

# Research on the Solution of Interpersonal Conflict in Team Collaboration of Small and Medium-sized Enterprises

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## Abstract

In the face of intensifying market competition, team collaboration has become pivotal for small and medium-sized enterprises (SMEs) to enhance their core competitiveness. However, due to flat organizational structures, limited resources, and imperfect management mechanisms, frequent interpersonal conflicts within teams severely hinder corporate efficiency. This paper systematically analyzes the main types of interpersonal conflicts in team collaboration (task-based, relationship-based, process-based) and their underlying causes (such as ambiguous authority, poor communication, and cultural gaps) based on the organizational characteristics of SMEs. Targeted core strategies are proposed, including establishing a management system with clear authority and responsibility, strengthening two-way communication mechanisms, fostering an inclusive and collaborative team culture, and implementing dynamic conflict resolution. The study aims to provide SMEs with a systematic and actionable conflict management solution, helping them transform conflicts into drivers of team innovation and achieve high-quality sustainable development.

## Keywords

Small and medium-sized enterprises, Team collaboration, Interpersonal conflict, Resolution strategies, Conflict transformation

## Introduction

With the deepening of economic globalization, SMEs have become pivotal players in the national economy, thanks to their flexible business models and efficient decision-making mechanisms [1]. However, in their pursuit of rapid growth, SMEs often prioritize market expansion and business expansion while neglecting the optimization of internal team collaboration environments [2]. As a critical tool for integrating internal resources and enhancing operational efficiency, the quality of team collaboration directly determines an enterprise's growth potential.

SMEs exhibit distinct team collaboration dynamics compared to large corporations. With their smaller scale and fewer management layers, frequent and direct interactions among team members often lead to more immediate conflict resolution. However, SMEs frequently lack robust human resource management systems and professional conflict resolution mechanisms, resulting in delayed and ineffective conflict resolution that may escalate into deep-seated

tensions. Such conflicts not only drain employee energy and reduce productivity but also undermine team morale, increase talent attrition risks, and may even lead to project failures or business collapse [3,4].

Therefore, systematic research on interpersonal conflict resolution strategies in team collaboration within SMEs holds significant theoretical and practical value. It helps strengthen team building, optimize internal management, and promote high-quality enterprise development. Based on the organizational characteristics of SMEs, this paper thoroughly analyzes the main types of interpersonal conflicts in team collaboration and their underlying causes. It also proposes targeted core strategies, such as establishing a management system with clear authority and responsibility, enhancing two-way communication mechanisms, and fostering an inclusive and collaborative team culture. The study aims to provide SMEs with a systematic and actionable conflict management solution, helping them transform conflicts into drivers of team innovation and achieve

high-quality sustainable development.

### **Main types of interpersonal conflict in team collaboration of SMEs**

In the daily operations of small and medium-sized enterprises, team collaboration serves as the core driving force for business development. However, when members with diverse backgrounds and personalities come together, various frictions inevitably arise. Based on nature and causes of these conflicts, they can be categorized into three main types.

#### ***Task conflict***

Task conflict primarily arises from divergent perspectives among team members regarding work objectives, task specifics, or solution approaches. In SMEs, resource constraints often lead to multi-role team members with differing interpretations of tasks and prioritization [5]. For instance, during project execution, the technical department may focus on product implementation while the marketing department emphasizes market response, creating perspective gaps that frequently spark debates over priorities. While moderate task conflict can stimulate innovation and problem-solving, improper handling may escalate into relationship conflicts, ultimately undermining team harmony.

#### ***Relationship conflict***

Relationship conflict typically arises from clashes of personal emotions, values, or personalities. In SMEs, frequent interactions among team members due to their small size often led to interpersonal friction caused by personality differences or poor communication [6]. For instance, some members with straightforward personalities might be perceived as disrespectful, while others with introverted dispositions and poor communication skills could be misinterpreted as uncooperative. Such conflicts often carry emotional undertones, easily fostering distrust and hostility among team members, which severely undermines team cohesion and work efficiency.

#### ***Process conflict***

Process conflict primarily involves workflow, resource allocation, and responsibility distribution. In SMEs, inadequate management systems and ambiguous accountability often lead to resource contention or blame-shifting among team members [7]. For instance,

without clear guidelines for project resource allocation, conflicts may arise from competing for limited resources. Similarly, unclear task assignments can result in mutual accusations over overlapping or missed responsibilities. Such conflicts not only hinder work efficiency but also foster distrust among team members.

### **Analysis of the causes of interpersonal conflict in SME teams**

To effectively resolve team conflicts, it is essential to conduct a thorough analysis of their root causes. Due to their unique organizational structures and operational models, SMEs exhibit distinct characteristics in the origins of conflicts.

#### ***Inadequate management system***

SMEs often prioritize business expansion over internal management, resulting in fragmented team governance systems. The absence of clear job descriptions, standardized workflows, and transparent reward-punishment mechanisms frequently leads to ambiguous responsibilities and mutual buck-passing. For instance, during project execution, unclear duties may cause team members to shirk responsibilities, leading to task delays or quality degradation. Furthermore, SMEs lack dedicated HR departments or conflict resolution mechanisms. Managers often resort to simplistic, harsh, or laissez-faire approaches when handling interpersonal disputes, failing to address root causes and instead exacerbating conflicts.

