

Conflict and Negotiation

Introduction

- Conflict is a process in which one party perceives that its interests are being opposed or negatively affected by another party. It is, in fact, a basic part of life in groups and organisations. The very nature of an organisation guarantees the emergence of conflict. Firstly, organisations consist of people with divergent personalities, perceptions, and values. Secondly, these people are put on jobs with contrasting features that impart unequal degrees of status and frequently foster competition. Finally, organisations contain groups that often compete for scarce resources while trying to achieve assigned goals. In organisations, conflict can take many forms and can stem from many sources. If the fires are not put out in time, conflict has the potential to seriously disrupt organisational life.

- **Meaning of Conflict**

- Conflict is a *perceived* difference of values between two or more parties that results in mutual opposition. It implies both, opposing interests or goals; opposing or incompatible behaviour. It is a process in which A deliberately tries to offset the efforts of B by some form of blocking that will result in frustrating B in attaining his goals or frustrating his interests (Robbins). This definition reveals the following features of conflict:

- i. Incompatibility*

- ii. Perception*

- iii. Blocking*

- iv. Scarcity*

- v. Latent or overt*

- vi. Verbal or non-verbal*

- vii. Active or passive*

Competition vs. Conflict

Conflict and Competition: Similarities and Differences	
Conflict	Competition
Differences	
<ul style="list-style-type: none"> ❖ Incompatibility of goals between the parties ❖ Opposing/antagonistic behaviours ❖ Few or no rules for the particular situation that has the potential to escalate without any limits ❖ One or both parties may be drawn or forced into the contest ❖ High probability of negatively impacting at least one of the parties and the broader system 	<ul style="list-style-type: none"> ❖ Considerable compatibility of goals between the parties ❖ Some opposing behaviours; some cooperative behaviours ❖ Basic ground rules have been planned for this particular type of contest including limits on escalation ❖ Parties usually join the contest willingly ❖ Normally functional outcomes assumed for both parties and the broader system
Similarities	
<ul style="list-style-type: none"> ❖ Both can result in distortions of perceptions and 'we-they' feelings and attitudes ❖ Both can have positive and negative consequences. 	

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Collaboration

Functions of Competition and Collaboration	
Competition develops	Collaboration develops
Sense of identity	Mutuality
Sense of responsibility	Alternative ideas and solutions
Internal standards	Mutual support and reinforcement
Excellence	Synergy
Individual creativity	Collective action
Individual autonomy	

Changing Scenario of Conflict

Over the years, three distinct philosophies that refer to different managerial attitudes towards conflict have been identified: the classical, behavioural and interactionist philosophies.

- i. The **classical approach** viewed conflict as an organisational abnormality, a potentially dangerous process. Conflict induces mainly negative outcomes: anger, resentment, confusion, lack of cooperation, etc.
- ii. **Behaviouralists** also had a similar jaundiced view of conflict. They also believed that conflict, by definition, was harmful and should be avoided.
- iii. The emerging view of conflict, called as **interactionist view**, reverses many of the cosy nostrums of human relations management. The interactionist view of conflict has a broader scope.

In the words of S. P. Robbins, “While the behavioural approach accepted conflict, the interactionist view encourages conflict on the grounds that a harmonious, peaceful, tranquil and cooperative group is prone to becoming static, apathetic, and non-responsive to needs for change and innovation.

