

Rencontres De St. Gall
International Entrepreneurship and SME Conference

Appenzell – Switzerland
19 September – 23 September 2004

**Analysis of conflict-handling styles used by owners/
managers of family SME's**

Werner Havenga
Department of Human Resource Management
D- Ring 426
Rand Afrikaans University, Johannesburg, South Africa
+27 11 489 2078 tel
+27 11 489 2710 fax
e-mail: wh@rau.ac.za

Analysis of conflict-handling styles used by owners/ managers of family SME's

ABSTRACT

Major recent family business conflict research has focused on conflicting generations; conflict of interests and objectives, team building and conflict management strategies, influence of work-family conflict on job-satisfaction, and the phenomenon of substantive conflict in the family firm. Little is however, known of the process of setting the norms for resolving conflict or handling or management thereof. In order to achieve desired outcomes for the business, family and employees, they must learn to handle / manage conflict successfully. This is to a large extent dependant on the conflict-styles or strategies used. The main objective of this study is to identify the conflict-handling styles used by the owner/ manager in the process of managing, handling or solving conflict within the firm. The instrument used to identify these styles is the ROC-II model (Rahim Organizational Conflict Inventory – II). The sources of conflict within the firm as perceived by the owner / manager and how it relates to the conflict-handling styles is also identified.

Analysis of conflict-handling styles used by owners/ managers of family SME's

1. Introduction

Conflict has manifested itself in diverse formats on macro as well as micro-level for centuries. It has been in existence since the creation of human kind and has formed the basis for the way in which human beings have changed and lived in this world (Van Veelen, 1995:31). Already in the late 19th and early 20th century consideration was given to conflict as being part of life. Prominent scholars such as Lopreato & Hazelrigg (1972), Ashley & Orenstein (1985) and Stones (1998) stressed the importance of contributions that Pareto, Marx, Weber, Comti, Durkheim and Dahrendorf made toward conflict theory in those periods.

Almost all theories for clarifying the sources (causes) of conflict and the ways in which it should be managed or handled are backed-up or adjusted by empirical studies. This has primarily been the case in the past three to four decades through research done by scholars such as Blake & Mouton (1964); Pondy (1976; 1992); Thomas & Killman (1974); Deutsch (1973; 2000); Rahim (1983; 2002); Volkema & Bergman (1989;2001); Tjosvold (1990); Jehn (1997;1999); Van de Vliert & Kobanoff (1990); Amason (1996); Galtung (1996) and a number of other social-psychologists, sociologists and behaviouralists. These studies concentrate on different aspects of conflict that are applicable to organizations in general. In no instance is specific reference made to SME's and in particular small family businesses by them.

In the past decade the importance of family businesses as an integral part of SME's have been realized. Research on conflict within family businesses started to appear (Sorenson, 1999; Vilaseca, 2002; Filbeck & Smith, 1997; Grote, 2003; Foley & Powell, 1997; Degadt, 2003; Dewis & Harveston; 2001).

The importance of family business among SME's can be underestimated. According to Ventec et al. (2003:3) family businesses are fast becoming the

dominant form of business enterprise in both developed and developing countries. Particularly in developing countries, family businesses have emerged as a major role player in the economy, both socially and from a purely economic point of view. Similar to any other organization, whether business or non-business, the family business enterprise is also subject to conflict. Major recent research have focused on conflicting generations (Grote, 2003); conflict of interests and objectives (Vilaseca, 2002); team building and conflict management techniques (Filbeck & Smith, 1997); influences of work-family conflict on job-satisfaction, life satisfaction and quitting intentions among business owners (Boles, 1996); and the phenomenon of substantive conflict in the family firm (Davis & Harveston, 2001).

