

## MANAGEMENT IN ACTION

## On the One Hand (Or Maybe on the Other Hand)

All of the following operating-room mishaps occurred in hospitals in the state of Rhode Island:

- A surgeon drilled into the wrong side of a patient's head in a procedure to drain blood.
- A surgeon operated on the wrong knee of a patient undergoing arthroscopic surgery.
- A surgeon operated on the wrong side of a child's mouth during surgery to correct a cleft palate.
- A surgeon anesthetized the wrong eye of a patient about to undergo eye surgery.
- A surgeon operated on the wrong finger of a patient during hand surgery.

The last instance of so-called “wrong-site surgery”—an operation conducted on a body part other than the one intended by patient and surgeon—took place at Rhode Island Hospital, the state's largest and the main teaching hospital of prestigious Brown University. According to the chief quality officer of the hospital's parent company, Lifespan, the incident served to underscore

“Every time one of these kinds of things happens, [our] commitment is just made stronger.”

—ADMINISTRATOR ON A HOSPITAL'S EFFORTS  
TO CUT DOWN ON SURGICAL ERRORS

how difficult it is to prevent such errors. The hospital, said Mary Reich Cooper, is committed to safety, and “every time one of these kinds of things happens, that commitment is just made stronger.”

There's apparently some question, however, about how many times such errors have to happen before a hospital's commitment is strong enough. Only two years earlier, the state department of health had fined Rhode Island Hospital \$50,000 for the occurrence of three wrong-site surgical errors in a one-year span—all of them involving procedures in which doctors drilled into the wrong side of a patient's head. “Frustrating—in capital letters—is probably the best way to describe the mood here,” said department director David R. Gifford after

Many hospitals are working to improve communication among members of surgical teams so as to reduce the number of mistakes that could be made.



Clerkenwell/Jupiter Images

the wrong-finger incident. Asked if there might be some fundamental flaw in the hospital's procedural system, Gifford replied, "I'm wondering that myself."

All the incidents of wrong-site surgery on our list occurred in one state during a period of just over two years, and the Joint Commission on Accreditation of Healthcare Organizations, which evaluates more than 15,000 healthcare facilities and programs in the United States, estimates that wrong-site surgery occurs about 40 times a week around the country. A study in Pennsylvania conducted by the state's Patient Safety Authority added "near misses" into the mix and found that an "adverse event" (i.e., wrong-site surgery) or a "near miss" occurred every other day at Pennsylvania healthcare facilities. "To be frank," says Dr. Stan Mullens, VP of the Authority's board of directors, "wrong-site surgeries in Pennsylvania should never occur." But he hastens to add, "We're not alone. Wrong-site surgeries are no more common in Pennsylvania than they are in other states."

The Joint Commission has spent 15 years looking for ways to reduce the number of wrong-site surgical errors, but the results so far haven't been very promising; in fact, the rate of occurrence is the same as it was 15 years ago. So, what's the underlying problem? According to the Commission, it's communications breakdown, and some studies show that communications failure is a factor in two-thirds of all surgical mishaps resulting in serious patient harm or death. Surgery, of course, is performed by *teams*, and the typical surgical team has at least three core members: the surgeon, who performs the operation and leads the team; the anesthesiologist, whose responsibility is pain management and patient safety; and the operating nurse, who provides comprehensive care, assistance, and pain management at every stage of the operation. Perhaps the most logical question to start with, therefore, is: What are the barriers to communication (see Chapter 18) among the core members of a surgical team?

According to some researchers, the most serious barrier results from team members' different perceptions about the nature and quality of the group's teamwork and communications. According to a study commissioned by the Department of Veterans Affairs, the "most common pattern" of differing perceptions reflects a disparity between the perceptions of nurses and anesthesiologists on the one hand and those of surgeons on the other. In particular, surgeons tend to believe that both teamwork and communications are more effective than nurses and anesthesiologists

do. One item on the research questionnaire, for example, asked team members to respond to the statement "I am comfortable intervening in a procedure if I have concerns about what is occurring." While surgeons reported that the OR environment did indeed support intervention, nurses and anesthesiologists generally did not. Surgeons were also more likely to report that "morale on our team is high." In assessing such results as these, the authors of the study wonder, "If surgical team members have disparate perceptions about how well they are communicating or collaborating with each other, how is it possible for them to be collaborating optimally with other members of the surgical team for the care of their patients?"

When the results of a study at Johns Hopkins revealed a similar breakdown in perceptions, the lead researcher, who is also a surgeon, admitted that "the study is somewhat humbling to me. . . . We need to balance out the captain-of-the-ship doctrine," suggested Dr. Martin A. Makary. Makary believes that a standardized OR briefing program is one way to improve surgical-team communication and has helped to make brief two-minute "team meetings" a regular step in surgical procedure at Johns Hopkins and other university hospitals. During the meeting, which is conducted just after anesthesia is administered, all members of the OR team state their names and roles and the surgeon verifies the critical aspects of the procedure, including the correct site.

Where the policy has been adopted, according to Makary, researchers have observed an increase in "the awareness of OR personnel with regard to the site and procedure and their perceptions of operating room safety." Without such a policy, Makary points out, many surgeons simply walk into the OR and start operating without even asking the names of the other medical personnel in the room.

Such measures as team meetings hold some promise in the effort to reduce surgical error, as do checklists and "time outs," both of which require periodic confirmation of the critical components of a procedure. But "the unfortunate truth," cautions Dr. Mark R. Chassin, president of the Joint Commission, "is that no hospital today . . . can guarantee that [surgical errors] will never happen. We do not know how to perfect our processes. . . ." In some hospitals, he admits, the Commission has even encountered "denial or serious avoidance of the potential for real problems," and he recommends that patients everywhere ask surgeons in advance what steps will be taken to prevent errors while they're in the OR.<sup>1</sup>

This chapter is about the processes that lead to and follow from problems like those experienced in the operating rooms described above. More importantly, it's also about the processes leading to and following from successful operations (no pun intended), which, fortunately, happen more often in all sorts of organizational settings. In our last chapter we established the interpersonal nature of organizations. We extend that discussion here by first introducing basic concepts of group and team dynamics. Subsequent sections explain the characteristics of groups and teams in organizations. We then describe interpersonal and intergroup conflict. Finally, we conclude with a discussion of how conflict can be managed.



## Groups and Teams in Organizations

Groups are a ubiquitous part of organizational life. They are the basis for much of the work that gets done, and they evolve both inside and outside the normal structural boundaries of the organization. We will define a **group** as two or more people who interact regularly to accomplish a common purpose or goal.<sup>2</sup> The purpose of a group or team may range from preparing a new advertising campaign, to informally sharing information, to making important decisions, to fulfilling social needs.

### Types of Groups and Teams

In general, three basic kinds of groups are found in organizations—functional groups, informal or interest groups, and task groups and teams.<sup>3</sup> These are illustrated in Figure 19.1.

**Functional Groups** A **functional group** is a permanent group created by the organization to accomplish a number of organizational purposes with an unspecified time horizon. The advertising department at Target, the management department at the University of North Texas, and the nursing staff at the Mayo Clinic are functional groups. The advertising department at Target, for example, seeks to plan effective advertising campaigns, increase sales, run in-store promotions, and develop a unique identity for the company. It is assumed that the functional group will remain in existence after it attains its current objectives; those objectives will be replaced by new ones.

**Informal or Interest Groups** An **informal or interest group** is created by its own members for purposes that may or may not be relevant to organizational goals. It also has an unspecified time horizon. A group of employees who lunch together every day may be discussing productivity, money embezzling, or local politics and sports.<sup>4</sup> As long as the group members enjoy eating together, they will probably continue to do so. When lunches cease to be pleasant, they will seek other company or a different activity.

Informal groups can be a powerful force that managers cannot ignore.<sup>5</sup> One writer described how a group of employees at a furniture factory subverted their boss's efforts to increase production. They tacitly agreed to produce a reasonable amount of work but not to work too hard. One man kept a stockpile of completed work hidden as a backup in case he got too far behind. In another example, auto workers described how they left out gaskets and seals and put soft-drink bottles inside doors to cause customer complaints.<sup>6</sup> Of course, informal groups can also be a positive force, as when people work together to help out a colleague who has suffered a personal tragedy. For example, several instances of this behavior were reported in the wake of the devastating tornadoes that swept through Alabama and Missouri in 2011.

In recent years the Internet has served as a platform for the emergence of more and different kinds of informal or interest groups. As one example, Yahoo! includes a wide array of interest groups that bring together people with common interests. And increasingly, workers who lose their jobs as a result of layoffs are banding together electronically to offer moral support to one another and to facilitate networking as they all look for new jobs.<sup>7</sup>

#### group

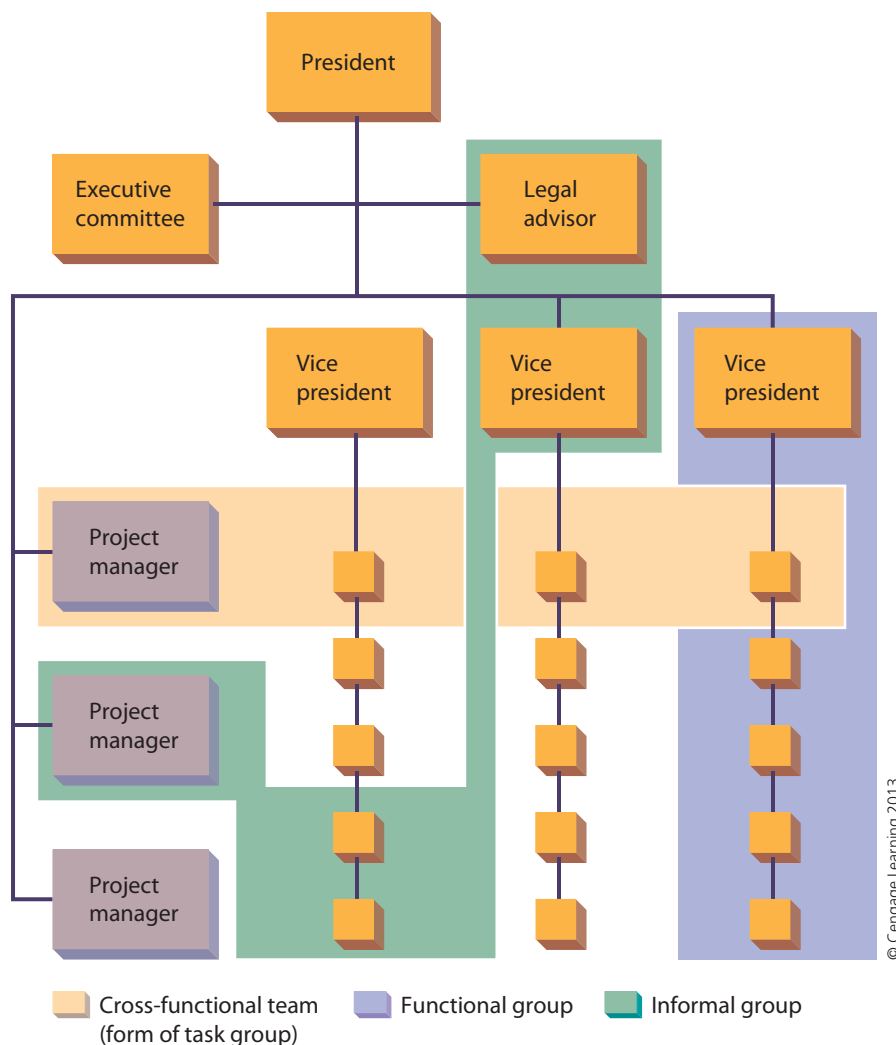
Consists of two or more people who interact regularly to accomplish a common purpose or goal

