The Role of Stress and Conflict Management in Sustainable Business Processes

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Abstract: Sustainable development is a complex process that poses many challenges for organizations. This process involves transforming production processes, technologies, and products, as well as reorganizing management and structure. As for a sustainable environment, the starting point of sustainable management is people, who are a unique resource for gaining a competitive advantage. Therefore, processes should be designed to increase employee satisfaction and performance. However, it should be considered that the transition to sustainable processes requires changes, causes uncertainty in roles and functions, requires the performance of non-routine tasks, and, most importantly, constant innovation. These factors can cause organizational stress and conflict, which can prevent organizations from making necessary changes or achieving success. The aim of the article is to highlight the importance of conflict management and stress management in the transition to sustainable management, based on recent research and scientific works. The role of organizations in the process of sustainable development is highlighted, as well as the need for employee training, job satisfaction, and innovation. It is worth noting that there is limited research and literature in this area, despite the fact that sustainable management requires more complex changes, and the timeliness of these changes is crucial, which depends on the employees and effective management.

Keywords: conflict management, stress, sustainable business, job satisfaction

Introduction

The future of our planet is becoming increasingly uncertain due to a combination of factors such as global warming, climate change, environmental pollution, and rapid technological development. Despite the efforts of international organizations, local authorities, and activists to raise awareness and promote the wise use of resources, the situation is still deteriorating. These changes are affecting the ecosystem and behaviour of different species, and are causing a depletion of resources. Developing countries are particularly vulnerable to the negative impact of these changes due to their geographic location and economic situation (Tol, 2018).

The business sector has a partial responsibility for the current environmental issues as their activities can lead to changes, resource depletion, and pollution. Therefore, taking care of the environment is now part of the social responsibility of modern businesses (Chuang & Huang, 2018). Organizations must comply with certain production standards and meet regulations to protect the environment, such as the European Union directives (WEEE, RoHS). Since resources are unevenly distributed, some are exhaustible, and their prices increase over time, to promote the use of renewable resources The United Nations Framework Convention on Climate Change was signed (Bildirici & Gökmenoğlu, 2017). Some countries have specific regulations regarding environmental pollution. For example, in Indonesia, the business sector is responsible for pollution caused by land fires, and the government has developed legislation that obliges organizations to maintain the sustainability of environmental functions (Naldo & Sirait, 2017). Similarly, Brazil has changed its policies to address deforestation, which was the main issue leading to ecological disaster (Rochedo et al., 2018).

Certainly, the primary motivation for environmental and resource conservation is the well-being of the world's population, particularly as the numbers continues to rise (FAO, 2009). Environmental changes impact people and their well-being in several ways. One significant impact is on food production, which is decreasing due to climate change, thereby requiring agricultural practices to become more environmentally friendly and sustainable (Parmesan, 2022). Global warming also leads to the different migration of species, changing environmental conditions that may facilitate the spread of different diseases in the future, or the spread of a disease that is not characteristic of a particular geographic area (Pecl et al., 2017). There are various studies on the relationship between economic prosperity and climate change, the results of which are mixed, some scientists believe that global warming will lead to

a decrease in domestic product and with it a decrease in income (Moore & Diaz, 2015; Tol, 2018). There is an opinion that climate change will lead to economic growth in developed countries, and vice versa in developing countries (Lemoine & Kapnick, 2016). The discussed processes increase uncertainty, which negatively affects a person's emotional state. Changes in the environment today make the future unclear.

Based on the factors discussed above, sustainable development becomes necessary, which should cover all aspects and areas of life and business. The process requires the involvement of both governmental and non-governmental organizations, as well as the business sector due to its large impact. However, people's lives are closely connected with the creation and use of goods. Most individuals see their success and self-actualization through career development, dedicating their most important and non-renewable resource - time, to work and professional growth.

The concept of sustainable development includes the well-being of individuals, which cannot be achieved without establishing an appropriate organizational environment. Conflict and stress management are essential components of this environment since they significantly impact an individual's satisfaction with their work and life. Without proper management of these factors, organizations cannot implement the changes necessary for sustainable management. Therefore, the aim of this article is to emphasize the significance of conflict and stress management in the transition towards sustainable management.

Methodology

Based on the aim of the paper, the following tasks were set:
- highlighting the importance of sustainable development and emphasizing the well-being of people in the process;
- discuss importance of changes and innovations in the transition process;
- demonstrating the need for stress and conflict management strategies in the above-mentioned processes.

