Chapter – Five

Management of Organizational Conflict

Conflict

- Conflict Defined
  - A process that begins when one party perceives that another party has negatively affected, or is about to negatively affect, something that the first party cares about.
    - Is that point in an ongoing activity when an interaction "crosses over" to become an interparty conflict.
  - Encompasses a wide range of conflicts that people experience in organizations
    - Incompatibility of goals
    - Differences over interpretations of facts
    - Disagreements based on behavioral expectations

Transitions in Conflict Thought

Traditional View of Conflict

The belief that all conflict is harmful and must be avoided.

Causes:

- Poor communication
- Lack of openness
- Failure to respond to employee needs

Transitions in Conflict Thought (cont'd)

Human Relations View of Conflict

The belief that conflict is a natural and inevitable outcome in any group.

Interactionism View of Conflict

The belief that conflict is not only
a positive force in a group but that
it is absolutely necessary for a
group to perform effectively.

Functional versus Dysfunctional Conflict

Functional Conflict

Conflict that supports the goals of the group and improves its performance.
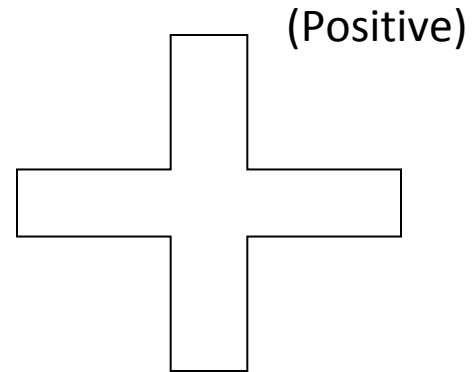
(Positive)

Dysfunctional Conflict

Conflict that hinders group performance.

(Negative)

Functional Conflict

– **Conflict that supports the goals of the group and improves its performance.**
– **constructive forms of conflict**
– **When conflict focuses on tasks, constructive debate can improve decision making and work outcomes.**
– **can be thought of as a type of creative tension**

Cont…………

- **Conflict develops cohesiveness within the group members.**
  - A group goal therefore becomes a priority.
  - Individual goals are then relegated to secondary position.
- **Conflict leads to innovation and creativity, as there is competing sprit among various groups.**
- **Conflict provides challenging work environment and enhances opportunities for self-development of group that leads to formation of group norms.**
- **Enhance work culture leads to up gradation of various systems within the organization and therefore growth is achieved.**

Dysfunctional Conflict

- conflicts that hinder group performance
- destructive, forms of conflict
- a group is unable to achieve its goals because of conflict
- Studies reveal that most of the dysfunctional conflict falls under behavioral conflict category.
- It diverts energies, hurts group cohesion, promotes interpersonal hostilities, and overall creates a negative environment for workers.

Dysfunctional nature of conflict can be identified in the following circumstances:

- When conflict does not lead to solution.

- When basic goals of the organization are neglected.

- When people treated without due respect.

  - If it is violated and a climate of distrust and suspicion is created people feel defeated and demeaned which develops antagonism and leads to conflict.

Cont…..'d

- When absenteeism and turnover increased
- When the dual management style create hatred
- disloyalty

Causes of Conflict

- **Scarce Resources**
- **Jurisdictional Ambiguities**
- **Personality Clashes**
- **Power and Status Differences**
- **Goal Differences**
- **Communication Breakdown**

Conflict can be broadly classified

- task oriented conflict,
- behavioral conflict and
- structural   conflict   or process conflict

Conflict can be broadly classified …….con't

- **task oriented conflict**
  - relates to the group goals or objectives to be achieved by the group

- **behavioral conflict**
  - relates to individual's value system, approach, attitude, ego state, skill and norms being followed

- **structural conflict or process conflict**
  - related to how a task is being accomplished in the organization.
  - It is related with various processes, procedures, drills and instructions that are being followed on a particular job.

