

Workplace Conflict and Resolution Mechanisms in FMCG Manufacturing: A Study of Greater Noida

Kamlesh Kumari^{1*} | Dr. Arun Kumar Sharma²

¹Research Scholar, Department of Management & Commerce, Lords University, Alwar, Rajasthan, India.

²Supervisor / Associate Professor, Department of Management & Commerce, Lords University, Alwar, Rajasthan, India.

*Corresponding Author: komaltanwar435@gmail.com

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ABSTRACT

The empirical study analyzes the nature, causes, dynamics, and resolution process of workplace conflict arising within the FMCG manufacturing industry located in Greater Noida, Uttar Pradesh, India. Quantitative data was collected through a sample size of 210 respondents. The respondents include shop floor employees (60%), shift managers (28%), and human resource managers (12%). These respondents were from six most prominent FMCG manufacturing companies. The data was collected through standardized questionnaires using 5-point Likert scale with constructs such as communication gap, target workload pressure, employment environment, effectiveness of the process of grievance redressal, and relation between supervisors and subordinates. High reliability of the measures was achieved through the use of Cronbach's Alpha ($\alpha = 0.84$). The descriptive analysis shows that high production targets along with workload pressure (Mean = 4.22) and hierarchical barriers to communication (Mean = 4.05) are the main causative factors of operational friction. Inferential analysis through multiple linear regression analysis indicates that 58% ($R^2 = 0.58$, Adjusted $R^2 = 0.57$, $F = 31.4$, $p < 0.001$) of the total variation in operational performance and satisfaction of workers is dependent on the effectiveness of the process of conflict resolution. These include, for example, transparent communication avenues ($\beta = 0.38$, $p < 0.001$) and formalized grievances management procedures ($\beta = 0.31$, $p < 0.001$). The research emphasizes that there is a heavy dependency on informal and ad-hoc processes and procedures. This implies that there is an absolute need for training of managers on soft skills and implementation of grievance committees as well as shift handovers on a daily basis.

Keywords: Workplace Conflict, Conflict Resolution Mechanisms, FMCG Manufacturing, Greater Noida, Grievance Redressal, Organizational Performance, Communication Gaps, Workload Pressure, Shift Friction, Multiple Regression Analysis.

Introduction

Background of the Study

Workplace conflict can be described as a dynamic and unavoidable phenomenon in any organization. Inevitably, conflicts arise where people or groups who depend on each other in their operations have different goals, value systems, cognitive perceptions or claims over scarce organizational resources. Contemporary literature on organizational behavior indicates that conflict does not necessarily have to be dysfunctional if detected early and resolved through constructive negotiation, as it serves as a tool of innovation and continuous improvement within the organization. If however not managed correctly, simple frictions at the shop floor level quickly evolve into dysfunctional conflicts resulting in serious organizational disadvantages such as low staff morale, high absenteeism rates, increased intentions for voluntary quits, compromised workplace safety, and decreased total factor productivity.

In contemporary industrial settings, the implementation of effective conflict resolution structures – such as formal grievance procedures, bipartite management councils, joint negotiation tables, mediation in the workplace, and effective communication – is crucial for maintaining industrial peace.

The Industrial Landscape of Greater Noida's FMCG Sector

The environment in which Fast Moving Consumer Goods (FMCGs) are manufactured is unique for its complexity and intense competition. The operations involved in FMCG factories are characterized by continuous multi-shift operations, fast-moving assembly lines, quality assurance parameters, packaging efficiency, and narrow delivery time frame in supply chains. Production is carried out by workers on the shop floor, wherein any delay in the production process of any one stage affects the overall assembly line. In addition, socio-demographic diversity is inherent in the labor employed in the modern manufacturing units of India.

Greater Noida, situated strategically within the NCR (National Capital Region) of Uttar Pradesh, has gained importance as an industrial and manufacturing belt in the last two decades, owing to various factors such as infrastructure, access to market segments, and industrial growth. The region houses manufacturing units for packaged foods, personal care, home care, and beverage.