#### functional group

A permanent group created by the organization to accomplish a number of organizational purposes with an unspecified time horizon

#### informal or interest group

Created by its members for purposes that may or may not be relevant to those of the organization



**FIGURE 19.1 TYPES OF GROUPS IN ORGANIZATIONS**

Every organization has many different types of groups. In this hypothetical organization, a functional group is shown within the purple area, a cross-functional team within the yellow area, and an informal group within the green area.

**Task Groups** A **task group** is a group created by the organization to accomplish a relatively narrow range of purposes within a stated or implied time horizon. Most committees and task forces are task groups. The organization specifies group membership and assigns a relatively narrow set of goals, such as developing a new product or evaluating a proposed grievance procedure. The time horizon for accomplishing these purposes is either specified (a committee may be asked to make a recommendation within 60 days) or implied (the project team will disband when the new product is developed).

Teams are a special form of task group that have become increasingly popular.<sup>8</sup> In the sense used here, a **team** is a group of workers that functions as a unit, often with little or no supervision, to carry out work-related tasks, functions, and activities. Table 19.1 lists and defines some of the various types of teams that are being used today. Earlier forms of teams included autonomous work groups and quality circles. Today, teams are also sometimes called “self-managed teams,” “cross-functional teams,” or “high-performance teams.” Many firms today are routinely using teams to carry out most of their daily operations.<sup>9</sup> Further, **virtual teams**—teams comprised of people from remote work sites who work together online—are also becoming more and more common.<sup>10</sup> In fact, virtual connections are sometimes more complex than basic online hookups, and you’d be surprised at what sort of things well-connected virtual teams can do. For a good example, see our *Technically Speaking* box, entitled “What to Do When the Surgeon Asks for a Joystick,” on page 545.

### task group

A group created by the organization to accomplish a relatively narrow range of purposes within a stated or implied time horizon

### team

A group of workers that functions as a unit, often with little or no supervision, to carry out work-related tasks, functions, and activities

### virtual team

Team comprised of people from remote work sites who work together online

**TABLE 19.1**  
**TYPES OF TEAMS**

<b>Problem-solving team</b>	Most popular type of team; comprises knowledge workers who gather to solve a specific problem and then disband
<b>Management team</b>	Consists mainly of managers from various functions like sales and production; coordinates work among other teams
<b>Work team</b>	An increasingly popular type of team; work teams are responsible for the daily work of the organization; when empowered, they are self-managed teams
<b>Virtual team</b>	A newer type of work team whose members interact in a virtual arena; members enter and leave the network as needed and may take turns serving as leader
<b>Quality circle</b>	Declining in popularity, quality circles, comprising workers and supervisors, meet intermittently to discuss workplace problems

Source: From *Fortune*, September 5, 2004. Copyright © 2004 Time Inc. All rights reserved.

Organizations create teams for a variety of reasons. For one thing, they give more responsibility for task performance to the workers who are actually performing the tasks. They also empower workers by giving them greater authority and decision-making freedom. In addition, they allow the organization to capitalize on the knowledge and motivation of their workers. Finally, they enable the organization to shed its bureaucracy and to promote flexibility and responsiveness. Ford used teams to design its new Focus. Similarly, General Motors used a team to develop its new Chevrolet Volt.

When an organization decides to use teams, it is essentially implementing a major form of organization change, as discussed in Chapter 13. Thus it is important to follow a logical and systematic approach to planning and implementing teams in an existing organization design. It is also important to recognize that resistance may be encountered. This resistance is most likely from first-line managers who will be giving up much of their authority to the team. Many organizations find that they must change the whole management philosophy of such managers away from being a supervisor to being a coach or facilitator.<sup>11</sup>

After teams are in place, managers should continue to monitor their contributions and how effectively they are functioning. In the best circumstances, teams will become very cohesive groups with high performance norms. To achieve this state, the manager can use any or all of the techniques described later in this chapter for enhancing cohesiveness. If implemented properly, and with the support of the workers themselves, performance norms will likely be relatively high. In other words, if the change is properly implemented, the team participants will understand the value and potential of teams and the rewards they may expect to get as a result of their contributions. On the other hand, poorly designed and implemented teams will do a less effective job and may detract from organizational effectiveness.<sup>12</sup>

**"If a team can't be fed by two pizzas, it's too large."**

—JEFF BEZOS, FOUNDER AND CEO OF AMAZON.COM<sup>13</sup>

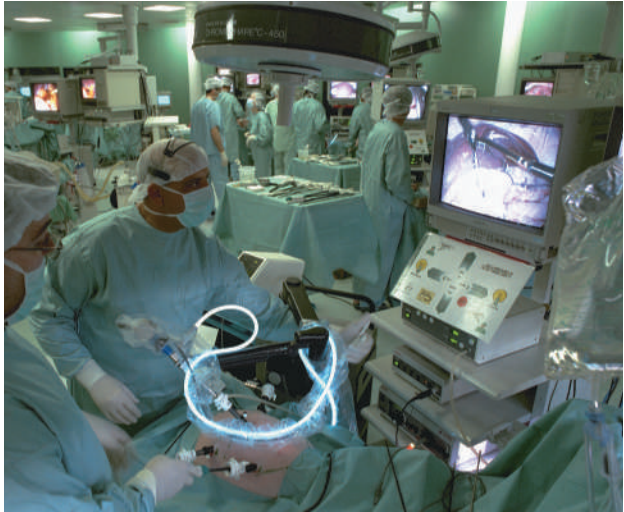
## Why People Join Groups and Teams

People join groups and teams for a variety of reasons. They join functional groups simply by virtue of joining organizations. People accept employment to earn money or to practice their chosen professions. Once inside the organization, they are assigned to jobs and roles and thus become members of functional groups. People in existing functional groups are told, are asked, or volunteer to serve on committees, task forces, and teams. People join informal or interest groups for a variety of reasons, most of them quite complex.<sup>14</sup> Indeed, the need to be a team player has grown so strong today that many organizations will actively resist hiring someone who does not want to work with others.<sup>15</sup>



## TECHNICALLY SPEAKING

### What to Do When the Surgeon Asks for a Joystick



In September 2001, surgeons removed the gall bladder of a 68-year-old woman in Strasbourg, France. Gall bladder removal is a pretty routine procedure, the standard of care in the use of “minimally invasive surgery.” Such surgery is made possible by the laparoscope—a thin, lighted tube that allows doctors to see what they’re doing with remote-controlled instruments inserted into the patient’s body through small incisions. The patient in Strasbourg left the hospital after 48 hours and had an uneventful recovery. The only noteworthy aspect of the operation was the fact that the surgeon wasn’t in Strasbourg. In fact, he wasn’t even in a hospital: He was in the U.S. offices of France Télécom in New York, 4,300 miles away. The operation was the first complete “remote surgery” performed on a human patient—the result of a hands-on collaboration (so to speak) among Dr. Jacques Marescaux, director of the European Institute of Telesurgery; Computer Motion Inc., a maker of medical devices located in California; France Télécom, the biggest telecommunications company in France; and surgeons at Strasbourg’s Hôpitaux Universitaires.

This particular operation wasn’t necessarily a qualitative leap forward from conventional laparoscopic surgery. Surgeons had been performing computer-assisted procedures since the mid-1990s, though always in the same theaters with their patients. *Remote surgery*, or *telesurgery*, simply adds the technology that allows surgeons and patients to be in different places, and the breakthrough made in the 2001

New York–Strasbourg procedure was largely a matter of distance. In demonstrating “the feasibility of a transatlantic procedure,” said Marescaux, his team had achieved merely “a richly symbolic milestone.”

Even so, the benefits of remote surgery—say, having a world-class surgeon perform an operation on one patient in Europe in the morning and on another in South America in the afternoon—are fairly obvious. Some doctors also refer to a related benefit that Marescaux calls “telecompanionship”—the opportunity for surgeons to hone their skills and learn new ones by watching acknowledged experts at work.

In 2007, for example, Dr. Alex Gandsas, a surgeon at Sinai Hospital in Baltimore, used a telesurgery system to enable physicians in Argentina to perform a procedure for the treatment of obesity. Dr. Sergio Cantarelli had originally contacted Gandsas about the possibility of coming to the United States to learn the procedure. “He had never done this type of surgery before,” recalls Gandsas, but “in practice, it wasn’t possible for him to come over and train here.” That’s when Gandsas got the idea of mentoring Cantarelli remotely, and for nearly three months, Cantarelli and a colleague, Dr. Gabriel Egidi, studied the procedure by participating in surgeries performed in the United States.