Types of Conflict

- **Intra ……Within**
- **Inter …….Between**
- **The conflict may be**
  - **intra personal,**
  - **inter-personal,**
  - **intra-group,**
  - **inter-group or**
  - **intra-organizational, and**
  - **inter-organizational in nature**

Cont……

1 Intra-personal Conflict

- **the conflict within the individual. It can be**
  - **Value conflict: there are certain situations when an individual may have to compromise on value system and beliefs.**
  - **Decision-making: Problem solving is one of the important jobs every individual has to undertake in work environment. Every problem has various courses open. At times it is difficult for a person to select an appropriate course of action.**

Cont…..

2.Inter-personal Conflict

- **relates to conflict between two or more individuals**
- **is probably the most common and recognized form of conflict.**
- **is caused due to disagreement over goals and objectives of the organization.**
- **These are heightened due to difference of opinion of individuals and when issues are not based on facts.**

Cont…..

3 Intra-group conflict

- **relates to values, status and roles played by an individual in the group and the group norms.**
  - **Individual may want to remain in the group for social needs but may disagree with the methods and procedures followed by the group.**
  - **The conflict may arise when social changes are incorporated in the group. When group faces new problems and when values are changed due to change in social environment.**
- **Intra-group conflict is like Inter-personal conflict except that the people involved in the conflict episode belong to a common group.**

Cont……..

4 Inter-group conflict

- **Conflicts between different groups, sections and departments**
  - **E,g conflict between production and sales departments**
- **Inter-group conflict causes due to factors inherent to the organizational structure like independence, inconsistency in various policy matter, variance on promotion criteria, reward system and different standards being adopted for different sub-units and departments.**

Cont……………

5 Intra organizational conflict

- **encompasses horizontal, vertical, line–staff and role based conflicts.**
- **Horizontal Conflict**
  - **is caused due to incompatibility of goals, sharing limited resources and difference in time orientation.**
  - **relates to employees or group at the same level.**
- **Vertical conflict**
  - **refers to conflicts that might take place between different levels of hierarchy.**
  - **Conflicts between subordinates and superior occur due to incompatibility.**

Cont……….

5 Intra organizational conflict

- **encompasses horizontal, vertical, line–staff and role based conflicts.**

- **Line and staff conflict**
    - **Line authority creates product and services and contributes directly towards the revenue generation.**
    - **While staff authority assists line authority and acts in advisory capacity.**

Cont……….