For purposes of this study a family firm, after considering the views of Donckels (1993), Brockhaus (1994:30), Logenecker (1997:92), Ibrahim & Ellis (1994:4, 212), and Bridge, O' Neil & Connie (1998:129-130), is defined as: **a business started and owned by at least one member of a family and where other members of the family are directly or indirectly involved in the activities of the business and the intention exists to transfer power and ownership in the future to a next generation.**

2. Problem statement and objective

According to Dunn (1995:17) the primary difference between family and non-family businesses is, that the family firms are concerned about both business and family outcomes. They are concerned about a profitable business and, to varying degrees, about family-member involvement in and satisfaction with business. This makes resolving conflict unique in a variety of ways.

The conflicts that have to be resolved can, however, be classified into two areas of potential conflict between the family and the business (Degadt, 2003:380), i.e;

- Conflicts about objectives which arise mainly when decisions have to be made about the allocation of profits.

- Conflicts about the role and position of individual members of the family.

It should be noted that family adds complexity to conflict in the business. Family-related issues may take precedence over business concerns. Furthermore, family norms for resolving conflict set the norms for resolving conflict management norms in the firm. The owner of the business usually establishes norms for interaction in the business. Thirdly the dynamics of power in family firms are unique in the sense that family members have access to key information and retain decision authority (Sorenson, 1999:133-134).

In the process of setting the norms for resolving conflict or the handling or management thereof, the owner of the family firm is in most cases also the manager. Furthermore, it should also be taken into consideration that the largest proportion of family firms also have non-family members in its employ. Conflict that occurs on an interpersonal level between all individuals involved in the activities of the business, whether family members or not, has to be handled, managed or resolved in one way or the other. In order to achieve desired outcomes for the business, family and employees, they must learn to manage conflict successfully. This is to a large extent dependant on the conflict-handling styles or strategies used.

Dominant conflict-handling (management) models that address the styles used by individuals in interpersonal conflict are that of Blake & Mouton (1964), Thomas-Killman (1974), Rahim (1983). Either four or five conflict-handling styles are developed by these scholars within similar two-dimensional models.

Against this background, the main objective of this study is: **to identify the conflict-handling styles used by the owners/managers in managing, handling or solving conflict within the family firm. This study will also identify the sources of conflict within the firm as perceived by the owner/ manager and relate it to the conflict-handling styles.**

3. The nature of conflict-handling styles

Considering the conflict-handling style models it becomes evident that the five conflict-handling styles as conceptualised by Thomas-Killman (1974) and Rahim (1983) are used the most by researchers as measuring instruments. These handling styles are based on assertiveness and cooperation. In the case of assertiveness there is a high concern for self, whilst in the case of cooperation the high concern is for others. Both are conceptual-dependant dimensions of interpersonal behaviours.

The Triadic Theory of Galtung (1996) reveals three components. They include: attitudes (which include both cognitive ideas and emotions), behaviour (which involves overt behaviour and potential for aggressive or hostile actions), and contradiction (the values and interests between parties or within one person, which are compatible) (Bodtker & Jameson, 2001:267). These components form part of the conflict-handling styles in various formats. Using Rahim's ROC-II (Rahim Organizational Conflict Inventory – II) model in the empirical analysis of conflict-handling styles later on in this study the emphasis will be placed on his interpretation of the different styles (Rahim, 1983).

The **integrating style** focuses on problem-solving in a collaborative fashion. Individuals with this style face conflict directly and try to find new and creative solutions to problems by focussing on their own needs as well as that of others. Gross & Guerrero (2000:201) suggests that an integrative conflict style is generally perceived as the most appropriate (in terms of being both polite, prosocial strategy and an adaptive, situationally appropriate strategy) and most effective style.

In the case of the **obliging style** there is low concern for self and high concern for the other party. It is also called accommodation, non confirmation, yielding or lose-win style (Rahim, 2000:10). This style is indirect and uncooperative. Obliging may also be a particularly appropriate strategy when conflict cannot be resolved to satisfaction of the two parties involved.

Accommodation, according to Sorenson (1999:137) seems to be used infrequently in family firms. If used too often a highly accommodative owner might sacrifice business success to satisfy family or employees.