At the end of the training period, Cantarelli and Egidi performed the operation in Argentina by means of a “remote-presence robot” that allowed Gandsas, controlling a joystick in Baltimore, to monitor the procedure and mentor the surgeons in the actual OR, 5,400 miles away. “During the surgery,” explains Gandsas, “the robot allowed me to zoom in on the patient and the monitors to assess the situation” while the Argentine doctors actually operated on the patient, a 39-year-old woman. Meanwhile, Cantarelli and Egidi, who had never met their American colleague personally, reported that the long-distance collaboration benefited everyone involved. “Having a world expert from the United States looking over our shoulder,” said Cantarelli, “. . . greatly enhanced our comfort level and provided the best care for the patient.”

References: [Jacques] Marescaux, “Code Name: Lindbergh Operation,” *WebSurg*, January 2002, [www.websurg.com](http://www.websurg.com) on April 30, 2011; Vicki Brower, “The Cutting Edge in Surgery,” *EMBO Reports*, Vol. 3 (2002), [www.nature.com](http://www.nature.com) on April 30, 2011; “Remote Surgery between U.S. and Argentina,” *Medical News*, October 4, 2007, [www.news-medical.net](http://www.news-medical.net) on April 30, 2011; Matthew Knight, “Virtual Surgery Becoming a Reality,” *CNN.com*, October 18, 2007, <http://edition.cnn.com> on April 30, 2011; “Robot Teaches World’s First Remote Surgery,” *Physorg.com*, October 3, 2007, [www.physorg.com](http://www.physorg.com) on April 30, 2011.



David Madison/Getty Images

People sometimes join a group because of the activity they can engage in as part of that group. For instance, leisure-time activities such as playing fantasy football or discussing new books generally require a group. These people are coworkers who gather regularly to play softball together.

**“Give us people who are dedicated to making the team work, as opposed to a bunch of talented people with big egos, and we’ll win every time.”**

—JOHN MCCONNELL, CEO OF WORTHINGTON INDUSTRIES<sup>16</sup>

because they subscribe to its goal. Workers join unions like the United Auto Workers because they support its goals.

**Need Satisfaction** Still another reason for joining a group is to satisfy the need for affiliation. New residents in a community may join the Newcomers Club partially as a way to meet new people and partially just to be around other people. Likewise, newly divorced people often join support groups as a way to have companionship.

**Instrumental Benefits** A final reason why people join groups is that membership is sometimes seen as instrumental in providing other benefits to the individual. For example, it is fairly common for college students entering their senior year to join several professional clubs or associations because listing such memberships on a résumé is thought to enhance the chances of getting a good job. Similarly, a manager might join a certain racquet club not because she is attracted to its members (although she might be) and not because of the opportunity to play tennis (although she may enjoy it). The club’s goals are not relevant, and her affiliation needs may be satisfied in other ways. However, she may feel that being a member of this club will lead to important and useful business contacts. The racquet club membership is instrumental in establishing those contacts. Membership in civic groups such as the Junior League and Rotary may be solicited for similar reasons.

**Interpersonal Attraction** One reason why people choose to form informal or interest groups is that they are attracted to one another. Many different factors contribute to interpersonal attraction. When people see a lot of each other, pure proximity increases the likelihood that interpersonal attraction will develop. Attraction is increased when people have similar attitudes, personalities, or economic standings.

**Group Activities** Individuals may also be motivated to join a group because the activities of the group appeal to them. Jogging, playing bridge, bowling, discussing poetry, playing war games, and flying model airplanes are all activities that some people enjoy. Many of them are more enjoyable to participate in as a member of a group, and most require more than one person. Many large firms like Shell Oil and Apple Computer have a football, softball, or bowling league. A person may join a bowling team, not because of any particular attraction to other group members, but simply because being a

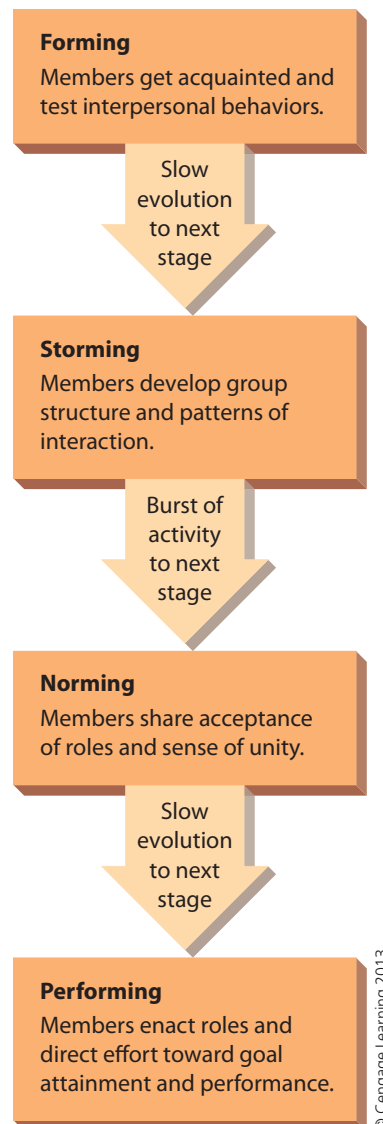
member of the group allows that person to participate in a pleasant activity. Of course, if the group’s level of interpersonal attraction is very low, a person may choose to forgo the activity rather than join the group.

**Group Goals** The goals of a group may also motivate people to join. The Sierra Club, which is dedicated to environmental conservation, is a good example of this kind of interest group. Various fund-raising groups are another illustration. Members may or may not be personally attracted to the other fundraisers, and they probably do not enjoy the activity of knocking on doors asking for money, but they join the group

## Stages of Group and Team Development

Imagine the differences between a collection of five people who have just been brought together to form a group or team and a group or team that has functioned like a well-oiled machine for years. Members of a new group or team are unfamiliar with how they will function together and are tentative in their interactions. In a group or team with considerable experience, members are familiar with one another's strengths and weaknesses and are more secure in their roles in the group. The former group or team is generally considered to be immature; the latter, mature. To progress from the immature phase to the mature phase, a group or team must go through certain stages of development, as shown in Figure 19.2.<sup>17</sup>

The first stage of development is called *forming*. The members of the group or team get acquainted and begin to test which interpersonal behaviors are acceptable and which are unacceptable to the other members. The members are very dependent on others at this point to provide cues about what is acceptable. The basic ground rules for the group or team are established, and a tentative group structure may emerge.<sup>18</sup> At adidas, for example, a merchandising team was created to handle its sportswear business. The team leader and his members were barely acquainted and had to spend a few weeks getting to know one another.



**FIGURE 19.2 STAGES OF GROUP DEVELOPMENT**

As groups mature, they tend to evolve through four distinct stages of development. Managers must understand that group members need time to become acquainted, accept one another, develop a group structure, and become comfortable with their roles in the group before they can begin to work directly to accomplish goals.



The second stage of development, often slow to emerge, is *storming*. During this stage, there may be a general lack of unity and uneven interaction patterns. At the same time, some members of the group or team may begin to exert themselves to become recognized as the group leader or at least to play a major role in shaping the group's agenda. In adidas's team, some members advocated a rapid expansion into the marketplace; others argued for a slower entry. The first faction won, with disastrous results. Because of the rush, product quality was poor and deliveries were late. As a result, the team leader was fired and a new manager placed in charge.

The third stage of development, called *norming*, usually begins with a burst of activity. During this stage, each person begins to recognize and accept her or his role and to understand the roles of others. Members also begin to accept one another and to develop a sense of unity. There may also be temporary regressions to the previous stage. For example, the group or team might begin to accept one particular member as the leader. If this person later violates important norms or otherwise jeopardizes his or her claim to leadership, conflict might reemerge as the group rejects this leader and searches for another. Adidas's new leader transferred several people away from the team and set up a new system and structure for managing things. The remaining employees accepted his new approach and settled into doing their jobs.

*Performing*, the final stage of group or team development, is also slow to develop. The team really begins to focus on the problem at hand. The members enact the roles they have accepted, interaction occurs, and the efforts of the group are directed toward goal attainment. The basic structure of the group or team is no longer an issue but has become a mechanism for accomplishing the purpose of the group. Adidas's sportswear business is now growing consistently and has successfully avoided the problems that plagued it at first.

What are the basic types of groups and teams in organizations?

Identify four groups that you belong to and describe why you joined each one.

## CONCEPT CHECK



## Characteristics of Groups and Teams

As groups and teams mature and pass through the four basic stages of development, they begin to take on four important characteristics—a role structure, norms, cohesiveness, and informal leadership.<sup>19</sup>

### Role Structures

Each individual in a team has a part, or **role**, to play in helping the group reach its goals. Some people are leaders, some do the work, some interface with other teams, and so on. Indeed, a person may take on a *task specialist role* (concentrating on getting the group's task accomplished) or a *socioemotional role* (providing social and emotional support to others on the team). A few people, usually the leaders, perform both roles; a few others may do neither. The group's **role structure** is the set of defined roles and interrelationships among those roles that the group or team members define and accept. Each of us belongs to many groups and therefore plays multiple roles—in work groups, classes, families, and social organizations.<sup>20</sup>

Role structures emerge as a result of role episodes, as shown in Figure 19.3. The process begins with the expected role—what other members of the team expect the individual to do. The expected role gets translated into the sent role—the messages and cues that team members use to communicate the expected role to the individual. The perceived role is what the individual perceives the sent role to mean. Finally, the enacted role is what the individual

#### roles

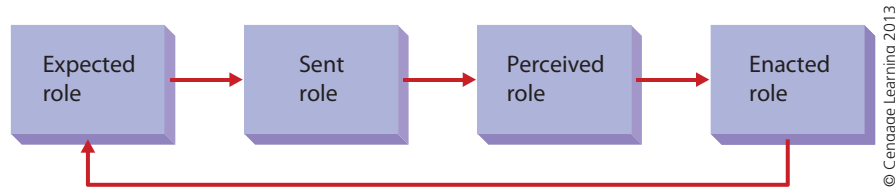
The parts individuals play in groups in helping the group reach its goals

#### role structure

The set of defined roles and interrelationships among those roles that the group members define and accept

**FIGURE 19.3 THE DEVELOPMENT OF A ROLE**

Roles and role structures within a group generally evolve through a series of role episodes. The first two stages of role development are group processes, as the group members let individuals know what is expected of them. The other two parts are individual processes, as the new group members perceive and enact their roles.



actually does in the role. The enacted role, in turn, influences future expectations of the team. Of course, role episodes seldom unfold this easily. When major disruptions occur, individuals may experience role ambiguity, conflict, or overload.<sup>21</sup>

**Role Ambiguity** **Role ambiguity** arises when the sent role is unclear. If your instructor tells you to write a term paper but refuses to provide more information, you will probably experience role ambiguity. You do not know what the topic is, how long the paper should be, what format to use, or when the paper is due. In work settings, role ambiguity can stem from poor job descriptions, vague instructions from a supervisor, or unclear cues from coworkers. The result is likely to be a subordinate who does not know what to do. Role ambiguity can be a significant problem for both the individual who must contend with it and the organization that expects the employee to perform.