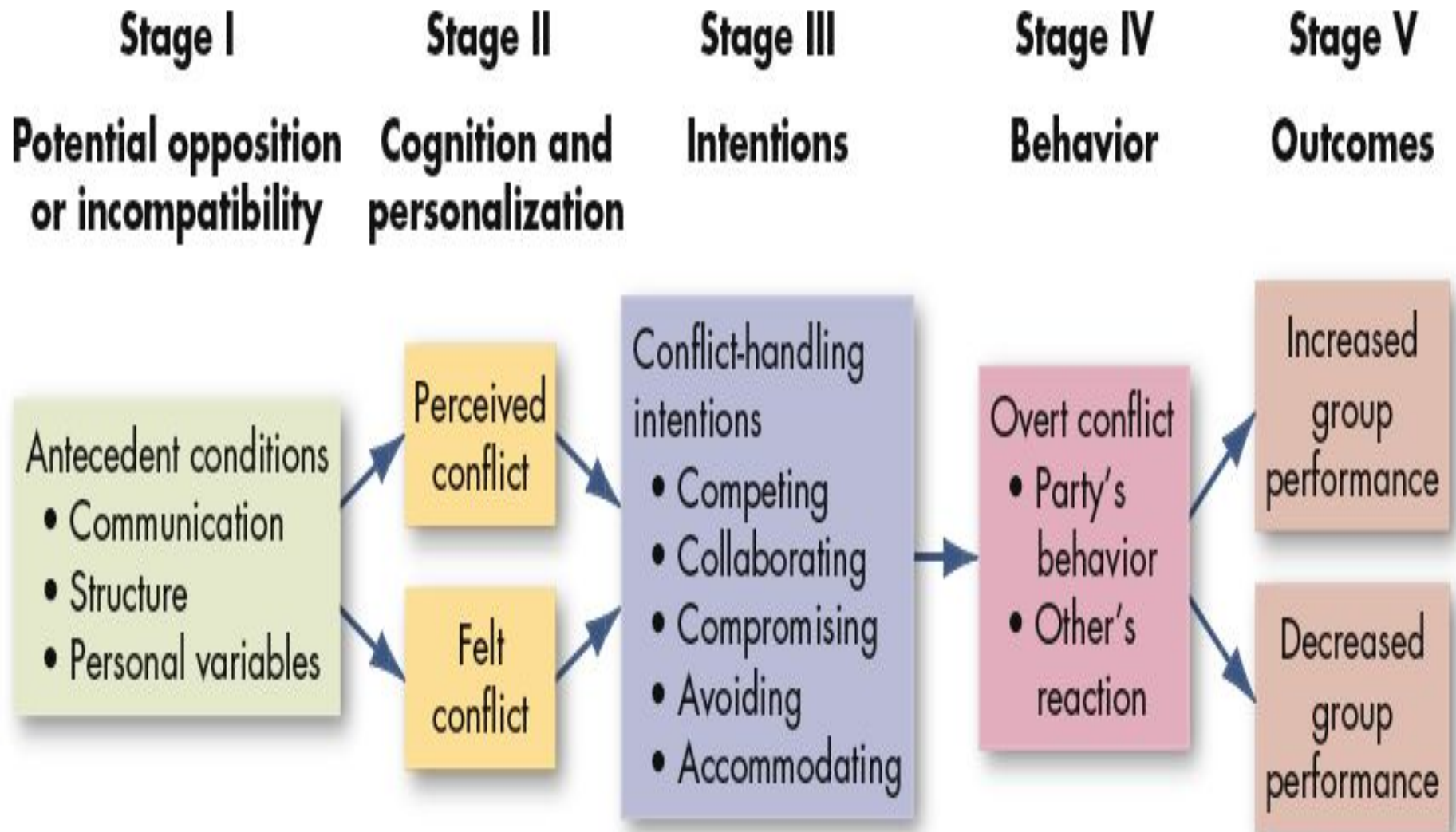## 5 Intra organizational conflict

- **encompasses horizontal, vertical, line–staff and role based conflicts.**

- **Role Conflict**
    - **Conflict arises when roles assigned to person have different expectation.**
    - **'Time' management may cause conflict.**

Cont………..

6 Inter organizational conflict

- **takes place between two dependent organizations.**
- **Conflict can take place between government organization, unions and the operating industry.**

The Conflict Process

Stage I
Potential opposition or incompatibility

Stage II
Cognition and personalization

Stage III
Intentions

Stage IV
Behavior

Stage V
Outcomes

Antecedent conditions
- Communication
- Structure
- Personal variables

Perceived conflict

Felt conflict

Conflict-handling intentions
- Competing
- Collaborating
- Compromising
- Avoiding
- Accommodating

Overt conflict
- Party's behavior
- Other's reaction

Increased group performance

Decreased group performance

Stage I: Potential Opposition or Incompatibility

- Communication
  - Semantic difficulties, misunderstandings, and "noise"
- Structure
  - Size and specialization of jobs
  - Jurisdictional clarity/ambiguity
  - Member/goal incompatibility
  - Leadership styles (close or participative)
  - Reward systems (win-lose)
  - Dependence/interdependence of groups
- Personal Variables
 - Differing individual value systems
  - Personality types

Stage II: Cognition and Personalization

Perceived Conflict
Awareness by one or more parties of the existence of conditions that create opportunities for conflict to arise.