Positive (Functional) vs. Negative (Dysfunctional) Conflict

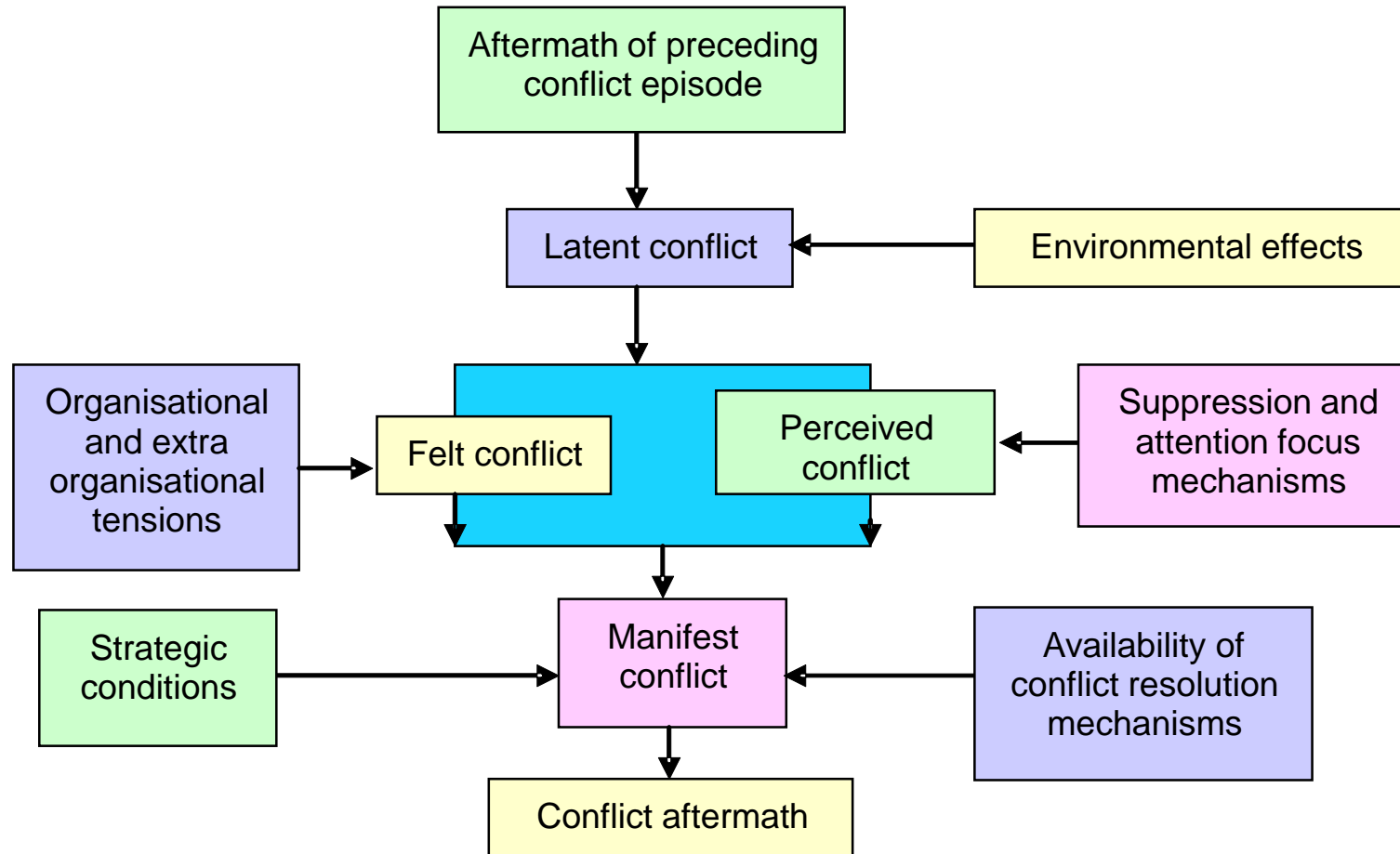
The following are some of the positive consequences of conflict:

1. *Major stimulant for change*
2. *Group think is avoided*
3. *Conflict fosters creativity and innovation*
4. *Cohesion and satisfaction*
5. *A minimum level of conflict is optimal*

The following are the negative consequences of conflict:

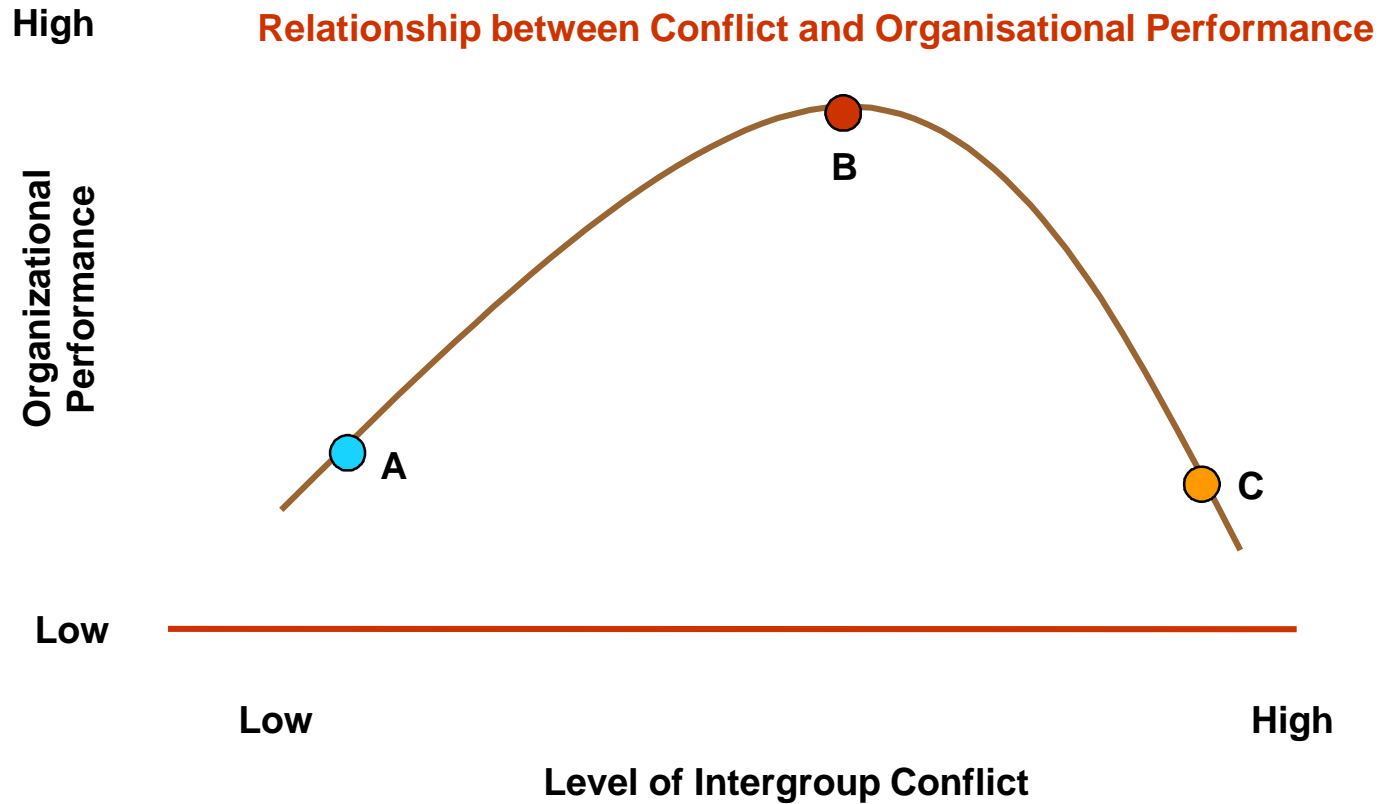
1. *Conflict creates stress in people*
2. *Diversion of energy*
3. *Instability and chaos*