**Role Conflict** **Role conflict** occurs when the messages and cues composing the sent role are clear but contradictory or mutually exclusive.<sup>22</sup> One common form is *interrole conflict*—conflict between roles. For example, if a person's boss says that one must work overtime and on weekends to get ahead, and the same person's spouse says that more time is needed at home with the family, conflict may result. In a matrix organization, interrole conflict often arises between the roles one plays in different teams as well as between team roles and one's permanent role in a functional group.

*Intrarole conflict* may occur when the person gets conflicting demands from different sources within the context of the same role. A manager's boss may tell her that she needs to put more pressure on subordinates to follow new work rules. At the same time, her subordinates may indicate that they expect her to get the rules changed. Thus the cues are in conflict, and the manager may be unsure about which course to follow. *Intrasender conflict* occurs when a single source sends clear but contradictory messages. This might arise if the boss says one morning that there can be no more overtime for the next month but after lunch tells someone to work late that same evening. *Person–role conflict* results from a discrepancy between the role requirements and the individual's personal values, attitudes, and needs. If a person is told to do something unethical or illegal, or if the work is distasteful (for example, firing a close friend), person–role conflict is likely. Role conflict of all varieties is of particular concern to managers. Research has shown that conflict may occur in a variety of situations and lead to a variety of adverse consequences, including stress, poor performance, and rapid turnover.

**Role Overload** A final consequence of a weak role structure is **role overload**, which occurs when expectations for the role exceed the individual's capabilities. When a manager gives an employee several major assignments at once, while increasing the person's regular workload, the employee will probably experience role overload. Role overload may also result when an individual takes on too many roles at one time. For example, a person trying to work extra hard at work, run for election to the school board, serve

#### role ambiguity

Arises when the sent role is unclear and the individual does not know what is expected of him or her

#### role conflict

Occurs when the messages and cues composing the sent role are clear but contradictory or mutually exclusive

#### role overload

Occurs when expectations for the role exceed the individual's capabilities to perform

**“Some of the worst teams I’ve ever seen have been those where everybody was a potential CEO.”**

—DAVID NADLER, CONSULTANT<sup>23</sup>

on a committee in church, coach Little League baseball, maintain an active exercise program, and be a contributing member to her or his family will probably encounter role overload.

In a functional group or team, the manager can take steps to avoid role ambiguity, conflict, and overload. Having clear and reasonable expectations and sending clear and straightforward cues go a long way toward eliminating role ambiguity. Consistent expectations that take into account the employee’s other roles and personal value system may minimize role conflict. Role overload can be avoided simply by recognizing the individual’s capabilities and limits. In friendship and interest groups, role structures are likely to be less formal; hence, the possibility of role ambiguity, conflict, or overload may not be so great. However, if one or more of these problems does occur, they may be difficult to handle. Because roles in friendship and interest groups are less likely to be partially defined by a formal authority structure or written job descriptions, the individual cannot turn to those sources to clarify a role.

## Behavioral Norms

**Norms** are standards of behavior that the group or team accepts for and expects of its members. Most committees, for example, develop norms governing their discussions. A person who talks too much is perceived as doing so to make a good impression or to get his or her own way. Other members may not talk much to this person, may not sit nearby, may glare at the person, and may otherwise “punish” the individual for violating the norm. Norms, then, define the boundaries between acceptable and unacceptable behavior.<sup>24</sup> Some groups develop norms that limit the upper bounds of behavior to “make life easier” for the group—for example, do not make more than two comments in a committee discussion or do not produce any more than you have to. In general, these norms are counterproductive. Other groups may develop norms that limit the lower bounds of behavior—for example, do not come to meetings unless you have read the reports to be discussed or produce as much as you can. These norms tend to reflect motivation, commitment, and high performance. Managers can sometimes use norms for the betterment of the organization. For example, Kodak has successfully used group norms to reduce injuries in some of its plants.<sup>25</sup>

### norms

Standards of behavior that the group accepts for and expects of its members



James Leynse/CORBIS

Group norms are standards of behavior that the group or team accepts for and expects of its members. Kodak has used norms to help reduce injuries at some of its plants. These workers, for example, are assembling Kodak single-use cameras. The injury rate at their facility has declined significantly through the use of group norms.

**Norm Generalization** The norms of one group cannot always be generalized to another group. Some academic departments, for example, have a norm that suggests that faculty members dress up on teaching days. People who fail to observe this norm are “punished” by sarcastic remarks or even formal reprimands. In other departments, the norm may be casual clothes, and the person unfortunate enough to wear dress clothes may be punished just as vehemently. Even within the same work area, similar groups or teams can develop different norms. One team may strive always to produce above its assigned quota; another may maintain productivity just below its quota. The norm of one team may be to be friendly and cordial to its supervisor; that of another team may be to remain aloof and distant. Some differences are due primarily to the composition of the teams.

**Norm Variation** In some cases, there can also be norm variation within a group or team. A common norm is that the least senior member of a group is expected to perform unpleasant or trivial tasks for the rest of the group. These tasks might be to wait on customers who are known to be small tippers (in a restaurant), to deal with complaining customers (in a department store), or to handle the low-commission line of merchandise (in a sales department). Another example is when certain individuals, especially informal leaders, may violate some norms. If the team is going to meet at 8:00 A.M., anyone arriving late will be chastised for holding things up. Occasionally, however, the informal leader may arrive a few minutes late. As long as this does not happen too often, the group probably will not do anything about it.

**Norm Conformity** Four sets of factors contribute to norm conformity. First, factors associated with the group are important. For example, some groups or teams may exert more pressure for conformity than others. Second, the initial stimulus that prompts behavior can affect conformity. The more ambiguous the stimulus (for example, news that the team is going to be transferred to a new unit), the more pressure there is to conform. Third, individual traits determine the individual's propensity to conform (for example, more intelligent people are often less susceptible to pressure to conform). Finally, situational factors, such as team size and unanimity, influence conformity. As an individual learns the group's norms, he can do several different things. The most obvious is to adopt the norms. For example, the new male professor who notices that all the other men in the department dress up to teach can also start wearing a suit. A variation is to try to obey the "spirit" of the norm while retaining individuality. The professor may recognize that the norm is actually to wear a tie; thus he might succeed by wearing a tie with his sport shirt, jeans, and sneakers.

The individual may also ignore the norm. When a person does not conform, several things can happen. At first the group may increase its communication with the deviant individual to try to bring her back in line. If this does not work, communication may decline. Over time, the group may begin to exclude the individual from its activities and, in effect, ostracize the person.

Finally, we need to briefly consider another aspect of norm conformity—socialization. **Socialization** is generalized norm conformity that occurs as a person makes the transition from being an outsider to being an insider. A newcomer to an organization, for example, gradually begins to learn about such norms as dress, working hours, and interpersonal relations. As the newcomer adopts these norms, she is being socialized into the organizational culture. Some organizations, like Texas Instruments, work to actively manage the socialization process; others leave it to happenstance.

## Cohesiveness

A third important team characteristic is cohesiveness. **Cohesiveness** is the extent to which members are loyal and committed to the group. In a highly cohesive team, the members work well together, support and trust one another, and are generally effective at achieving their chosen goals.<sup>26</sup> In contrast, a team that lacks cohesiveness is not very coordinated, its members do not necessarily support one another fully, and it may have a difficult time reaching goals. Of particular interest are the factors that increase and reduce cohesiveness and the consequences of team cohesiveness. These are listed in Table 19.2.

**Factors That Increase Cohesiveness** Five factors can increase the level of cohesiveness in a group or team. One of the strongest is intergroup competition. When two or more groups are in direct competition (for example, three sales groups competing for top sales honors

### socialization

Generalized norm conformity that occurs as a person makes the transition from being an outsider to being an insider in the organization

### cohesiveness

The extent to which members are loyal and committed to the group; the degree of mutual attractiveness within the group



**TABLE 19.2**  
**FACTORS THAT**  
**INFLUENCE GROUP**  
**COHESIVENESS**

Several different factors can influence the cohesiveness of a group. For example, a manager can establish intergroup competition, assign compatible members to the group, create opportunities for success, establish acceptable goals, and foster interaction to increase cohesiveness. Other factors can be used to decrease cohesiveness.

Factors That Increase Cohesiveness	Factors That Reduce Cohesiveness
Intergroup competition	Group size
Personal attraction	Disagreement on goals
Favorable evaluation	Intragroup competition
Agreement on goals	Domination
Interaction	Unpleasant experiences

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or two football teams competing for a conference championship), each group is likely to become more cohesive. Second, just as personal attraction plays a role in causing a group to form, so, too, does attraction seem to enhance cohesiveness. Third, favorable evaluation of the entire group by outsiders can increase cohesiveness. Thus a group's winning a sales contest or a conference title or receiving recognition and praise from a superior tends to increase cohesiveness.

Similarly, if all the members of the group or team agree on their goals, cohesiveness is likely to increase.<sup>27</sup> And the more frequently members of the group interact with one another, the more likely the group is to become cohesive. A manager who wants to foster a high level of cohesiveness in a team might do well to establish some form of intergroup competition, assign members to the group who are likely to be attracted to one another, provide opportunities for success, establish goals that all members are likely to accept, and allow ample opportunities for interaction.<sup>28</sup>

**Factors That Reduce Cohesiveness** There are also five factors that are known to reduce team cohesiveness. First of all, cohesiveness tends to decline as a group increases in size. Second, when members of a team disagree on what the goals of the group should be, cohesiveness may decrease. For example, when some members believe the group should maximize output and others think output should be restricted, cohesiveness declines. Third, intragroup competition reduces cohesiveness. When members are competing among themselves, they focus more on their own actions and behaviors than on those of the group.