Felt Conflict
Emotional involvement in a conflict creating anxiety, tenseness, frustration, or hostility.

Conflict Definition

Negative Emotions

Positive Feelings
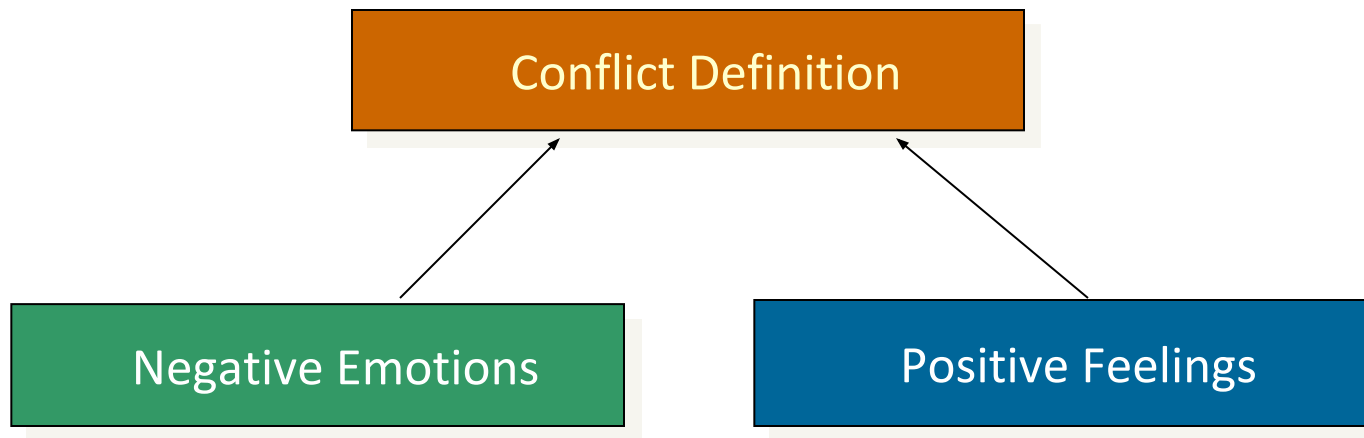
Stage III: Intentions

Intentions

Decisions to act in a given way.

Cooperativeness:
- Attempting to satisfy the other party's concerns.

Assertiveness:
- Attempting to satisfy one's own concerns.