Stages of Conflict Episode



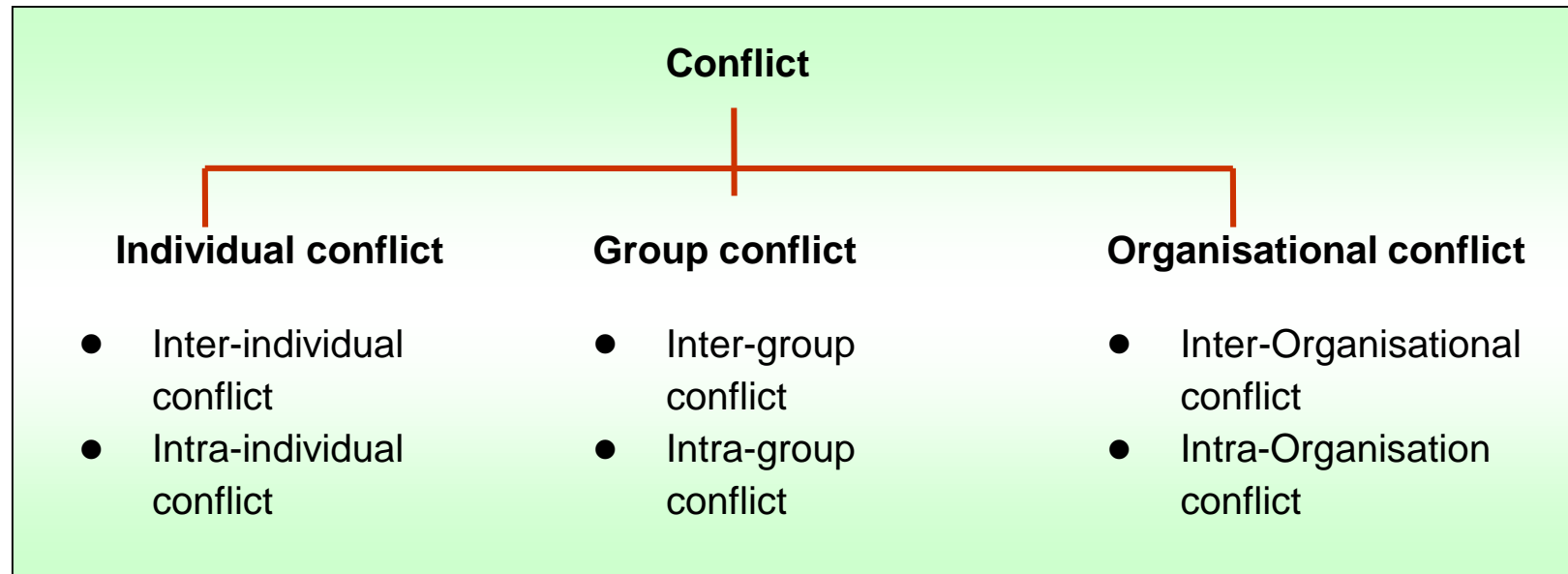
Conflict and Organisational Performance

The relationship between conflict and organisational performance is illustrated through the following figure:



Types of Conflict

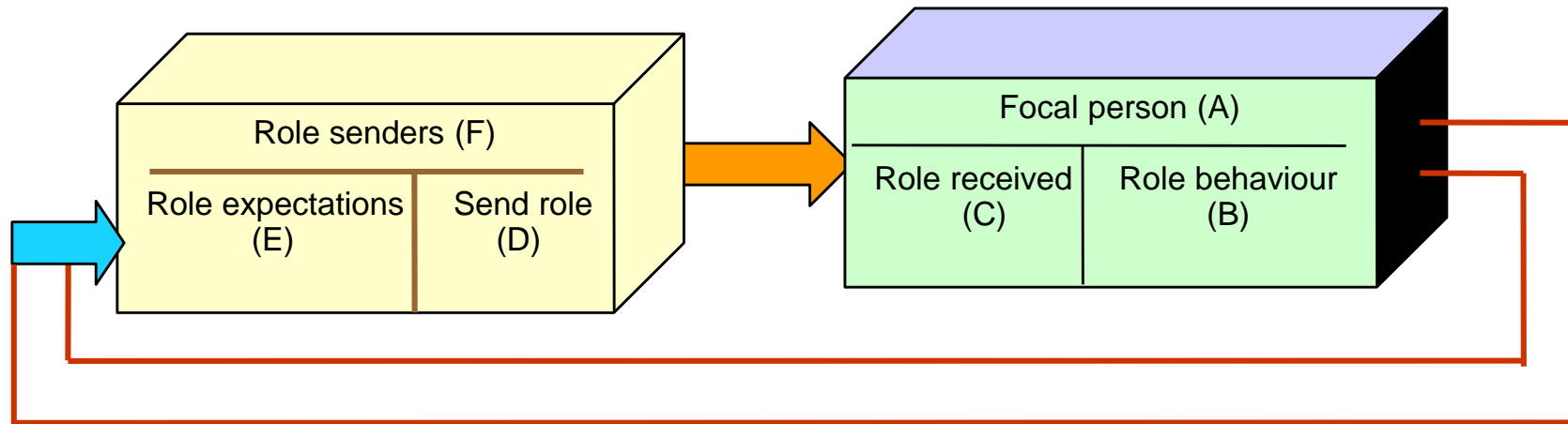
Conflict can be studied, generally, under the following heads Figure



