non-locals which sometimes leads to the very severe impact to the Management. It arise due to cultural differences, language differences and poor work culture. This conflict seems to be very small but it effects the productivity as a whole as these companies are totally based on production.

4. Methodology

a. Objective of the study

- i.*** To study the Conflict Resolution Technique.
- ii.*** To help the Organization to find out the reason of Conflict between the Employees.
- iii.*** To provide the technique of reducing conflict.



b. Source of Data

- i. Primary data:** Data collected through interviews, and questionnaire.
- ii. Secondary data:** data collected through particular company profile, website, magazine etc

4.1. Sampling Frame: the sample sized comprised 150 from different pharmaceuticals Company.

A questionnaire was developed and responses have been measured by Likert Scale. The sampling technology used was Random Sampling due to unavailability of employee's time for filling the questionnaire. The likert Sale comprised 5 ratings which is mentioned below.

- (i) Strongly Disagree
- (ii) Disagree
- (iii) Neither Agree nor disagree
- (iv) Agree
- (v) Strongly Agree

5. Analysis and Findings of Study

1. Pharmaceutical sector had more employees working in the age group between 21 to 45 years age.
2. In Pharmaceuticals Company more number of employees is graduate and has 3 or more years of experience.
3. Some of the staff feels unsafe in the working environment.
4. A significant 50% of staff feels that behavioral issues come very frequently which increase conflict.
5. Commitment towards the work is slightly less in the pharmaceuticals company but 90% of staff take their work seriously, as they aware that it is a lifesaving drugs.
6. Staff feels disturbed by the external interference at working hours inside the company area.



7. Company gives more preference to the local staff who eagerly wants to learn.
8. Management give trainings to the staff for adapting the new culture.
9. Some of the local staff feels that they have every right to raise voice as this place belong to them.
10. Some of the locals feel that they should get job in good position whether he/she is technically fit or not.
11. It has been observe that there is no any proper policies and guidelines for labour regarding there joining up to exit formalities.
12. There are no any policies for grievance handling in the pharma company.
13. Top Management faces problem in interacting with locals, who create communication gap and some of the staff feel dissatisfaction.

6. Conclusion

From the above findings we concluded that there is a critical thing which leads to conflict.

- ❖ Most of the employees follow negative technique of conflict resolution that is avoiding and compromising.
- ❖ People wrongly hope that conflict will go away if it is ignored. In fact, conflict ignored is more likely to get worse, which can significantly reduce performance. The best way to reduce conflict is to confront it.
- ❖ Employees should treat conflict as a problem and should solve it by examining the various alternatives.
- ❖ Conflict resolution requires give-and takes attitude and an open dialogue in order to get ultimate resolution.

7. Recommendation

- ❖ Management should avoid the external interference in the organization
- ❖ Make them understand the importance of team work, so that they can cooperate with each other and come up with the better solution of a problem.



- ❖ Most of the employees follow negative technique of conflict resolution that is avoiding and compromising. This is not correct as the more we avoid the more we face problems.
- ❖ People wrongly hope that conflict will go away if it is ignored. In fact, conflict ignored is more likely to get worse, which can significantly reduce performance. The best way to reduce conflict is to confront it. So the management should train the employees in such a way that they start confronting problems rather than avoiding them.
- ❖ To solve conflicts the organization should arrange for activities which involves more of team work which will build confidence and trust among the employees.
- ❖ Make them understand the importance of team work, so that they can cooperate with each other and come up with the better solution of a problem.

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