In the first stage, articles published in scientific journals since 2016 were searched in scientific databases. At the next stage, their abstracts were reviewed, and finally selected articles that met certain criteria, in particular, included original research, were related to sustainable development, organizational stress, organizational conflicts, and changes

Results and Discussion

Job satisfaction as a component of well-being

In today's world, where resources are limited and global crises are more frequent, it has become increasingly important to create a sustainable environment that addresses all aspects of life and development while also prioritizing the environment and nature. The most critical starting point for this process is individuals, specifically their will, consciousness, and desire. For the successful processes, people need access to relevant information, knowledge, and opportunities to deepen their understanding. Additionally, they should be able to live in an environment where their basic personal needs are met, and they are satisfied with their standard of living. Only then will they begin to think about the environment and future generations.

The level of satisfaction in a person's life is determined by various factors such as their emotional and physical wellbeing, the health of their social environment, and their relationships. Since people spend most of their time at work and interacting with colleagues, organizations must create an organizational culture and environment that increases employee satisfaction levels, which ultimately contributes to public welfare (Bernarto et al., 2020). Job satisfaction is a key factor, and it impacts the success of an organization. It is the result of how employees evaluate the job and its characteristics (Hanaysha & Tahir, 2016).

There are various factors that can impact job satisfaction, both personal and organizational. One of these factors is organizational stress, which refers to an individual's response to a perceived threatening or challenging situation in the workplace (McShane & Von Glinow, 2018). This kind of stress can affect not only an employee's mood, but also their overall health, with the severity of the damage depending

on its intensity and duration (Robbins & Judge, 2019). It can also reduce employee performance, worsen relationships, and hinder communication (Dodanwala et al., 2021; Suardi & Furinto, 2023). Several studies have found a link between high stress levels and low job satisfaction, and vice versa (De Simone et al., 2016; Hoboubi et al., 2017; Sureda et al., 2019).

Another factor that can affect job satisfaction is organizational conflict. While conflicts are inevitable in any organization, it is important to manage them properly to prevent negative impacts on the organization's progress and the level of job satisfaction. Destructive conflicts can hinder change, create more conflicts, and lead to uncertainty (Palomino & Frezatti, 2016). On the other hand, well-managed conflicts can reduce psychological risk factors and increase performance.

Organizations must strive to establish a healthy work environment that encourages open communication, provides opportunities for employees to express their opinions, and makes them feel like valued members of the organization. This is crucial because an employee's mood, desire, and readiness for new things are closely linked to their health and emotional state. Therefore, a healthy work environment plays a key role in ensuring job satisfaction among employees, which ultimately benefits the organization and society as a whole.

The importance of stress and conflict management in the transition to a sustainable business

Without the management of organizational stress and organizational conflict, organizations will not be able to fully perform their activities, including the introduction and successful implementation of sustainable development policies. Since the activities of organizations, including the production and sale of products adapted to a sustainable environment, are related to changes. In any field, organizations must constantly monitor the environment and take appropriate steps. In the process of implementing organizational changes, there is almost always resistance from the employees, which is the most difficult and important to overcome. Organizations often fail to realize that people's resistance is not to change, but to how they are treated and what roles they play in the change process (Raza & Standing, 2011). Resistance and conflicts arising during organizational changes may become destructive. Various counterproductive behaviours include spreading misinformation, intentionally underperforming, stealing, damaging property, equipment, or products, disrupting a citizen's social role.

Changes and sense of uncertainty are stress-causing factors. Accordingly, for the employees, any kind of change in the organization may turn out to be stressful and affect the process (Stouten et al., 2018). Thus, it is especially important to manage stress and have an appropriate strategy when implementing organizational change. If the resulting stress is not managed, employees may struggle to adapt to the new reality and modify their behaviour accordingly (Ashford, 1988). The responsibility of reducing and managing stress largely falls on the change leader. The leader must inform employees through timely and clear communication, explaining the results and outcomes. They should present the changes as a challenge that will be beneficial to overcome (Palomino & Frezatti, 2016; Van der Voet, 2016; Paresashvili & Avsajanishvili, 2023).

Uncertainty, stress, performing tasks that differ from routine work, and changes in work functions and roles can lead to negative attitudes among employees (Saksvik et al., 2007). These negative attitudes may ultimately manifest as aggressive behaviour, role conflicts, or intrapersonal and interpersonal conflicts (Patton, 2018). All of these can lead to non-fulfilment of tasks, failure to complete tasks within the specified time, reduction of performance and effort (Khan et al., 2016). This feedback is seen as a barrier in the process of organizational change, which leads to many problems such as tension, low satisfaction and sometimes complete failure of the proposed organizational change (Trice & Beyer, 2001).