#### ***Lack of communication mechanisms***

A robust communication mechanism serves as the lubricant for resolving interpersonal conflicts and fostering team collaboration, yet many SMEs exhibit notable deficiencies in this regard. On one hand, team members are preoccupied with business operations, lacking regular communication channels or dedicated time for interaction. Their engagement often remains at the level of work coordination, lacking emotional connection and intellectual exchange, which hinders trust-building. On the other hand, some managers lack communication skills, failing to listen to team members' opinions and needs while favoring autocratic decision-making. This leads to prolonged dissatisfaction that eventually erupts as interpersonal conflicts. The absence of effective communication mechanisms also manifests in information asymmetry, where critical

information gets distorted or omitted during transmission, resulting in misunderstandings and estrangement.

#### ***Weak team culture development***

SMEs often neglect team culture development, lacking unified core values and team spirit. This hinders employees from establishing proper work ethics and collaborative awareness, frequently causing interpersonal conflicts. Some teams operate in a highly utilitarian environment where members prioritize competition over cooperation, lacking mutual respect and tolerance. Furthermore, the absence of effective team-building activities results in limited interaction opportunities, shallow understanding, and difficulty in forming teamwork synergy. Cognitive differences and personality clashes at work often escalate into irreconcilable conflicts, ultimately undermining team stability [8].

#### **Countermeasures for resolving interpersonal conflicts in SME teams**

According to conflict types and causes, the small and medium-sized enterprises should adopt systematic countermeasures, from the system, communication, culture and other dimensions, to build a harmonious team environment.

#### ***Improve the management system and clarify the boundaries of authority and responsibility***

A robust management system serves as the cornerstone for preventing and resolving interpersonal conflicts. SMEs should tailor team management frameworks to their developmental stages, clearly defining members responsibilities [9,10]. First, establishing detailed job descriptions that specify each position's duties, objectives, and authority to prevent buck-passing and ambiguous accountability, thereby reducing conflicts at the source. Second, implementing a fair reward and punishment mechanism with scientific performance evaluations and profit-sharing systems to balance efficiency and fairness, mitigating conflicts of interest. Finally, forming a conflict mediation team comprising managers and key employees to develop standardized intervention procedures, promptly addressing interpersonal disputes and preventing escalation.

#### ***Strengthening communication mechanisms to enhance emotional connections***

Expanding communication channels and strengthening emotional connections are key to overcoming interpersonal barriers. Firstly, establishing diversified communication channels by holding regular team meetings where members can report progress, share insights, and address issues. Creating online communication groups to facilitate real-time collaboration and experience exchange. Second, enhancing managers communication skills through training programs, encouraging them to proactively engage with team members, respect their opinions, avoid autocratic decisions, and promptly address grievances. Finally, promoting informal communication through activities like tea parties and lunch meetings to foster a relaxed atmosphere, deepen mutual understanding, and strengthen emotional bonds.

#### ***Cultivating team culture and enhancing cohesion***

A robust team culture fosters shared values and behavioral norms among members, reducing interpersonal friction. First, clarifying core values by promoting the principles of "win-win cooperation, mutual respect, and inclusive understanding", guiding members to move beyond utilitarian competition and prioritize teamwork. Second, enriching team-building activities through regular team-building exercises, themed salons, and cultural events to enhance interaction, deepen mutual understanding, and build trust. Finally, managers should lead by example, embodying the spirit of collaboration, respecting every member, and creating a harmonious work environment to strengthen team cohesion.

#### ***Implementation of dynamic conflict resolution mechanism***

Conflicts aren't inherently negative; constructive ones can energize teams. SMEs should establish conflict resolution mechanisms to steer disputes toward positive outcomes. First, differentiating between constructive and destructive conflicts - encourage constructive debates around objectives while preventing malicious clashes involving personal attacks or emotional confrontation. Second, implementing feedback and review mechanisms to periodically analyze team collaboration, transforming conflict-related issues into opportunities to refine processes and optimize systems.

Finally, engaging third-party mediation when internal efforts fail, leveraging external experts or consultants to facilitate neutral resolution and help teams break deadlocks.

### Conclusion

In team collaboration within SMEs, interpersonal conflicts are inevitable and primarily fall into three categories: task-related, relationship-related, and process-related. These conflicts stem from inadequate management systems, lack of communication mechanisms, and weak team culture. To address these issues, SMEs should adopt systematic strategies: Clarifying responsibilities through improved management systems, enhancing mutual understanding via strengthened communication channels. Boosting team cohesion by cultivating a positive team culture and transforming conflicts into motivation through the establishment of conversion mechanisms.

As SMEs advance in internationalization and digital transformation, team conflicts are likely to develop new characteristics and challenges. Issues such as communication barriers from remote work, cross-cultural clashes within teams, and AIs disruption of traditional roles may all lead to fresh interpersonal tensions. To address these challenges, SMEs must continually update their management philosophies and methodologies, adapt to environmental shifts, and optimize collaborative team dynamics.

In short, the effective management of team interpersonal conflict is an important way for SMEs to enhance competitiveness and achieve sustainable development. Only by transforming conflict into the driving force of team innovation can SMEs remain invincible in the fierce market competition.

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### Conflicts of Interest

The author declares no conflict of interest.

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