The **avoiding style** involves low concern for self as well as for the other party. It can also be seen as inaction, withdrawal or the ignoring style and is indirect and uncooperative. This style is low both in effectiveness and appropriateness. Kaye and McCarthy (Sorenson, 1999:137) found that this strategy of conflict avoidance was associated with relatively low satisfaction, high sibling rivalry, and low mutual trust resulting in negative family business outcomes.

The **dominating style** also known as the competing, control, zero-sum or win-lose style involves high concern for self and low concern for the opposing party. This style relies on the use of power, aggression, verbal dominance and perseverance. Gross & Guerrero (2000:207) suggest that the dominating style might be somewhat effective in organizational context when there are productive-related goals.

Compromising style might be somewhat similar to collaboration and may produce similar outcomes. It is also known as the misdeed motive style in game theory (Havenga, 2002:109). Generally, it is perceived as a relatively neutral style, although some participants judge their participants to be more effective and rationally appropriate if the compromise style is used (Gross & Guerrero, 2000:202). Compromising is inappropriate for dealing with complex problems needing a problem-solving approach.

Some research has already been done (Dean, 1992., Van de Vliert, Euwema & Huismans, 1995), showing the extent to which various conflict-handling styles are used in family firms, However, as far as could be ascertained there is no study which shows the conflict-handling profiles of owner/ managers of family businesses.

4. Methodology

4.1 Measuring instrument

The Rahim Organizational Conflict Inventory – II (ROC-II) model was used to measure the styles of handling interpersonal conflict (Rahim, 1983, 2001). This instrument uses a 5 – point Likert scale and the responses to items are averaged to create subscales for calculating Problem Solving and Bargaining dimensions. A higher score indicates a greater size of a conflict-handling style. The ROC-II measures: Integrating, Obliging, Dominating, Avoiding and Compromising.

A conflict-evaluating questionnaire that comprises three sections was used. The first part (A-section) covers biographical information, whilst the second division comes from the standardized ROC-II questionnaire (see table 1), and the third (C-section) is a design section to measure owners/ managers experience or perception of sources of conflict with a simple yes / no answer. The B-section (ROC-II) determines the way in which the owners / managers of an organization handle conflict with his subordinates. In this study family as well as non-family members were considered to be subordinates of the owner/ manager in the business environment. The conflict-handling styles are checked by means of responses to twenty-eight statements (questions).

4.2 Sample

The sample was drawn from family-businesses in the SME-group in a medium-sized urban town. From a total of 325 firms (large and small) 102 were found, using the definition of a family firm as spelled out earlier in this study, that could be classified as family businesses. A stratified random sample of 66 % (68) was drawn to take part in the survey and complete the questionnaire.

TABLE 1 ROC-II Questionnaire Section B Superior/ Subordinate.

Likert 5-point scale used. (Strongly agree - strongly disagree)

1. *I try to investigate an issue with my subordinate to find a solution acceptable to both of us.*
2. *I generally try to satisfy the needs of my subordinate.*
3. *I attempt to avoid being "put on the spot" and keep conflict with my subordinate to myself*
4. *I try to integrate my ideas with those of my subordinate to come up with a decision jointly.*
5. *I try to work with my subordinate to find solutions to a problem which satisfy our expectations.*
6. *I usually avoid open discussions of my differences with my subordinate.*
7. *I try to find a middle course to resolve an impasse.*
8. *I use my influence to get my ideas accepted.*
9. *I use my authority to make a decision in my favour.*
10. *I usually accommodate the wishes of my subordinate.*
11. *I give in to the wishes of my subordinate.*
12. *I exchange accurate information with my subordinate to solve a problem together.*
13. *I usually allow concessions to my subordinate.*
14. *I usually propose a middle ground for breaking deadlocks.*
15. *I negotiate with my superior/subordinate so that a compromise can be reached.*
16. *I try to stay away from disagreement with my subordinate.*
17. *I avoid an encounter with my subordinate.*
18. *I use my expertise to make a decision in my favour.*
19. *I often go along with the suggestions of my subordinate.*
20. *I use "give and take" so that a compromise can be reached.*
21. *I am generally firm in pursuing my side of the issue.*
22. *I try to bring all concerns out in the open so that the issues can be resolved in the best possible way.*
23. *I collaborate with my subordinate to come up with decisions acceptable to both of us.*
24. *I try to satisfy the expectations of my subordinate.*
25. *I sometimes use my power to win a competitive situation.*
26. *I try to keep my disagreement with my subordinate to myself in order to avoid feelings.*
27. *I try to avoid unpleasant exchanges with my superior/subordinate.*
28. *I try to work with my superior/subordinate for a proper understanding of a problem.*