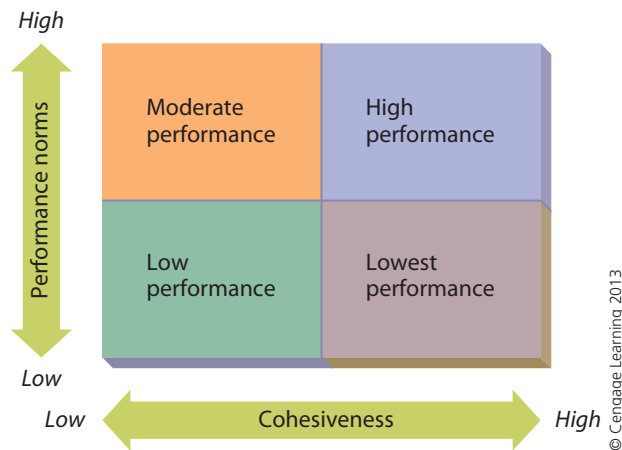
Fourth, domination by one or more persons in the group or team may cause overall cohesiveness to decline. Other members may feel that they are not being given an opportunity to interact and contribute, and they may become less attracted to the group as a consequence. Finally, unpleasant experiences that result from group membership may reduce cohesiveness. A sales group that comes in last in a sales contest, an athletic team that sustains a long losing streak, and a work group reprimanded for poor-quality work may all become less cohesive as a result of their unpleasant experiences.

**Consequences of Cohesiveness** In general, as teams become more cohesive, their members tend to interact more frequently, conform more to norms, and become more satisfied with the team. Cohesiveness may also influence team performance. However, performance is also influenced by the team's performance norms. Figure 19.4 shows how cohesiveness and performance norms interact to help shape team performance.

When both cohesiveness and performance norms are high, high performance should result because the team wants to perform at a high level (norms) and its members are working together toward that end (cohesiveness). When norms are high and cohesiveness is low, performance will be moderate. Although the team wants to perform at a high level, its members are not necessarily working well together. When norms are low, performance will be low, regardless of whether group cohesiveness is high or low. The least desirable situation occurs when low performance norms are combined with high cohesiveness. In this case, all team members embrace the standard of restricting performance (owing to the low per-

**FIGURE 19.4 THE INTERACTION BETWEEN COHESIVENESS AND PERFORMANCE NORMS**

Group cohesiveness and performance norms interact to determine group performance. From the manager's perspective, high cohesiveness combined with high performance norms is the best situation, and high cohesiveness with low performance norms is the worst situation. Managers who can influence the level of cohesiveness and performance norms can greatly improve the effectiveness of a work group.



formance norm), and the group is united in its efforts to maintain that standard (owing to the high cohesiveness). If cohesiveness were low, the manager might be able to raise performance norms by establishing high goals and rewarding goal attainment or by bringing in new group members who are high performers. But a highly cohesive group is likely to resist these interventions.<sup>29</sup>

## Formal and Informal Leadership

Most functional groups and teams have a formal leader—that is, one appointed by the organization or chosen or elected by the members of the group. Because friendship and interest groups are formed by the members themselves, however, any formal leader must be elected or designated by the members. Although some groups do designate such a leader (a softball team may elect a captain, for example), many do not. Moreover, even when a formal leader is designated, the group or team may also look to others for leadership. An **informal leader** is a person who engages in leadership activities but whose right to do so has not been formally recognized. The formal and the informal leader in any group or team may be the same person, or they may be different people. We noted earlier the distinction between the task specialist and socioemotional roles within groups. An informal leader is likely to be a person capable of carrying out both roles effectively. If the formal leader can fulfill one role but not the other, an informal leader often emerges to supplement the formal leader's functions. If the formal leader can fill neither role, one or more informal leaders may emerge to carry out both sets of functions.

Is informal leadership desirable? In many cases informal leaders are quite powerful because they draw from referent or expert power. When they are working in the best interests of the organization, they can be a tremendous asset. Notable athletes like Ben Roethlisberger and Mia Hamm are classic examples of informal leaders. However, when informal leaders work counter to the goals of the organization, they can cause significant difficulties. Such leaders may lower performance norms, instigate walkouts or wildcat strikes, or otherwise disrupt the organization.

### informal leader

A person who engages in leadership activities but whose right to do so has not been formally recognized by the organization or group

Identify and describe the fundamental characteristics of groups and teams.

Assume you were assigned to manage a highly cohesive group with low performance norms. What would you do to try to change things?

## CONCEPT CHECK



## Interpersonal and Intergroup Conflict

Of course, when people work together in an organization, things do not always go smoothly. Indeed, conflict is an inevitable element of interpersonal relationships in organizations. In this section, we look at how conflict affects overall performance. We also explore the causes of conflict between individuals, between groups, and between an organization and its environment.

### The Nature of Conflict

**Conflict** is a disagreement among two or more individuals, groups, or organizations. This disagreement may be relatively superficial or very strong. It may be short-lived or exist for months or even years, and it may be work-related or personal. Conflict may manifest itself in a variety of ways. People may compete with one another, glare at one another, shout, or withdraw. Groups may band together to protect popular members or oust unpopular members. Organizations may seek legal remedies.

Most people assume that conflict is something to be avoided because it connotes antagonism, hostility, unpleasantness, and dissension. Indeed, managers and management theorists have traditionally viewed conflict as a problem to be avoided.<sup>30</sup> In recent years, however, we have come to recognize that, although conflict can be a major problem, certain kinds of conflict may also be beneficial.<sup>31</sup> For example, when two members of a site selection committee disagree over the best location for a new plant, each may be forced to more thoroughly study and defend his or her preferred alternative. As a result of more systematic analysis and discussion, the committee may make a better decision and be better prepared to justify it to others than if everyone had agreed from the outset and accepted an alternative that was perhaps less well analyzed.

As long as conflict is being handled in a cordial and constructive manner, it is probably serving a useful purpose in the organization. On the other hand, when working relationships are being disrupted and the conflict has reached destructive levels, it has likely become dysfunctional and needs to be addressed.<sup>32</sup> We discuss ways of dealing with such conflict later in this chapter.

Figure 19.5 depicts the general relationship between conflict and performance for a group or organization. If there is absolutely no conflict in the group or organization, its members may become complacent and apathetic. As a result, group or organizational performance and innovation may begin to suffer. A moderate level of conflict among group or organizational members, on the other hand, can spark motivation, creativity, innovation, and initiative, and raise performance. Too much conflict, though, can produce such undesirable results as hostility and lack of cooperation, which lower performance. The key for managers is to find and maintain the optimal amount of conflict that fosters performance. Of course, what constitutes optimal conflict varies with both the situation and the people involved.<sup>33</sup>

### conflict

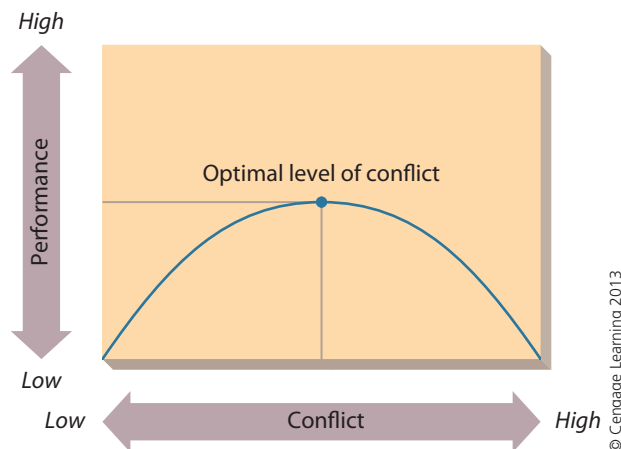
A disagreement among two or more individuals or groups

### Causes of Conflict

Conflict may arise in both interpersonal and intergroup relationships. Occasionally, conflict between individuals and groups may be caused by particular organizational strategies and practices. A third arena for conflict is between an organization and its environment.

**FIGURE 19.5 THE NATURE OF ORGANIZATIONAL CONFLICT**

Either too much or too little conflict can be dysfunctional for an organization. In either case, performance may be low. However, an optimal level of conflict that sparks motivation, creativity, innovation, and initiative can result in higher levels of performance.



**Interpersonal Conflict** Conflict between two or more individuals is almost certain to occur in any organization, given the great variety in perceptions, goals, attitudes, and so forth among its members. Bill Gates, founder and CEO of Microsoft, and Kazuhiko Nishi, a former business associate from Japan, once ended a lucrative long-term business relationship because of interpersonal conflict. Nishi accused Gates of becoming too political, while Gates charged that Nishi became too unpredictable and erratic in his behavior.<sup>34</sup>

A frequent source of interpersonal conflict in organizations is what many people call a “personality clash”—when two people distrust each other’s motives, dislike each other, or for some other reason simply cannot get along.<sup>35</sup> Conflict may also arise between people who have different beliefs or perceptions about some aspect of their work or their organization. For example, one manager might want the organization to require that all employees use Microsoft Office software, to promote standardization. Another manager might believe that a variety of software packages should be allowed, in order to recognize individuality. Similarly, a male manager may disagree with his female colleague over whether the organization is guilty of discriminating against women in promotion decisions. Conflict can also result from excess competitiveness among individuals. Two people vying for the same job, for example, may resort to political behavior in an effort to gain an advantage. If either competitor sees the other’s behavior as inappropriate, accusations are likely to result. Even after the “winner” of the job is determined, such conflict may continue to undermine interpersonal relationships, especially if the reasons given for selecting one candidate are ambiguous or open to alternative explanations. Acer CEO and President Gianfranco Lanci resigned in 2011 due to several months of unresolved conflict with the company’s board of directors. Lanci and the board had differing views on organizational growth, customer value creation, brand position enhancement, and resource allocation. Lanci pushed strongly for a move into the mobile segment to compete with Apple’s iPad, while the board wanted to maintain its core PC business.<sup>36</sup>

Sometimes, of course, conflicts can’t be resolved from within the organization, and when parties—both individuals and companies—are forced to seek resolution outside corporate headquarters, they usually find themselves in a courtroom or the offices of a governmental agency. Once in a great while, conflicts escalate to the point at which they end up in the halls of Congress. Our *Change* box on page 556, entitled “Whistle-Blowing in the Dark,” provides a good example.