Dimensions of Conflict-Handling Intentions
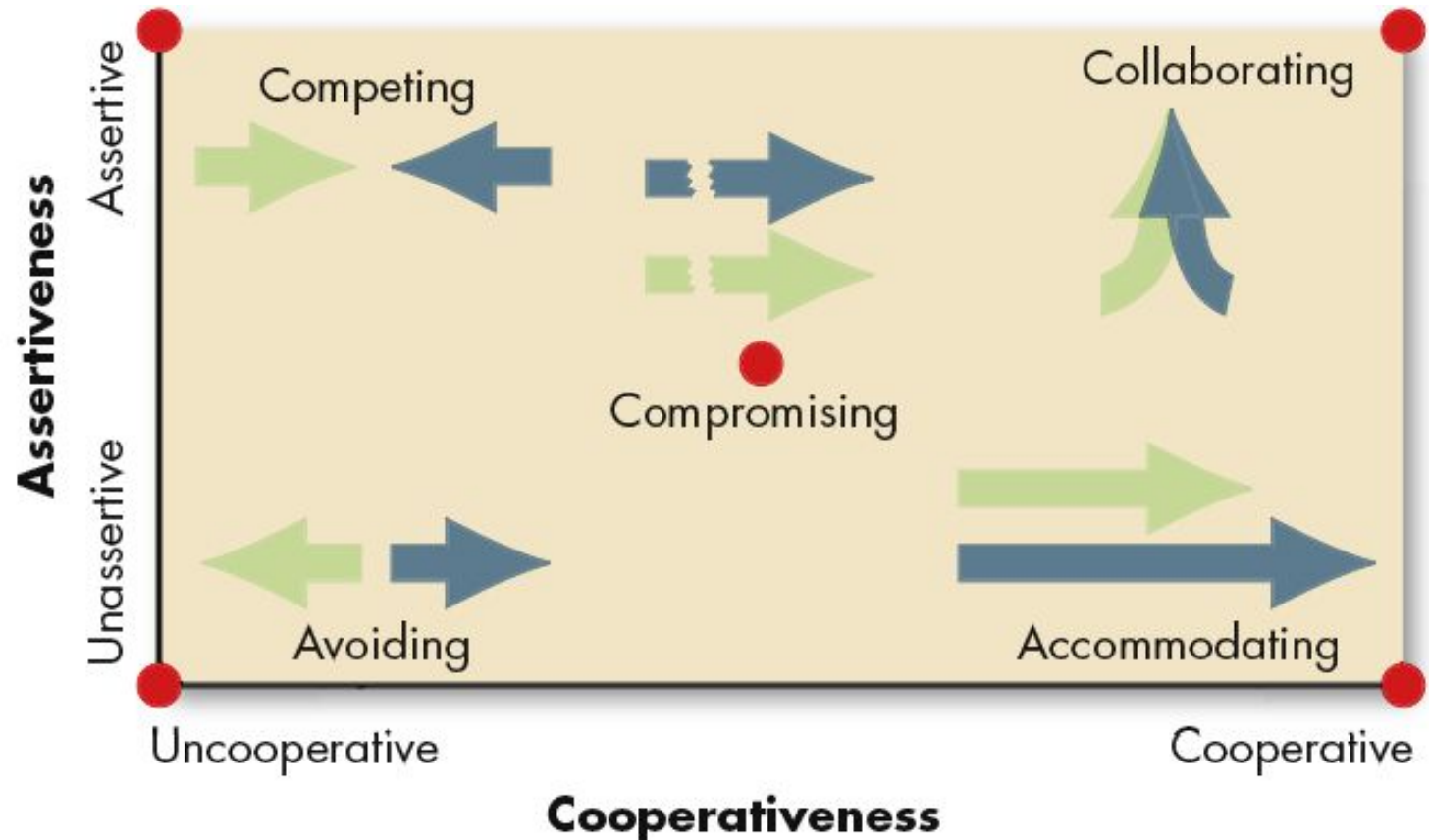
Stage III: Intentions (cont'd)

Competing

A desire to satisfy one's interests, regardless of the impact on the other party to the conflict.

Collaborating

A situation in which the parties to a conflict each desire to satisfy fully the concerns of all parties.

Avoiding

The desire to withdraw from or suppress a conflict.

Stage III: Intentions (cont'd)

Accommodating

The willingness of one party in a conflict to place the opponent's interests above his or her own.