While the industrial complex has grown at a great pace in terms of physical expansion, labor relations in the factory floor of this industrial cluster are quite complex. There may arise conflicts due to the interaction of line-speed pressure, contractual labor relationship dynamics, and hierarchical management levels. Hence, the study of the conflict dynamics in the FMCG industry in Greater Noida is crucial for plant managers, HR professionals, and policymakers in industry.

Review of the Literature

The development of theoretical and empirical work on conflict in organizations and conflict resolution has been done according to time order, as follows:

Pondy (1967): Pondy introduced the basic process model of organizational conflict. According to Pondy, conflict is not an event, but a process of five phases including latent conflict, perceived conflict, felt conflict, manifest conflict, and post-conflict. This shows that if the latent conflict is not handled, it can develop into an operational one.

Thomas (1992): Thomas developed a contingency approach to conflict handling behavior in terms of assertiveness and cooperativeness. He mentioned competing, collaborating, compromising, avoiding, and accommodating as five main conflict-handling modes.

Rahim (2002): Rahim believed that complex organizations needed strategic conflict management rather than simply suppressing conflicts. Task conflict can be functional in promoting improvement provided that the destructive interpersonal conflict is controlled effectively through proper management systems.

De Dreu and Weingart (2003): They used the meta-analysis to distinguish task conflict from relationship conflict. It was found that the negative effect of unresolved relationship conflict was much stronger than that of the task conflict.

Ahsan and Pagés (2009): The study on labor regulations and industrial manufacturing in India focused on how institutional framework affects labor market outcomes and dispute performance.

Mezzadri and Sehgal (2023): In their paper on the workers' perspective of industrial disputes, the authors stressed the significance of analyzing informal practices and workers' experience, especially if it is complicated to use institutional procedures for filing grievances.

Muthumani and Manoj Kumar (2023): They conducted an empirical research aimed at studying conflict management techniques and productivity of employees. They concluded that collaborative approach to conflict management positively impacts productivity, but some problems related to authoritarianism were emphasized.

Gaur (2026): The cited work focuses on the importance of hierarchical communication in manufacturing companies and its potential in reducing ambiguity and conflict.

Research Gap

Even after having a huge amount of literature devoted to industrial relations, trade union processes, and conflict theories, empirical research conducted within the confines of the FMCG industrial complex at Greater Noida, Uttar Pradesh, India, is relatively low in volume.

Much of the existing literature in India seems to revolve around traditional heavy manufacturing or the service sector where the structural considerations are quite different from those found in the FMCG manufacturing units, wherein there is always multishift operations, fast-moving inventories, strict quality and hygiene concerns, and a combination of permanent and contractual workforces.

Also, even though much of the previous literature has been dedicated to theoretical aspects of conflict resolution and its advantages, there is a lack of localized empirical data on how the specific tools, such as clear communication between the management and the process of solving grievances within a certain period, affect the organization's performance.

Research Problem

The FMCG manufacturing industry in Greater Noida is a significant contributor to employment and economic activity in the region. Nevertheless, operational issues may occur on the shop floor due to high production targets, shifting work hours, communication failure between supervisors and employees, and inconsistency in handling grievances.

Some manufacturing firms continue to resolve workplace disputes informally, spontaneously, and in an authoritarian manner that prevents frontline employees from raising concerns about operation issues. Such confusion in the relationship between employers and employees may be detrimental to productivity, quality of products, and employee retention. Without empirical analysis, managers and human resource professionals at factories will lack empirical evidence regarding what factors cause conflicts in the first place and what means of resolution lead to organizational success. An empirical study of workplace conflict drivers and the effectiveness of their resolutions is needed.

Research Objectives

- **Objective 1**

To establish the key operational and interpersonal factors that give rise to conflict within FMCG manufacturing units in Greater Noida.

- **Objective 2**

To assess the level of awareness and effectiveness of the conflict resolution processes, formal and informal, available within the organization.

- **Objective 3**

To conduct a statistical analysis of the impact of various conflict-resolution variables, such as open communication, grievance resolution systems, and management training on organizational performance/employee satisfaction.

- **Objective 4**

To provide practical recommendations to plant managers and human resource professionals regarding conflict management process improvements.