The questionnaires were delivered personally by the researcher to the owners/ managers of the sample group, explaining the questionnaire and the objective of the study. The completed questionnaires were collected after three days, with follow-ups after one and two weeks. A total of 58 could be recovered of which two could not be used. The resultant response rate of 82,4% can be considered high, taking into account that

low response rates are not uncommon in SME research. The good response rate can be attributed to the clarity and length of the questionnaire, the personal visits and explanations to the respondents and the personal follow-up to collect the questionnaires.

Respondents came from varied age groups and included those younger than 36 years (30,4%), 30-45 (28,6%) and older than 45 (41,1%). Most of the respondents were male (74,5%). In contrast females represented only a quarter (25,5%) of the response-rate. With regard to highest qualification the results showed that 44.6% of the respondents have an undergraduate degree or higher, whilst 17 (30,4%) hold a diploma or certificate of some sort and 14 (25,0%) of them only have a grade 12 or lower qualification.

In comparing the two predominant home-languages the statistical results reveal that an overwhelming number of respondents 44 (78,6%) were Afrikaans speaking whilst 12 (21,4%) used English as their main language. Most businesses that represented this study came out of the Retail Industry (39,3%). The second large group, i.e the automobile industry, accounted for 19,6%.

4.3 Reliability and validity

The first stage of the data analysis was to assess the internal consistency of the research instrument by means of a reliability test. The Cronbach-alpha coefficient were used to determine the validity of the research instrument. The validity of the constructs was determined by factor-analysis using the Main-component and Varimax-rotation methods. The face-value of section C was assured through testing it with specialists in this field. The construct validity was determined by applying factor analysis to the items in question. The content validity is based upon the homogeneity of the test items, and this was determined through an analysis of the internal consistency of the performance of test items.

In past studies (Gross & Guerero, 2000:36), Cronbach's alpha coefficient for each of the ROC-II's subscales has ranged from .77-.83 for integrating; .68-.72 for obliging; .75-.79 for dominating; .72-.86 for avoiding; and .67-.74 for compromising. The analysis in this study yielded an acceptable five-factor solution with all items loading .650 - .838. The test resulted in the following alpha's for the five constructs:

- Integrating	0.84
- Avoiding	0.82
- Dominating	0.75
- Obliging	0.75
- Compromising	0.65

As can be seen the lowest reliability value is 0.650 (compromising). This value can still be considered to be the middle order of acceptability. Nunally (1978) Considers reliability values that vary around 0.50 as being the lower limit of acceptability. The relatively lower order of 0.650, if compared to the others ranging between 0.754 – 0.838, can be ascribed to a small number of items (4). Theoretically, the larger the number of items in a scale, the more reliable the scale.

4.4 Data analysis

Analysis of the statistics derived from the questionnaires showed that the majority (81.8%) of the participants saw conflict as an unavoidable factor in their organization. In relation with the above-mentioned more than half (58,9%) of these respondents stated that conflict can be seen as a destructive force in the business, and therefore do not contribute to the productivity of the business.