Compromising

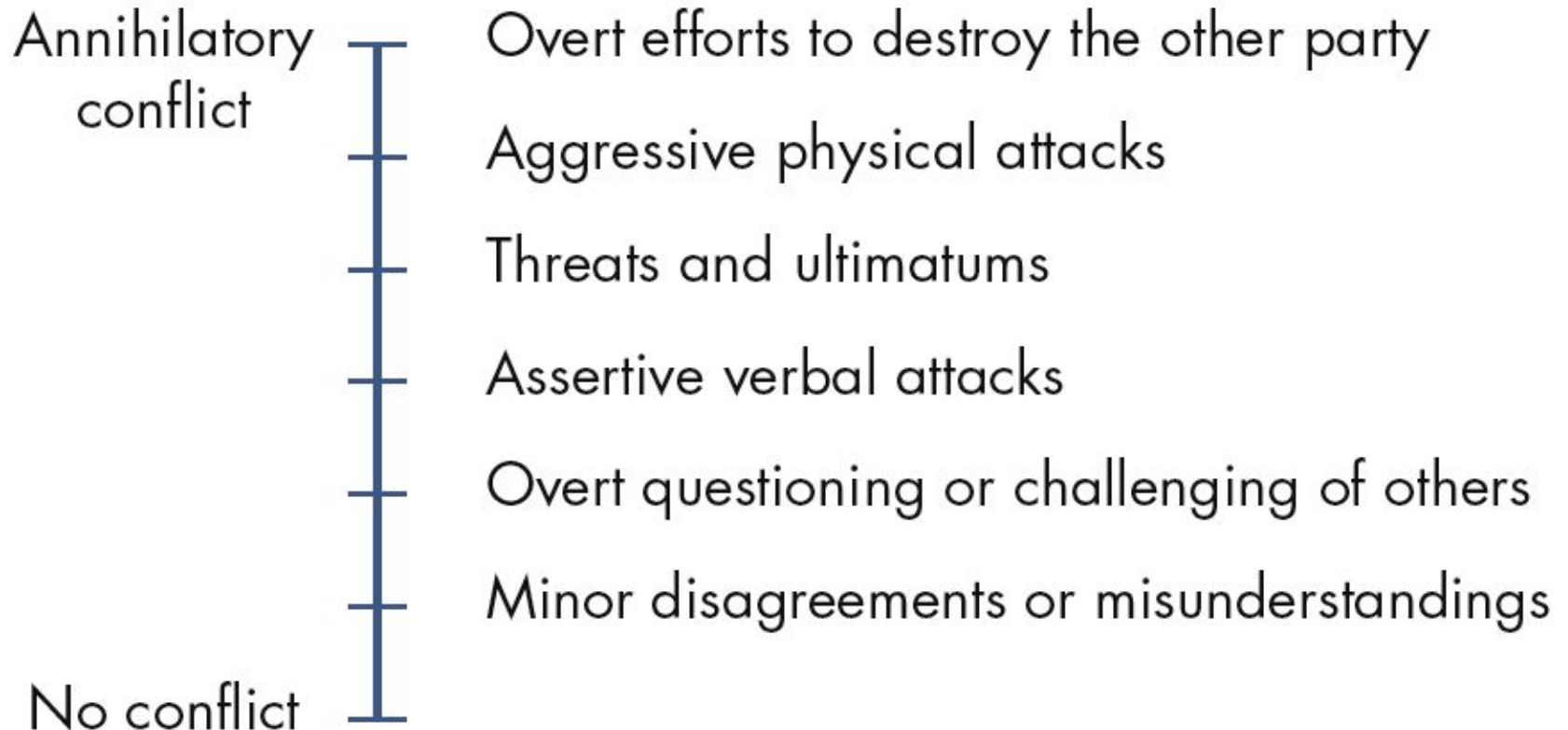A situation in which each party to a conflict is willing to give up something.

Stage IV: Behavior

Conflict Management

The use of resolution and stimulation techniques to achieve the desired level of conflict.

Conflict-Intensity Continuum

Annihilatory
conflict ——— Overt efforts to destroy the other party

Aggressive physical attacks

Threats and ultimatums

Assertive verbal attacks

Overt questioning or challenging of others

Minor disagreements or misunderstandings

No conflict ———

Source: Based on S.P. Robbins, *Managing Organizational Conflict: A Nontraditional Approach* (Upper Saddle River, NJ: Prentice Hall, 1974), pp. 93–97; and F. Glasi, "The Process of Conflict Escalation and the Roles of Third Parties," in G.B.J. Bomers and R. Peterson (eds.), *Conflict Management and Industrial Relations* (Boston: Kluwer-Nijhoff, 1982), pp. 119–40.