Research Methodology

- **Research Design**

This study utilizes a quantitative, descriptive, and cross-sectional type of analysis research design. This research design was chosen to enable measurement of the workplace conflict variables in question, statistical hypothesis testing, and modeling relationships mathematically through the use of standard instruments.

- **Sampling Technique and Sample Size**

The universe for this study consisted of operational employees, shop floor supervisors, and HR managers working at six large FMCG manufacturing units in Greater Noida. Stratified random sampling technique in combination with purposive sampling method was used.

Total number of questionnaires distributed: 250 Number of valid respondents (N): 210 Response Rate: 84% Sample composition: Shop Floor operational workers 60% (n = 126), shift supervisors 28% (n = 59) and Human Resource Managers 12% (n = 25).

- **Data Collection Instrument**

Primary data collection tool used was a structured and self-administered questionnaire. Part A consisted of demographic and work-related information. Part B consisted of 15 Likert scale items relating to workload pressures, shift conflicts, role ambiguity, communication barriers, and grievance handling.

Section C had 12 Likert scale questions on grievance efficiency, management behavior, plant efficiency, and job satisfaction. A five-point Likert scale was employed where 1 indicated strongly disagree, 2 indicated disagree, 3 indicated neutral, 4 indicated agree, and 5 indicated strongly agree.

- **Reliability and Validity**

The initial questionnaire was critically assessed by subject matter specialists in industrial relations and plant HR management. Internal consistency was tested using Cronbach's Alpha for a pilot sample of 30 respondents. The resulting value of the coefficient of internal consistency was $\alpha = 0.84$, which is higher than the widely accepted value of 0.70.

- **Data Analysis Methods**

The collected data were coded, analyzed, and processed through statistical techniques. Descriptive statistics involved frequency, percentage, mean, and standard deviation. Inferential statistics involved Pearson correlation and Multiple Linear Regression analysis to test for correlations and predictions between the study variables.

Results and Discussion

- **Main Sources of Conflicts at Work**

Descriptive analysis was conducted to reveal and rank main operational causes of conflicts on the shop floor. Mean scores and standard deviations were computed for main constructs according to the five-point Likert scale (N = 210).

- **Interpretation of Drivers**

"High Production Targets & Workload Pressure (Mean = 4.22, SD = 0.78)" was the most mentioned source of conflict. High daily quotas and production speed can result in heavy workload and shifting of blame when production targets are missed.

"Hierarchical Communication Gaps (Mean = 4.05, SD = 0.85)" was the second most popular source of conflict. Top-to-bottom communication without feedback can result in misunderstandings and conflicts during shift changes.

"Role Ambiguity & Overlapping Responsibilities (Mean = 3.82, SD = 0.91)" means that ambiguity of the roles in respect to line maintenance, cleaning, packaging, and other activities may become a cause of conflicts.

"Inadequate Process for Handling Grievances (Mean = 3.68, SD = 0.95)" is associated with dissatisfaction with unresolved grievances and lack of clear processes to handle them.

Interpersonal Conflict & Shift Scheduling Problems (Mean = 3.45, SD = 1.02) are connected with rotating shifts, punctuality, machine cleaning at shift change."

- **Inferential Analysis: Multiple Linear Regression**

In order to assess how the conflict resolution strategies impact the general organizational performance and worker satisfaction, Multiple Linear Regression was specified: Organizational Performance & Worker Satisfaction = $\beta_1 + \beta_1(\text{Transparent Communication}) + \beta_1(\text{Formal Grievance Redressal}) + \beta_1(\text{Managerial Conflict Training}) + \epsilon$. Dependent Variable (Y): Organizational Performance & Worker Satisfaction (Composite Index) X1: Transparent Communication Channels X2: Formal Grievance Redressal Systems X3: Managerial Conflict Soft-Skills Training

- **Regression Discussion**

As seen from the regression model reported above, the model has a high level of goodness-of-fit as $F = 31.40$ and $p < 0.001$. In particular, $R^2 = 0.580$ means that 58% of the variance of the composite dependent variable can be explained by the three independent variables included in the model, while the remaining part could be associated with some other organizational, individual and contextual factors.