## THE MORE THINGS CHANGE

### Whistle-Blowing in the Dark



Jason Reed/Reuters

In 2008, Joseph Burke, a former manager at the advertising firm Ogilvy & Mather (O&M), filed a complaint with the Occupational Safety and Health Administration (OSHA), which is responsible for enforcing the whistle-blower protection provisions of the Sarbanes-Oxley Act (SOX). Burke charged that, in violation of SOX, he had been fired for cooperating with a federal investigation into his employer's billing practices. The story (at least so far) may seem straightforward, but it raises two fairly obvious questions:

1. Why SOX? Enacted in 2002 in the wake of corporate scandals involving such companies as Enron and Worldcom, SOX protects people who blow the whistle on firms that are registered or required to file reports with the Securities and Exchange Commission (SEC). The law states in part that covered companies "may not discharge or in any manner retaliate against an employee because he or she . . . assisted in an investigation by . . . a federal regulatory or law enforcement agency."
2. Why OSHA? Under the direction of the U.S. Department of Labor (DOL), OSHA is responsible for enforcing the whistle-blowing statutes of SOX. A complaint like Joseph Burke's goes first to an OSHA official, where it may be upheld or dismissed. It may then be appealed to a DOL administrative law judge (ALJ) and again appealed to the DOL's Administrative Review Board (ARB).

Burke's complaint didn't get very far: It was dismissed by OSHA, whose decision was upheld by an ALJ. As it happens, Burke has had a lot of company in his frustration. In the decade after SOX became law, the OSHA-DOL process ruled in favor of just 21 corporate whistle-blowers—out of nearly 1,500 complaints. And almost 1,000 others were dismissed before reaching an ALJ. Why this overwhelming preponderance in favor of corporate defendants? Under the Bush administration, DOL lawyers issued a directive declaring that there is "no legal basis for the argument that subsidiaries of covered corporations are automatically covered" by SOX; after all, said administration lawyers, the law nowhere "expressly" says "subsidiaries." Joseph Burke, as an employee of O&M, worked for a *non-public subsidiary* of publicly traded WPP Group PLC. Thus his case, according to the ALJ who presided over it, fell short because "only employees of publicly traded companies are protected" and Burke had "not established, by a preponderance of evidence, that he is an employee of a company covered under" SOX.

Not surprisingly, many people, both in government and the legal profession, were opposed to the DOL's strict interpretation of SOX. At least one ALJ, recalling the era of unchecked corporate fraud under which the law was passed, reminded his colleagues that "subsidiaries were the vehicles through which the fraud was facilitated or accomplished" in the first place. Also adamant about the broader intent of SOX was U.S. Senator Patrick Leahy, who coauthored the law's whistle-blowing provisions. Why *wouldn't* SOX cover subsidiaries? he asked. "Otherwise, a company that wants to do something shady could just do it in a subsidiary."

As Congress eventually moved to close the loophole, OSHA took steps to enforce the whistle-blowing provisions of SOX more vigorously: In March 2010, the agency issued awards totaling more than \$1.6 million, plus reinstatement, to two whistle-blowers. In April 2011, the DOL's Administrative Review Board ruled that SOX does in fact protect employees of publicly traded companies.

References: Jennifer Levitz, "Shielding the Whistleblower," *Wall Street Journal*, December 1, 2009, <http://online.wsj.com> on April 30, 2011; David Nolte, "DOL Continues to Ignore and Rewrite SOX's Whistleblower Law," *HGExperts.com*, 2010, [www.hgexperts.com](http://www.hgexperts.com) on April 30, 2011; Squire, Sanders & Dempsey LLP, "Sarbanes-Oxley Whistleblower Complaints against Non-Public Subsidiaries Routinely Dismissed by OSHA," October 16, 2008, [www.ssd.com](http://www.ssd.com) on April 30, 2011; Jennifer Levitz, "Whistleblowers Are Left Dangling," *Wall Street Journal*, September 4, 2008, <http://online.wsj.com> on April 30, 2011; Seyfarth Shaw LLP, "OSHA Steps Up Enforcement of Sarbanes-Oxley Whistleblower Claims," March 24, 2010, [www.seyfarth.com](http://www.seyfarth.com) on April 30, 2011; Richard Renner, "ARB Holds That SOX Covers Subsidiaries," *Whistleblower Protection Blog*, April 1, 2011, [www.whistleblowersblog.org](http://www.whistleblowersblog.org).

**Intergroup Conflict** Conflict between two or more organizational groups is also quite common. For example, the members of a firm's marketing group may disagree with the production group over product quality and delivery schedules. Two sales groups may disagree over how to meet sales goals, and two groups of managers may have different ideas about how best to allocate organizational resources.

Many intergroup conflicts arise more from organizational causes than from interpersonal causes. In Chapter 11, we described three forms of group interdependence—pooled, sequential, and reciprocal. Just as increased interdependence makes coordination more difficult, it also increases the potential for conflict. For example, recall that in sequential interdependence, work is passed from one unit to another. Intergroup conflict may arise if the first group turns out too much work (the second group will fall behind), too little work (the second group will not meet its own goals), or poor-quality work.

At one JCPenney department store, conflict arose between stockroom employees and sales associates. The sales associates claimed that the stockroom employees were slow in delivering merchandise to the sales floor so that it could be priced and shelved. The stockroom employees, in turn, claimed that the sales associates were not giving them enough lead time to get the merchandise delivered and failed to understand that they had additional duties besides carrying merchandise to the sales floor.

Just like people, different departments often have different goals. Further, these goals may often be incompatible. A marketing goal of maximizing sales, achieved partially by offering many products in a wide variety of sizes, shapes, colors, and models, probably conflicts with a production goal of minimizing costs, achieved partially by long production runs of a few items. Reebok recently confronted this very situation. One group of managers wanted to introduce a new sportswear line as quickly as possible, but other managers wanted to expand more deliberately and cautiously. Because the two groups were not able to reconcile their differences effectively, conflict between the two factions led to quality problems and delivery delays that plagued the firm for months.

Competition for scarce resources can also lead to intergroup conflict. Most organizations—especially universities, hospitals, government agencies, and businesses in depressed industries—have limited resources. In one New England town, for example, the public works department and the library battled over funds from a federal construction grant. The Buick, Pontiac, and Chevrolet divisions of General Motors frequently fought over the right to manufacture various new products developed by the company. This in-fighting was identified as one of many factors that led to GM's recent problems. As part of the solution, the Pontiac brand was eventually discontinued.

**Conflict Between Organization and Environment** Conflict that arises between one organization and another is called *interorganizational conflict*. A moderate amount of interorganizational conflict resulting from business competition is expected, of course, but sometimes conflict becomes more extreme. For example, Starwood Hotels (owners of Sheraton, Westin, W, and other brands) sued Hilton Hotels Corporation for theft of trade secrets. In an effort to replicate Starwood's successful lifestyle hotels (most notably W), Hilton hired two Starwood executives, Ross Klein and Amar Lalvani, who were ultimately accused of stealing over 100,000 documents from Starwood to use in the development of the new Hilton brand. The suit was recently settled in favor of Starwood, with Hilton being forced to make a \$75 million payment to Starwood.<sup>37</sup>

Conflict can also arise between an organization and other elements of its environment. For example, an organization may conflict with a consumer group over claims it makes about its products. McDonald's faced this problem a few years ago when it published nutritional information about its products that omitted details about fat content. A manufacturer might conflict with a governmental agency such as the federal Occupational Safety and Health Administration (OSHA). For example, the firm's management may believe it is in compliance with OSHA regulations, whereas officials from the agency itself believe that the firm is not in compliance. Or a firm might conflict with a supplier over the quality of raw materials.

The firm may think the supplier is providing inferior materials, while the supplier thinks the materials are adequate. Finally, individual managers obviously may have disagreements with groups of workers. For example, a manager may think her workers are doing poor-quality work and that they are unmotivated. The workers, on the other hand, may believe they are doing good jobs and that the manager is doing a poor job of leading them.

Define conflict and identify its primary causes.  
Try to think of a time when you were involved in conflict that had a positive outcome.

**CONCEPT CHECK**



# Managing Conflict in Organizations

How do managers cope with all this potential conflict? Fortunately, as Table 19.3 shows, there are ways to stimulate conflict for constructive ends, to control conflict before it gets out of hand, and to resolve it if it does. Below we look at ways of managing conflict.<sup>38</sup>

## Stimulating Conflict

In some situations, an organization may stimulate conflict by placing individual employees or groups in competitive situations. Managers can establish sales contests, incentive plans, bonuses, or other competitive stimuli to spark competition. As long as the ground rules are equitable and all participants perceive the contest as fair, the conflict created by the competition is likely to be constructive because each participant will work hard to win (thereby enhancing some aspect of organizational performance).

Another useful method for stimulating conflict is to bring in one or more outsiders who will shake things up and present a new perspective on organizational practices. Outsiders may be new employees, current employees assigned to an existing work group, or consultants or advisors hired on a temporary basis. Of course, this action can also provoke resentment

**TABLE 19.3**  
**METHODS FOR**  
**MANAGING CONFLICT**

Conflict is a powerful force in organizations and has both negative and positive consequences. Thus managers can draw on several different techniques to stimulate, control, or resolve and eliminate conflict, depending on their unique circumstances.

Stimulating Conflict
Increase competition among individuals and teams.
Hire outsiders to shake things up.
Change established procedures.
Controlling Conflict
Expand resource base.
Enhance coordination of interdependence.
Set superordinate goals.
Match personalities and work habits of employees.
Resolving and Eliminating Conflict
Avoid conflict.
Convince conflicting parties to compromise.
Bring conflicting parties together to confront and negotiate conflict.

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from insiders who feel they were qualified for the position. The Beecham Group, a British company, once hired an executive from the United States for its CEO position, expressly to change how the company did business. His arrival brought with it new ways of doing things and a new enthusiasm for competitiveness. Unfortunately, some valued employees also chose to leave Beecham because they resented some of the changes that were made.