Conflict Management Techniques

Conflict Resolution Techniques

- Problem solving
- Superordinate goals
- Expansion of resources
- Avoidance
- Smoothing
- Compromise
- Authoritative command
- Altering the human variable
- Altering the structural variables

Source: Based on S. P. Robbins, *Managing Organizational Conflict: A Nontraditional Approach* (Upper Saddle River, NJ: Prentice Hall, 1974), pp. 59–89

Conflict Management Techniques

Conflict stimulation Techniques

- Communication
- Bringing in outsiders
- Restructuring the organization
- Appointing a devil's advocate
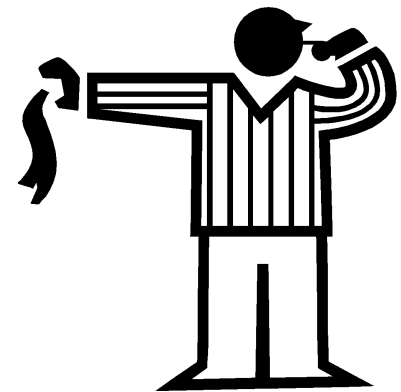
Source: Based on S. P. Robbins, *Managing Organizational Conflict: A Nontraditional Approach* (Upper Saddle River, NJ: Prentice Hall, 1974), pp. 59–89

Stage V: Outcomes

- Functional Outcomes from Conflict
  - Increased group performance
  - Improved quality of decisions
  - Stimulation of creativity and innovation
  - Encouragement of interest and curiosity
  - Provision of a medium for problem-solving
  - Creation of an environment for self-evaluation and change
- Creating Functional Conflict
  - Reward dissent and punish conflict avoiders

Stage V: Outcomes

- Dysfunctional Outcomes from Conflict

  - Development of discontent

  - Reduced group effectiveness

  - Retarded communication

  - Reduced group cohesiveness

  - Infighting among group members overcomes group goals

Negotiation

Negotiation

A process in which two or more parties exchange goods or services and attempt to agree on the exchange rate for them.

BATNA

The Best Alternative To a Negotiated Agreement; the lowest acceptable value (outcome) to an individual for a negotiated agreement.

Bargaining Strategies

Distributive Bargaining

Negotiation that seeks to divide up a fixed amount of resources; a win-lose situation.

Exhibit 15-8

Integrative Bargaining

Negotiation that seeks one or more settlements that can create a win-win solution.
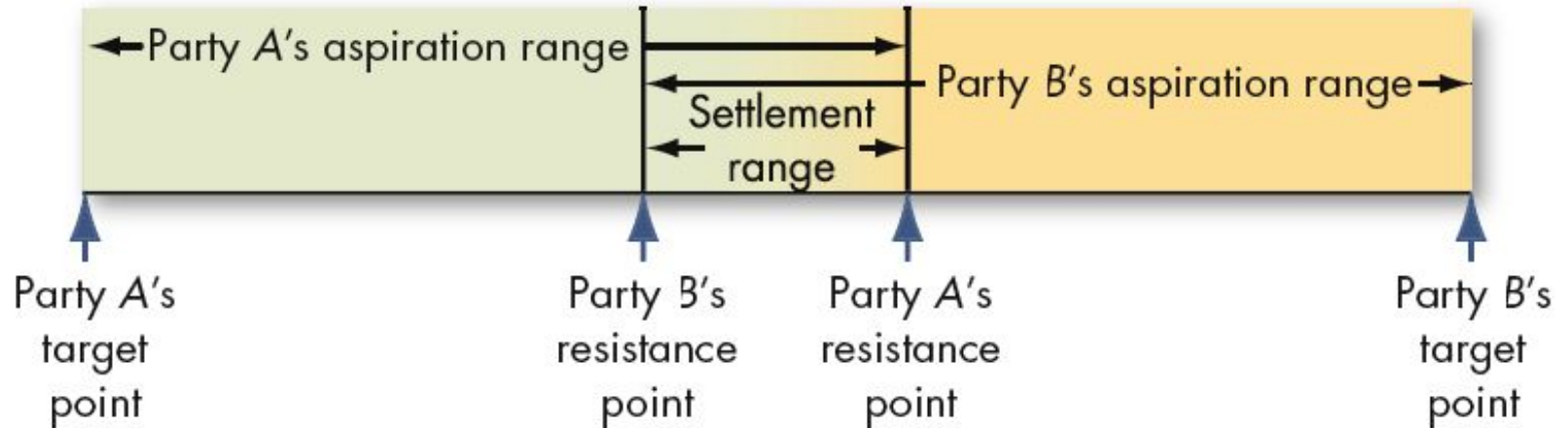
Distributive Versus Integrative Bargaining