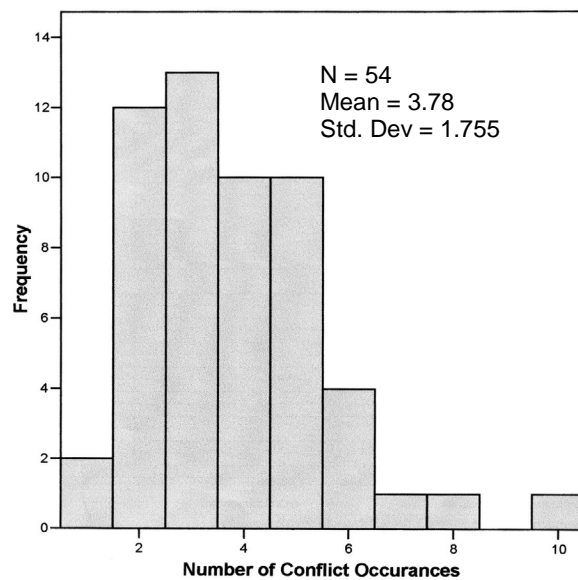
The study revealed that according to 74,1% of the respondents distorted or inadequate communication resulted in the most conflict occurrences within a family business while the second-highest (66,7%) blamed the availability of suitable and adequate personnel. The lowest recorded reason for the cause of conflict was the implementation of affirmative action (5.6%).

Table 2 Frequency-analysis of sources of conflict

Conflict source	Negative	Positive
Language differences	74.1%	25.9%
Racial differences	75.5%	24.1%
Cultural differences	57.4%	42.6%
Communication problems	25.5%	74.1%
Affirmative action	94.4%	5.6%
Availability of resources	59.3%	40.7%
Extent and content of work	48.1%	51.9%
Differences with employed family members	66.7%	33.3%
Dismissal of workers	87.0%	13.0%
Availability of adequate and suitable personnel	33.3%	66.7%

Table 2 gives a frequency-analysis of sources of conflict.

Final results of the empirical analysis showed that 100% of the respondents agreed that conflict is a present occurrence within their business.

Figure 1 Number of conflict occurrences

In table 3 and figure 1 it is indicated that the average number of causes resulting in conflict occurrences was in the order of four (Mean = 3.78; SD = 1.76 and N = 54). This means that the most of the time four sources or

causes was given as a reason for the manifestation of conflict in the business.

Table 3 Conflict occurrences

	Number of Conflict Occurrences	
	Count	%
1	2	3.7%
2	12	22.2%
3	13	24.1%
4	10	18.5%
5	10	18.5%
6	4	7.4%
7	1	1.9%
8	1	1.9%
10	1	1.9%
Total	54	100.0%

Table 4 Comparison of conflict-handling styles usage in business in general

This study			Sorenson study (1999)		Rahim study (1992)		
Factor N=56 Valid	Mean	Std. Dev	N = 59		N = 1200 (non-family)		
			Mean	Std. Dev	Mean	Std. Dev	
Integrating	55	1.88	0.67	4.08	0.84	4.22	0.41
Compromising	54	2.25	0.68	3.65	0.80	3.48	0.67
Obliging	56	2.71	0.71	3.85	0.81	3.36	0.55
Dominating	56	2.93	0.94	3.26	0.86	2.80	0.73
Avoiding	53	3.20	1.00	3.30	0.89	2.80	0.73

The outcome of this study of conflict-handling styles should be considered in the light of the sample of family firms that participated in the study. Compared (refer table 4) to a national sample of n=1200 managers in a variety of businesses (Serenson, 1999) the result seem quite different except for the **avoiding** factor where the correlation between this study and Sorenson's is relatively close.

It was stated that the main objective of this study is to identify the conflict-handling styles used by the owner / managers in the family firm. The study revealed (refer table 5) that the handling style that was used mostly in situations of conflict is **integrating** which focuses on the collaborative style that was used mostly in situations of conflict. The **avoiding** style was used least, whilst in the case of Rahim and Sorenson it was relatively high. The surprising differences of the present study can possibly be ascribed to the specific characteristics of the sample. The owners/ managers that participated are almost all Caucasian that live in a mid-size rural area town, that has a relative conservative and patriarchal community. Although it can not be considered a definite trait, circumstances in a multi-racial community, such as the one where the study was conducted, give rise to more collaborating and compromising styles. Interesting is the fact that the study established that females make use of the integrating style on a more frequent basis.