Changing established procedures, especially procedures that have outlived their usefulness, can also stimulate conflict. Such actions cause people to reassess how they perform their job and whether they perform it correctly. For example, one university president announced that all vacant staff positions could be filled only after written justification had received his approval. Conflict arose between the president and the department heads, who felt they were having to do more paperwork than was necessary. Most requests were approved, but because department heads now had to think through their staffing needs, a few unnecessary positions were appropriately eliminated.

## Controlling Conflict

One method of controlling conflict is to expand the resource base. Suppose a top manager receives two budget requests for \$100,000 each. If she has only \$180,000 to distribute, the stage is set for conflict because each group will believe its proposal is worth funding and will be unhappy if it is not fully funded. If both proposals are indeed worthwhile, it may be possible for the manager to come up with the extra \$20,000 from some other source and thereby avoid difficulty.

As noted earlier, pooled, sequential, and reciprocal interdependence can all result in conflict. If managers use an appropriate technique for enhancing coordination, they can reduce the probability that conflict will arise. Techniques for coordination (described in Chapter 11) include making use of the managerial hierarchy, relying on rules and procedures, enlisting liaison people, forming task forces, and integrating departments. At the JCPenney store mentioned earlier, the conflict was addressed by providing salespeople with clearer forms on which to specify the merchandise they needed and in what sequence. If one coordination technique does not have the desired effect, a manager might shift to another one.<sup>39</sup>

Competing goals can also be a source of conflict among individuals and groups. Managers can sometimes focus employee attention on higher-level, or superordinate, goals as a way of eliminating lower-level conflict. When labor unions like the United Auto Workers make wage concessions to ensure survival of the automobile industry, they are responding to a superordinate goal. Their immediate goal may be higher wages for members, but they realize that, without the automobile industry, their members would not even have jobs.

Finally, managers should try to match the personalities and work habits of employees so as to avoid conflict between individuals. For instance, two valuable subordinates, one a chain smoker and the other a vehement antismoker, probably should not be required to work together in an enclosed space. If conflict does arise between incompatible individuals, a manager might seek an equitable transfer for one or both of them to other units.



Mark Hatfield/istockphoto.com

Conflict is a normal interpersonal process in organizations. In some cases it can be functional, but in other cases it is dysfunctional. Managers need to be alert to the underlying causes and consequences of conflict so they can encourage it, control it, or resolve it as appropriate.



## Resolving and Eliminating Conflict

Despite everyone's best intentions, conflict sometimes flares up. If it is disrupting the workplace, creating too much hostility and tension, or otherwise harming the organization, attempts must be made to resolve it.<sup>40</sup> Some managers who are uncomfortable dealing with conflict choose to avoid the conflict and hope it will go away. Avoidance may sometimes be effective in the short run for some kinds of interpersonal disagreements, but it does little to resolve long-run or chronic conflicts. Even more inadvisable, though, is "smoothing"—minimizing the conflict and telling everyone that things will "get better." Often the conflict only worsens as people continue to brood over it.

Compromise is striking a middle-range position between two extremes. This approach can work if it is used with care, but in most compromise situations, someone wins and someone loses. Budget problems are one of the few areas amenable to compromise because of their objective nature. Assume, for example, that additional resources are not available to the manager mentioned earlier. She has \$180,000 to divide, and each of two groups claims to need \$100,000. If the manager believes that both projects warrant funding, she can allocate \$90,000 to each. The fact that the two groups have at least been treated equally may minimize the potential conflict.

The confrontational approach to conflict resolution—also called *interpersonal problem solving*—consists of bringing the parties together to confront the conflict. The parties discuss the nature of their conflict and attempt to reach an agreement or a solution. Confrontation requires a reasonable degree of maturity on the part of the participants, and the manager must structure the situation carefully. If handled well, this approach can be an effective means of resolving conflict. In recent years, many organizations have experimented with a technique called *alternative dispute resolution*, using a team of employees to arbitrate conflict in this way.<sup>41</sup> Negotiation, a closely related method, is discussed in our final section.

Regardless of the approach, organizations and their managers should realize that conflict must be addressed if it is to serve constructive purposes and be prevented from bringing about destructive consequences. Conflict is inevitable in organizations, but its effects can be constrained with proper attention. For example, Union Carbide sent 200 of its managers to a three-day workshop on conflict management. The managers engaged in a variety of exercises and discussions to learn with whom they were most likely to come in conflict and how they should try to resolve it. As a result, managers at the firm later reported that hostility and resentment in the organization had been greatly diminished and that people in the firm reported more pleasant working relationships.<sup>42</sup>



## Negotiation

**Negotiation** is the process in which two or more parties (people or groups) reach agreement on an issue even though they have different preferences regarding that issue. In its simplest form the parties involved may be two individuals who are trying to decide who will pay for lunch. A little more complexity is involved when two people, such as an employee and a manager, sit down to decide on personal performance goals for the next year against which the employee's performance will be measured. Even more complex are the negotiations that take place between labor unions and the management of a company or between two companies as they negotiate the terms of a joint venture. The key issues in such negotiations are that at least two parties are involved, their preferences are different, and they need to reach agreement. Interest in negotiation has grown steadily in recent years.<sup>43</sup> Four primary approaches to negotiation have dominated this study: individual differences, situational characteristics, game theory, and cognitive approaches.

### negotiation

The process in which two or more parties (people or groups) reach agreement on an issue even though they have different preferences regarding that issue

Early psychological approaches concentrated on the personality traits of the negotiators.<sup>44</sup> Traits investigated have included demographic characteristics and personality variables. Demographic characteristics have included age, gender, and race, among others. Personality variables have included risk taking, locus of control, tolerance for ambiguity, self-esteem, authoritarianism, and Machiavellianism. The assumption of this type of research was that the key to successful negotiation was selecting the right person to do the negotiating, one who had the appropriate demographic characteristics or personality. This assumption seemed to make sense because negotiation is such a personal and interactive process. However, the research rarely showed the positive results expected because situational variables negated the effects of the individual differences.<sup>45</sup>

Situational characteristics are the context within which negotiation takes place. They include such things as the types of communication between negotiators, the potential outcomes of the negotiation, the relative power of the parties (both positional and personal), the time frame available for negotiation, the number of people representing each side, and the presence of other parties. Some of this research has contributed to our understanding of the negotiation process. However, the shortcomings of the situational approach are similar to those of the individual characteristics approach. Many situational characteristics are external to the negotiators and beyond their control. Often the negotiators cannot change their relative power positions or the setting within which the negotiation occurs. So, although we have learned a lot from research on the situational issues, we still need to learn much more about the process.

Game theory was developed by economists using mathematical models to predict the outcome of negotiation situations (as illustrated in the Academy Award-winning movie *A Beautiful Mind*). It requires that every alternative and outcome be analyzed with probabilities and numerical outcomes reflecting the preferences for each outcome. In addition, the order in which different parties can make choices and every possible move are predicted, along with associated preferences for outcomes. The outcomes of this approach are exactly what negotiators want: a predictive model of how negotiation should be conducted. One major drawback is that it requires the ability to describe all possible options and outcomes for every possible move in every situation before the negotiation starts. This is often very tedious, if possible at all. Another problem is that this theory assumes that negotiators are rational at all times. Other research in negotiation has shown that negotiators often do not act rationally. Therefore, this approach, although elegant in its prescriptions, is usually unworkable in a real negotiation situation.

The fourth approach is the cognitive approach, which recognizes that negotiators often depart from perfect rationality during negotiation; it tries to predict how and when negotiators will make these departures. Howard Raiffa's decision analytic approach focuses on providing advice to negotiators actively involved in negotiation.<sup>46</sup> Bazerman and Neale have added to Raiffa's work by specifying eight ways in which negotiators systematically deviate from rationality.<sup>47</sup> The types of deviations they describe include escalation of commitment to a previously selected course of action, overreliance on readily available information, assuming that the negotiations can produce fixed-sum outcomes, and anchoring negotiation in irrelevant information. These cognitive approaches have advanced the study of negotiation a long way beyond the early individual and situational approaches. Negotiators can use them to attempt to predict in advance how the negotiation might take place.

What techniques are available to managers to stimulate, control, and resolve conflict?

What are the primary risks involved if a manager decides to stimulate conflict?

**CONCEPT CHECK**

## Summary of Learning Objectives and Key Points

1. Define and identify types of groups and teams in organizations, discuss reasons why people join groups and teams, and list the stages of group and team development.
  - A group is two or more people who interact regularly to accomplish a common purpose or goal.
  - General kinds of groups in organizations are
    - functional groups
    - task groups and teams
    - informal or interest groups
  - A team is a group of workers that functions as a unit, often with little or no supervision, to carry out organizational functions.
2. Identify and discuss four essential characteristics of groups and teams.
  - People join functional groups and teams to pursue a career.
  - Their reasons for joining informal or interest groups include interpersonal attraction, group activities, group goals, need satisfaction, and potential instrumental benefits.
  - The stages of team development include testing and dependence, intragroup conflict and hostility, development of group cohesion, and focusing on the problem at hand.
  - Four important characteristics of teams are role structures, behavioral norms, cohesiveness, and informal leadership.
- Role structures define task and socioemotional specialists and may be disrupted by role ambiguity, role conflict, or role overload.
  - Norms are standards of behavior for group members.
  - Cohesiveness is the extent to which members are loyal and committed to the team and to one another.
  - Informal leaders are those leaders whom the group members themselves choose to follow.
3. Discuss interpersonal and intergroup conflict in organizations.
  - Conflict is a disagreement between two or more people, groups, or organizations.
  - Too little or too much conflict may hurt performance, but an optimal level of conflict may improve performance.
  - Interpersonal and intergroup conflict in organizations may be caused by personality differences or by particular organizational strategies and practices.
4. Describe how organizations manage conflict.
  - Organizations may encounter conflict with one another and with various elements of the environment.
  - Three methods of managing conflict are
    - to stimulate it
    - to control it
    - to resolve and eliminate it

## Discussion Questions

### Questions for Review

1. What is a group? Describe the several different types of groups and indicate the similarities and differences among them. What is the difference between a group and a team?
2. What are the stages of group development? Do all teams develop through all the stages discussed in this chapter? Why or why not? How might the management of a mature team differ from the management of teams that are not yet mature?
3. Describe the development of a role within a group. Tell how each role leads to the next.
4. Describe the causes of conflict in organizations. What can a manager do to control conflict? To resolve and eliminate conflict?