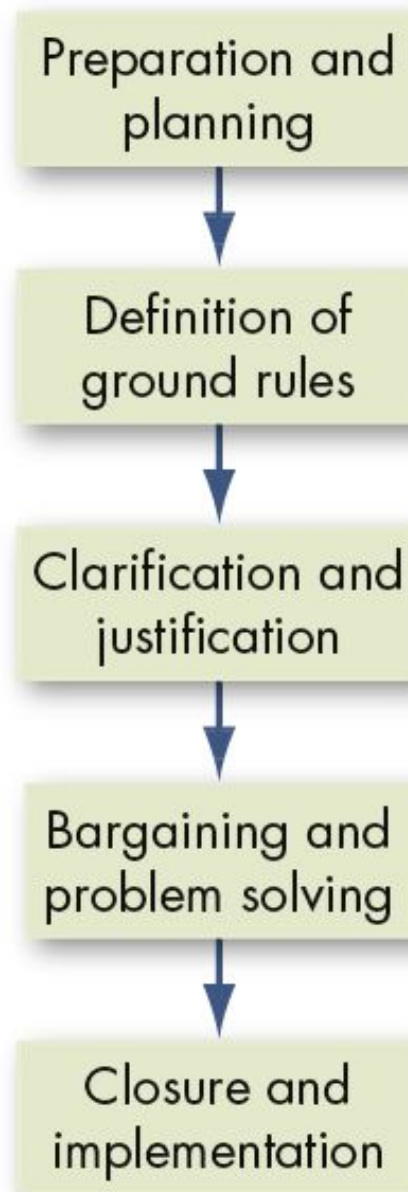| Bargaining Characteristic	Distributive Bargaining	Integrative Bargaining
Goal	Get as much of pie as possible	Expand the pie
Motivation	Win-Lose	Win-Win
Focus	Positions	Interests
Information Sharing	Low	High
Duration of relationships	Short term	Long term

Staking Out the Bargaining Zone

The Negotiation Process

BATNA

The Best Alternative To a Negotiated Agreement; the lowest acceptable value (outcome) to an individual for a negotiated agreement.

Preparation and planning

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Definition of ground rules

↓

Clarification and justification

↓

Bargaining and problem solving

↓

Closure and implementation

Issues in Negotiation

- The Role of Mood & Personality Traits in Negotiation
  - Positive moods positively affect negotiations
  - Traits do not appear to have a significantly direct effect on the outcomes of either bargaining or negotiating processes (except extraversion, which is bad for negotiation effectiveness)
- Gender Differences in Negotiations
  - Women negotiate no differently from men, although men apparently negotiate slightly better outcomes.
  - Men and women with similar power bases use the same negotiating styles.
  - Women's attitudes toward negotiation and their success as negotiators are less favorable than men's.

Third-Party Negotiations

Mediator

A neutral third party who facilitates a negotiated solution by using reasoning, persuasion, and suggestions for alternatives.

Arbitrator

A third party to a negotiation who has the authority to dictate an agreement.

Third-Party Negotiations (cont'd)

Conciliator

A trusted third party who provides an informal communication link between the negotiator and the opponent.

Consultant

Conflict Management

An impartial third party, skilled in conflict management, who attempts to facilitate creative problem solving through communication and analysis.

// End//