On the other hand, based on religious, cultural, social and demographic characteristics, as well as individual characteristics and views, people are different from each other, while their social nature demands to interact with other people. Therefore, conflict in society is inevitable, and since an organization is a group of people united for a common goals, organizational conflict is a natural element of organizational life of all types and sizes. That is why the latest view promotes conflict, based on the belief that a harmonious, calm, overly cooperative organization is likely to become static, apathetic, stagnant, and unable to respond to change and innovation (Pinto, 1989). However, when an organization has a predetermined conflict management strategy, and leaders have the skills to manage conflict, it can

become a positive outcome for the organization. Constructive conflict can increase unity, improve the decision-making process, and change attitudes towards change for the better, while destructive conflict increases stress, staff turnover, and reduces the ability to coordinate and share information (McShane, & Von Glinow, 2018). Constructive organizational conflict can stimulate innovation. As innovation is, in fact, a set of conflicting activities that lead to final changes in the organization or any of its parts (Bledow et al., 2009).

Sustainable management and increased demands for social responsibility and environmental care push organizations to innovate and change (Chuang & Huang, 2018). The importance of innovativeness in the mentioned process is indicated by various meta-analytic studies, which concluded that the interest in both sustainable development and innovative processes has increased and is the object of constant research and observation (Kuzma et al., 2020; Maier et al., 2020). Among them, it is worth mentioning SMEs, who must also adapt to the new reality, which requires the involvement of all stakeholders in the process (Veronica et al., 2020).

Thus, the formation of a Sustainable business, taking into account its principles, is a rather long, difficult, and complex process that affects all aspects of the organization. Therefore, it requires a complete restructuring of the system, modification of production and service processes, and change of supply chains and resources. Which implies a change in strategies, goals, and objectives. Of course, the goal of gaining a competitive advantage, which is impossible without human resources, remains unchanged. To implement such large-scale changes, the organization needs satisfied, loyal, and knowledgeable employees who will have less resistance to change, which is characteristic of any and especially such large changes. However, only in the conditions of a healthy environment, in which the employee is not afraid to argue, conflict, express his opinion, and at the same time feel like a part of the process, it is possible to create innovations and new ideas, which are so necessary for this sustainable development.

The level of consumer awareness is increasing significantly, but not everyone is on board yet. Additionally, products produced through sustainable methods may be more expensive than those produced through traditional means, and there may not be demand for them in certain areas. To address this, suppliers need to create demand for sustainable products. However, this can only happen if employees believe in the future of these products, so the most important thing is for the organization to form a belief in the employees themselves that the nature of the environment and future generations are served by their work. They do work that does not serve the purpose of any organization or individual and increase profits but serves the environment in general.

This is the essence of green human resource management, which aims to create a healthy work environment where employees feel valued and important, and where they understand and contribute to sustainable development (Pinzone et al., 2016). Many studies have emphasized the importance of human resources and employee well-being in the process of creating sustainable and environmentally friendly production (Pinzone et al., 2016; Manuti & Giancaspro, 2019).

To achieve this, employees need to be retrained, both in terms of raising general awareness about sustainability and in terms of specific skills related to their profession. By acquiring new skills and knowledge, employees can better respond to changes in the future and become more innovative (Jayabalan et al., 2020). If the right policies are implemented, stress and conflicts within the organization can be reduced as the level of uncertainty decreases and trust in activities and processes increases. Ultimately, this will make employees more motivated and informed.

Conclusions

The process of creating a sustainable economy involves all areas of life, including all aspects of organizational activities and internal policies. Organizations need to adjust to the new reality, which imposes more responsibility on the business sector regarding taking care of the environment and using resources wisely. Many international and state organizations are taking steps in this direction by creating a legal framework and financing various projects in developing countries. Meanwhile, the business sector is also changing its approach by producing eco-friendly products, using renewable resources, and recycling waste.

Of course, the starting point of sustainable development is a person and well-being, as well as the main human resources for organizations. Therefore, taking care of it is important to increase the level of life satisfaction in general, since one of its components is job satisfaction, while most of people's time is spent on participation in career and economic processes. In addition, it is important for the organizations themselves to have a satisfied employee, whose psycho-emotional state, motivation and well-being increases performance and enthusiasm, therefore affects the achievement of results and success. As, the implementation of sustainable management requires changes, process reengineering, continuous development, and innovation.

To ensure all of the above, organizations must have appropriate stress management and conflict management. Because the current process is directly related to the increase in organizational stress and the emergence of various types of conflicts. If the organization does not manage to reduce the stress and inflame the constructive nature of conflicts in time, this may lead to a failure of the process altogether. However, without a conflict management policy, innovations cannot be developed in the organization and the system will become static. So, on the way to sustainable development, organizations should not ignore the need to manage stress and conflict, and in general, the need to take care of human resources and continuous training.

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