The strongest individual predictor ($\beta = 0.38$, $p < 0.001$) among all those listed above is Transparent Communication. Transparent communication reduces organizational ambiguity and coordination problems.

Formal Grievance Redressal ($\beta = 0.31$, $p < 0.001$) exhibits a statistically significant positive relationship with the dependent variable. Transparent grievance mechanisms could help improve procedural fairness and minimize escalation.

Managerial Conflict Training ($\beta = 0.22$, $p = 0.004$) is another predictor that exhibits statistical significance, indicating that managerial training on active listening, constructive criticism, and de-escalation could positively affect workplace outcomes.

• Evaluation of Existing Resolution Practices

The results suggest a structural duality in the management of disputes at the sampled FMCG factories. It appears to be a common practice to handle conflicts in an informal manner due to shift supervisors and/or line leaders because this process helps address issues rapidly and efficiently. However, this approach may not always be consistent, documented, and impartial.

While formal grievance procedures do exist in organizational policy, they are often seen by employees as bureaucratic, time-consuming, and even intimidating. A blended approach which consists of rapid informal mediation for simple issues together with documented escalation for more complex or unresolved complaints is thus a reasonable compromise between efficiency and procedural justice.

The cited research materials suggest that roughly 68% of daily conflicts are resolved through informal means. This percentage can only be viewed as a reported estimate specific to the study conducted rather than as a generalized statistic of all FMCG plants.

Conclusion and Recommendations

Conclusion

This study presents empirical data regarding the causes, dynamics, and conflict resolution in the case of an investigated FMCG plant situated in Greater Noida. Based on the findings reported, workplace conflict is largely a result of operational factors such as high production targets, problems with shift changes, and inadequate communication within hierarchies rather than merely personal friction.

The Multiple Linear Regression analysis shows a significant contribution by conflict resolution methods towards the overall dependent variable measure ($R^2=0.58$). The findings indicate a need for a shift from reactive and ad hoc dispute management approach to proactive, open and employee-oriented conflict resolution systems.

Strategic Recommendations

- **Formalize Grievance Committees:** Formalize joint employee and management grievance committees with clear and time bound resolution periods.
- **Train Soft Skills and Conflict Resolution:** Provide frontline supervisors with training on empathy, feedback, listening and conflict de-escalation skills.
- **Standardize Shift Handovers:** Develop shift handover process including short overlap period where equipment status, cleaning, safety, staffing and production targets are discussed.
- **Foster Two Way Communication:** Besides top down communication, use town hall, suggestion box, open door policy and safety production committee to identify operational bottlenecks.

Future Research Directions

Future studies may consider a wider geographical region with production facilities such as Sriperumbudur, Pune, and Sanand; involve mixed methodologies involving focus group discussions and interviews; and adopt a longitudinal research design in order to study the impact of conflict management practices before and after their implementation. Other variables such as employment type, gender, tenure, shift, unionization, and plant level effects may be examined as moderators.

Table 1: Primary Causes of Workplace Conflict (N = 210)

Rank	Conflict Driver Variable	Mean	Std. Deviation	Severity
1	High Production Targets & Workload Pressure	4.22	0.78	Critical / Severe
2	Hierarchical Communication Gaps	4.05	0.85	High
3	Role Ambiguity & Overlapping Responsibilities	3.82	0.91	Moderate-High
4	Unclear Grievance Handling Processes	3.68	0.95	Moderate
5	Interpersonal & Shift-Timing Friction	3.45	1.02	Moderate

Table 2: Multiple Regression Model Summary

Model Parameter	Statistical Value
Multiple Correlation Coefficient (R)	0.762
Coefficient of Determination (R ²)	0.580
Adjusted R ²	0.570
Standard Error of the Estimate	0.412
Model F-Statistic	31.40 (p < 0.001)

Table 3: Regression Coefficients and Significance Parameters

Predictor	B	SE	Std. Beta	t	p
Constant	0.85	0.21	—	4.04	< 0.001
Transparent Communication (X1)	0.38	0.082	0.41	4.62	< 0.001
Formal Grievance Redressal (X2)	0.31	0.080	0.34	3.88	< 0.001
Managerial Conflict Training (X3)	0.22	0.075	0.23	2.94	0.004

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