Table 5 Conflict-handling styles usage by owners/ managers

Factor (Section B)	N = 56	Mean	Std. deviation
	Valid		
Integrating	55	1.88	0.67
Compromising	54	2.25	0.68
Obliging	56	2.71	0.71
Dominating	56	2.93	0.94
Avoiding	53	3.20	1.00

Comparing the 5 factors and section C variables revealed the following significant information regarding the conflict-handling style owner/managers use and their perception of sources (causes) of conflict within the business they own:

Integrating (Collaboration):

- A significant statistical difference [P(sig.) = 0.028] could be found with regard to different genders. The difference concluded that females make use of the integrating style on a more frequent basis than men, in order to manage a conflict situation within the family firm (mean = 1.72 and

1.90 respectively, keeping in mind that 1 has the highest meaning and 5 the lowest: Std. Deviation was 0.378 and 0.731).

- Bringing all other variables as noted in table 1 into consideration no other statistical meaningful difference could be found.

Obliging (Accommodation):

- A significant statistical difference [$P(\text{sig.}) = 0.042$] could be found with regard to businesses with different number of employees (family and non-family members). The statistical analysis revealed that a family firm with 6 to 10 employees tended to be more obliging in the handling of conflict in the business than would be the case with a business who had more than 10 workers employed (6-10 employees. Mean = 2.375, SD = 0.585; 10+ employees Mean = 2.944, SD = 0.733 and 1-5 employees Mean = 2.698, SD = 0.686).
- A significant difference [$P(\text{sig.}) = 0.35$] was also found with regard to the respondents who answered that conflict is avoidable (18.2%) compared to the 81.8% who claimed that it was unavoidable within an organization. The latter group of owners/ managers use the obliging method of handling conflict to a greater extent than those who thought the opposite (Mean = 2.78, SD = 0.743 and Mean = 2.367, SD = 0.463).
- A significant difference also appear [$P(\text{sig.}) = 0.41$] in the case where respondents reported that dismissal of workers was the main reason of conflict in the workplace. This minority group (12,9%) tended to make little or no use of the obliging style than those who did not see this factor as a cause of conflict.
- With regard to all other variables brought into consideration no statistical meaningful differences could be established.

Dominating (Competing):

- Respondents who highlighted racial differences as a cause of conflict tended to use the dominating conflict-handling style to a greater extent than they would make use of the other four styles [$P(\text{sig.}) = 0.009$] (Mean = 2.431, SD = 0.647 and Mean = 3.093, SD = 0.983 respectively).

- A significant statistical difference [$P(\text{sig.}) = 0.023$] could be found regarding the age groups of owner/ manager respondents. It is evident that the age group 45 years and younger is prone to use the dominating conflict-handling style more than the age group 45 and above (Mean = 2.663, SD = 0.775 and Mean = 3.330, SD = 0.848).

Avoiding and compromising:

No significant statistical difference ($p < 0.05$) were found in the variables avoiding and compromising thus stating that these two handling-styles did not stand out significantly in any instance where it was compared to the different variables presented in the questionnaire.

5. Limitations

This study should be deemed exploratory in nature. It is not intended to cover every aspect of conflict-handling styles and its application to small family firms as part of the larger group of SME's. It entails many limitations which prevent conclusions beyond the data that was presented here. In the first instance the sample was drawn from a limited geographical area of South Africa. Secondly, the number of businesses included is relatively small ($N = 56$). Thirdly, the sample came from a rather dominantly Afrikaans speaking, more conservative, rural business group. In metropolitan areas a more diverse cultural and racial group could have been used.

It is therefore recommended that the findings of this study be verified by using a larger, more diverse geographical sample of firms. This study only paid attention to the conflict-handling styles of the owner/ manager toward the subordinate. Further investigation into the subordinate/ superior relationship as well as equal/ equal (peer) is also necessary.