### Questions for Analysis

5. Individuals join groups for a variety of reasons. Most groups contain members who joined for different reasons. What is likely to be the result when members join a group for different reasons? What can a group leader do to reduce the negative impact of a conflict in reasons for joining the group?

6. Consider the case of a developed group, where all members have been socialized. What are the benefits to the individuals of norm conformity? What are the benefits of not conforming to the group's norms? What are the benefits to an organization of

conformity? What are the benefits to an organization of nonconformity?

7. Do you think teams are a valuable new management technique that will endure, or are they just a fad that will be replaced with something else in the near future?

### Questions for Application

8. Think of several groups of which you have been a member. Why did you join each? Did each group progress through the stages of development discussed in this chapter? If not, why do you think it did not?
9. Describe the behavioral norms that are in effect in your management class. To what extent are the norms generalized; in other words, how severely are students "punished" for not observing norms? To what extent is there norm

variation; that is, are some students able to "get away" with violating norms to which others must conform?

10. Describe a case of interpersonal conflict that you have observed in an organization. Describe a case of intergroup conflict that you have observed. (If you have not observed any, interview a worker or manager to obtain examples.) In each case, was the conflict beneficial or harmful to the organization, and why?

## Building Effective Conceptual Skills

### Exercise Overview

Conceptual skills require you to think in the abstract. This exercise will allow you to practice your concep-

tual skills as they apply to the activities of work teams in organizations.

### Exercise Background

Business organizations, of course, don't have a monopoly on effective groups. Basketball teams and military squadrons are teams, as is a government policy group such as the president's

cabinet, the leadership of a church or civic organization, or even a student committee.

### Exercise Task

1. Use the Internet to identify an example of a real-life team. Be sure to choose one that meets two criteria: (i) it's not part of a for-profit business and (ii) you can argue that it's highly effective.
2. Determine the reasons for the team's effectiveness. (*Hint:* You might look for websites sponsored by the group itself, review online news sources for current articles about it,

or enter the group name in a search engine.) Consider team characteristics and activities, such as role structures, norms, cohesiveness, and conflict management.

3. What can a manager learn from the characteristics and activities of this particular team? How might the factors that contribute to this team's success be adopted in a business setting?

## Building Effective Communication Skills

### Exercise Overview

Communication skills refer not only to the ability to convey information and ideas to others but to handle information and ideas received from them. They're essential to effective teamwork because teams depend on the ability of members

to send and receive information that's accurate. This exercise invites you to play a game designed to demonstrate how good communication skills can lead to improved teamwork and team performance.

### Exercise Background

You'll play this game in three separate rounds. In round 1, you're own your own. In round 2, you'll work in a small group and share information. You'll also work in a small group in round 3, but this time, you'll have the additional

benefit of some suggestions for improving the group's performance. Typically, students find that performance improves over the course of the three rounds. In particular, they find that creativity is enhanced when information is shared.



## Exercise Task

1. Play the “Name Game” that your professor will explain to you. In round 1, work out your answers individually and then report your individual score to the class.
2. For round 2, you’ll join a group of three to five students. Work out your answers together and write your group answers on a single sheet of paper. Now allow each group member to look at the answer sheet. If you can do so without being overheard by other groups, have each group member whisper the answers on the sheet to the group. Report your group score to the class.
3. Your professor will then ask the highest-performing individuals and groups to share their methods with the class.

At this point, your professor will make some suggestions. Be sure to consider at least two strategies for improving your score.

4. Now play round 3, working together in the same small groups in which you participated in round 2. Report your group scores to the class.
5. Did average group scores improve upon average individual scores? Why or why not?
6. Did average group scores improve after methods for improvement were discussed at the end of round 2? Why or why not?
7. What has this game taught you about teamwork and effectiveness? Share your thoughts with the class.

## Management at Work

### Tracking Carbon Footprints Across Scientific Borders

If you’re one of the world’s 700 million richest people, you’re probably a “high emitter” living a “carbon-intensive” lifestyle (at least statistically speaking). In plain English, because your lifestyle probably includes air travel, the use of a car, and a house to heat and cool, you’re probably responsible for releasing more than your share of CO<sub>2</sub>—carbon dioxide—into the earth’s atmosphere.

“We estimate that . . . half the world’s emissions come from just 700 million people,” explains Shoibal Chakravarty, lead author of a 2009 study conducted by researchers at Princeton University. “It’s mischievous,” admits coauthor Robert Socolow, “but it’s meant to be a logjam-breaking concept,” and the proposals for cutting CO<sub>2</sub> emissions offered by the Princeton team have been widely praised for the fairness that they inject into a debate that’s been stalemated for nearly 20 years.

The research team’s report, entitled “Sharing Global CO<sub>2</sub> Emission Reductions among One Billion High Emitters,” appeared in the July 2009 *Proceedings of the National Academy of Sciences* under the names of six coauthors. Shoibal Chakravarty, a physicist specializing in CO<sub>2</sub> emissions, is a research associate at the Princeton Environmental Institute (PEI), an interdisciplinary center for environmental research and education. Also associated with PEI is Massimo Tavoni, an economist who studies international policies on climate change. Stephen Pacala, who’s the director of PEI, is a professor of ecology and evolutionary biology who focuses on the interactions of climate and the global biosphere. Robert Socolow, a professor of mechanical and aerospace engineering, studies global carbon management. Ananth Chikkatur, of Harvard’s Belfer Center for Science and International Affairs, is a physicist who specializes in energy policy and technology innovation. Heleen de Coninck, a chemist, works on international climate policy and technology at the Energy Research Centre of the Netherlands.

Needless to say, the carbon footprint team was a diverse group in terms of academic discipline (not to mention national-

ity). Its innovative approach to the problem of CO<sub>2</sub> emissions—one which shows that it’s possible to cut emissions and reduce poverty at the same time—resulted from an approach to high-level scientific problem solving that’s typically called *interdisciplinary* or *multidisciplinary research*. The global footprint study, says Pacala, “represents a collaboration among young people from disparate disciplines—physics, economics, political science. . . . The team,” he stresses, “worked together to formulate a novel approach to a longstanding and intractable problem,” and its interdisciplinary approach to that problem reflects the prevailing model for the study of today’s most complex and daunting issues, such as AIDS, terrorism, and global climate change.

To determine the extent to which team-based research has supplanted individual research among academics, a group at Northwestern University examined nearly 20 million papers published over a period of five decades. They found that

*teams increasingly dominate solo authors in the production of knowledge. Research is increasingly done in teams across virtually all fields. Teams typically produce more highly cited research than individuals do, and this advantage is increasing over time. Teams now also produce the exceptionally high-impact research, even where that distinction was once the domain of solo authors.*

Not surprisingly, the shift from the individual to the team-based model of research has been most significant in the sciences, where there’s been, says the Northwestern study, “a substantial shift toward collective research.” One reason for the shift, suggest the authors, may be “the increasing capital intensity of research” in laboratory sciences, where the growth of collaboration has been particularly striking. The increasing tendency toward specialization may be another reason. As knowledge grows in a discipline, scientists tend to devote themselves to specialty areas, the discipline itself becomes fragmented into “finer divisions of labor,” and studies of larger issues in the discipline thus require greater collaboration.

And what about collaboration that extends beyond the confines of academia? As it happens, Robert Socolow and Stephen Pacala, in addition to working on the carbon footprint team, are codirectors of the Carbon Mitigation Initiative (CMI), a partnership among Princeton, Ford, and BP, the world's third-largest oil company. BP picks up 75 percent of the tab for research whose goal, according to CMI's mission statement, is "a compelling and sustainable solution of the carbon and climate change problem." CMI seeks "a novel synergy across fundamental science, technological development, and business principles that accelerates the pace of discovery," and collaboration is essential to its work because it crosses the borders between scientific, technological, and business interests.

It's also crucial because CMI's research is geared toward what Socolow calls a "whole system" approach to the problem of reducing carbon emissions. "If BP takes a whole

system view of the problem," explains Socolow, "and as a supplier pays attention to the use of its products and finds ways of improving their efficiency during the use phase, that may be the most important thing this company can do over the next 10 years to save carbon." A whole system approach, for example, may include research into a process called CCS, for *carbon capture and storage*, which involves capturing CO<sub>2</sub> emissions from a major source, such as a power plant, and storing it somewhere away from the atmosphere, perhaps in a deep geological formation, such as an oil field or a seam of coal. Accordingly, CMI is divided into research groups, including the Capture Group, which works on technologies for capturing emissions from fossil fuels, and the Storage Group, which investigates the potential risks of injecting CO<sub>2</sub> underground. Working through CMI, BP has been able to launch a CCS trial at a gas-development facility in Algeria.

### Case Questions

1. In what sense was the carbon footprint team a *task group*? As a task group, in what ways was it a *team*? As a team, in what ways was it a *virtual team*?
2. Consider both the carbon footprint team and the Carbon Mitigation Initiative (CMI). In what ways must such groups work to achieve *cohesiveness*? What factors are likely to make this effort difficult?
3. What's your experience with teamwork? Have you ever undertaken a solo project which, in retrospect, would

have benefited from a team-based approach? If you've ever been part of a team, either permanent or formed to tackle a specific set of problems, explain why, in your opinion, it succeeded (or failed) at its appointed task(s).

4. Some researchers are wary about collaborations between academic and industry organizations, such as CMI. Why do you suppose this is so? What potential problems do you see? How can they best be avoided?

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## YOU MAKE THE CALL On the One Hand (Or Maybe on the Other Hand)

1. Explain a surgical team as a kind of *functional group*. What features does it share with most functional groups? What features distinguish it from most functional groups?
2. Explain a surgical team in terms of its *role structures*. What factors might lead to *role ambiguity*? To *role conflict*? To *role overload*?
3. Explain a surgical team in terms of its *behavioral norms*. How might *norm variation* and *norm conformity* contribute to either effective or ineffective communications?
4. How do various strategies for improving surgical-team communications reflect a desire to achieve *cohesiveness*? Is increased cohesiveness always a desirable goal? Why or why not?



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