6. Conclusion and managerial implications

This research has attempted to generate new knowledge, be it on exploratory scale, of the different conflict-handling styles used by superiors (owners/

managers) of family firms in the SME's category. Through the application of the existing ROC-II model of Rahim (1983) it was possible to ascertain that the style most commonly used is **integrating (collaborating)**. This is also used differently according to gender in the superior position. The **avoiding style** is used least. The five factors were also compared with that of the studies of Sorenson (1999) and Rahim (1992) with results revealing differences which may be due to different factors.

Statistical significant differences were noted comparing the five factors and section C variables (refer table 1). These differences applied to gender; grouping of employees; unavailability of conflict; and dismissal of workers; racial differences; age groups; and communication. The conflict-handling styles affected by these variables were integrating, obliging and dominating. No statistical significant differences were recorded for avoiding and compromising.

In the paragraph discussing the nature of the conflict-handling styles attention was paid to the concern for self or for the other party, whether the styles are direct, indirect or cooperative or not. The applicability of a particular strategy in a specific conflict situation was also touched on. Taking the results of the theoretical and empirical sections of the study, the utility of Rahim's model for diagnosing interpersonal conflict, especially as it relates to conflict style and the owner/ manager of a small firm, can be of value to small family firms. It can provide important insights into the dynamics and the management of organizational conflict.

7. References

1. Amason, A. C. 1996. "Distinguishing the effects of functional and dysfunctional conflict on strategic decision making: Resolving a paradox for top management teams." *Academy of Management Journal* 39 (123-148):17-19.
2. Ashley, D. and Orenstein, D. M. 1985. *Sociological theory: Classical statements*. Boston: Allen and Bacon.

3. Blake, R. R and Mouton, J. S. 1964. The managerial grid. Houston, Texas: Gulf.
4. Boles, J. 1996. "Influences of work-family conflict on job-satisfaction, life satisfaction and quitting intentions among business owners. The case of family-operated businesses. *Family Business Review*. 9(2) 61-74.
5. Bodtker, A. M. & Jameson, J. K. "Emotion in conflict formation and its transformation: Application to organizational conflict management" *International Journal of Conflict Management*. 12(3): 259-276.
6. Brockhause, R.H 1994. Entrepreneurship and family business research: Comparisons, critique and lessons." *Entrepreneurship: Theory and practice*. 19(1) 25-28.
7. Bridge, S., O'Neill, K. & Cromie, S. 1998. Understanding enterprise, entrepreneurship and small business. Chippenham, Wiltshire UK: Antony Rowe Ltd.
8. Davis, P. S. & Harveston, P. D. 2001. "The phenomenon of substantive conflict in the family firm: A cross-organizational study". *Journal of Small Business Management*. 39 (1) 13-40.
9. Dean, S.M. 1992. "Characteristics of African American family-owned businesses in Los Angeles." *Family Business Review*. 5, 373-395.
10. Degadt, J. 2003. Business family and family business: Complementary and conflicting values" *Journal of Enterprising Culture*. 11(4) 379-397.
11. Deutsch, M. & Coleman, P.T. 2000. The handbook of conflict resolution: Theory and Practice. San Fransisco. Jossey-Bass Publishers.
12. Donckels, R. 1993. KMO's ten voeten uit: Van onderzoek tot actie. Brussels, Belgium. Roularta Books.
13. Filbeck. G, & Smith, L. L. 1997. "Team building and conflict management strategies for family business" *Family Business Review*. 10(4) 339-352.
14. Foley, S. & Powel, G. N. 1997. "Reconceptualizing work-family conflict for business/ manage partners: A theoretical model" *Journal of Small Business Management*. 35 (4) 36-47.
15. Galtung, J. 1996. Peace by peaceful means: Peace and conflict development and civilazation. Thousand Oaks, C.A : Sage.
16. Grote, J. 2003. "Conflicting generations: A new theory of family business rivalry." *Family Business Review* 16 (2) 113-127.

17. Gross, M. A. & Guerrero, L. K. "Managing conflict appropriately and effectively: An application of the competence model to Rahim's organizational conflict styles" *International Journal of conflict Management*. 11(3) 200-227.
18. Ibrahim, S.E. & Eliis, J.M. 1994. Family business management: Concepts and practice. Dubuque, USA. Kendell Hunt Publishing Co.
19. Lopreato, J. and Hazelrigg, L. E. 1972 Class, conflict and mobility: Theories and studies of class structure. San Fransisco: Chandler Publishing.
20. Longenecker, J.G., Moore, C.W. & Petty, J.W. 1997. Small business managment: An entrepreneurial emphasis. Cincinatti, USA. South-Western College Publishing Co.
21. Pondy, L. R. 1967. "Organizational conflict: Concepts and models" *Administrative Science Quaterly*, 12, 296-320.
22. Pondy, L. R. 1992. "Reflections on organizational conflict: Concepts and models" *Journal of Organizational Behaviour*. 13(3) 125-261.
23. Rahim, M. A. and Bonoma, T. V. 1979. "Managing organisational conflict: A model for diagnosis and intervention" *Psychological Reports*. 44:13-17.
24. Rahim, M.A. 1983. "A measure of styles of handling interpersonal conflict." *Academy of Management Journal*. 26, 368-376
25. Rahim, M.A. 2001. Managing conflict in organizations. Westport, CT. USA: Quorum Books.
26. Rahim, M. A. 2002 "Toward a theory of managing organisational conflict." *International Journal of Conflict Management*. (13) 3:109-115.
27. Sorenson, R. L. 1999. "Conflict management strategies used in successful family businesses" *Family Business Review* XII (2) 133-146.
28. Stones, R. 1998. Key sociological thinkers. New York: University Press.
29. Thomas, K. W. and Killman, H. R. 1974. Thomas-Killman conflict MODE instrument. New York: Xicom.
30. Tjosvold, D. 1990. Power in cooperative and competitive organisational contexts. *The Journal of Social Psychology*. 130 (2): 249-258.
31. Van der Vliert, E. & Kobanoff, B. 1990. "Toward theory based measures of conflict management" *Academy of Management Journal*, 33, 199-209.

32. Van de Vliert, & Euwema, MC & Huismans, S.E. 1995. "Managing conflict with a subordinate or a superior: Effectiveness of conglomerated behaviour." *Journal of Applied Psychology*. 80, 271-281.
33. Van Veelen, M. 1995. "Conflicten in de Býbel" (In Borgdorff-Hendriks, J. C. P. ao 1995 *Conflicthantering*. Netherlands: De Vuurbraak Uitgawery).
34. Venter, E., Boshoff, C. & Maas, G. 2003. "The influence of organizational factors on successful succession in family businesses" *Management Dynamics* 12(4): 2-17.
35. Vilaseca, A. 2002. "Stakeholder role in the family business: Conflict of interests and objectives between non-employed shareholders and top management team." *Family Business Review* XV (4) 299-320.
36. Volkema, R. J. and Bergman, T. J. 2001. Conflict styles as indicators of behavioural patterns in interpersonal conflict. *The Journal of Social Psychology*. 135 (1): 5-15.
37. Volkema, R. J. and Bergman, T. J. 1989. "Interpersonal conflict at work: An analysis of behavioural responses" *Human Relations*. 42(a), 757-770.
38. Jehn, K. A. 1999. "What differences make a difference: A field study of diversity, conflict and performance in workgroups" *Administrative Quaterley*. 44:741-764.
39. Jehn, K. A., Nortcraft, G. & Neale, M. 1999. "Why differences make a difference: A field study of diversity, conflict, and performance in work groups" *Administrative Science Quaterly*. 44, 471-763.

Analysis of conflict-handling styles used by owners/ managers of family SME's

Debating points

1. Destructive (negative) conflict can have a detrimental effect on the value creation of small family businesses in the SME-category.
2. Different conflict-handling styles should be applied in different conflict situations to resolve the problems effectively.
3. Avoiding conflict in SME's at an early stage or before its starts can be secured through training programmes.
4. Succession in family businesses can be a major cause of conflict