Analysing Conflict

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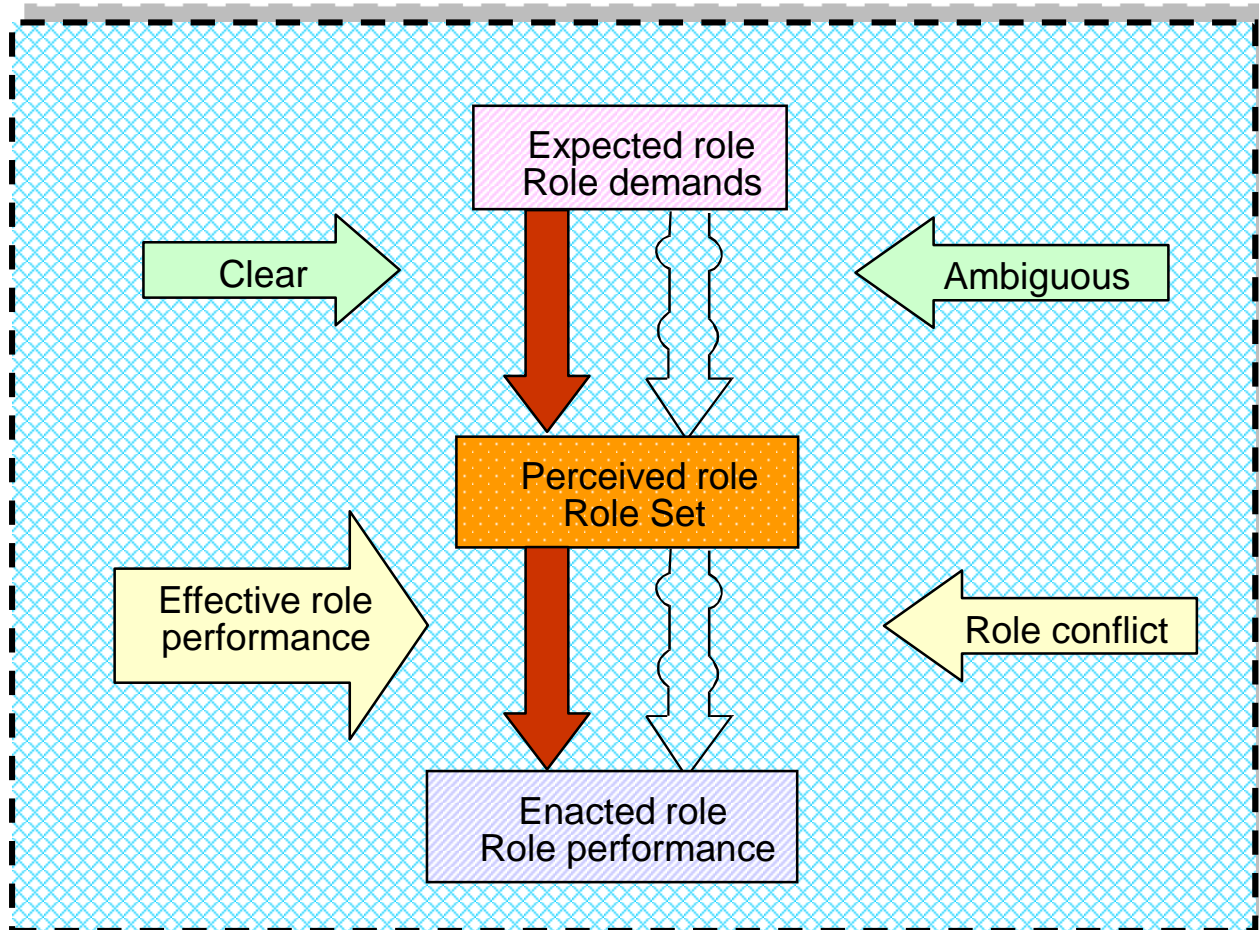
The role episode concept



(Source: D. Katz and R.L. Kahn, *The Social Psychology of Organisation*, N.Y., John Wiley, 1966, p. 182)

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Role Ambiguity



Conflict Management

The way conflict is managed rather than suppressed, ignored or avoided, contributes significantly to an organisation's effectiveness.

Distinction between Constructive and Destructive Conflict	
Constructive conflict exists when	Destructive conflict exists when
<ol style="list-style-type: none">1. Problems are brought out, identified and clarified.2. Group think is avoided.3. Organisational lethargy is dissolved; creativity is promoted.4. More thought goes into ideas; individual effort is stimulated.5. Encourages group cohesiveness, and provides for a system of checks and balances within an organisation.	<p>Too much stress is created for individuals.</p> <p>Group decision -making is reduced to a 'feeble walk'.</p> <p>Cooperation is replaced by in -fighting.</p> <p>Focus on short -range goals at the cost of long-range goals.</p> <p>Goals are distorted and resolution of conflict is viewed as win -lose rather than win -win.</p>
<i>Source: Adapted from Samuel Deep, Human Relations in Management, California, Glencoe Publishing Co., 1978, p. 212.</i>	

Conflict Stimulation Techniques

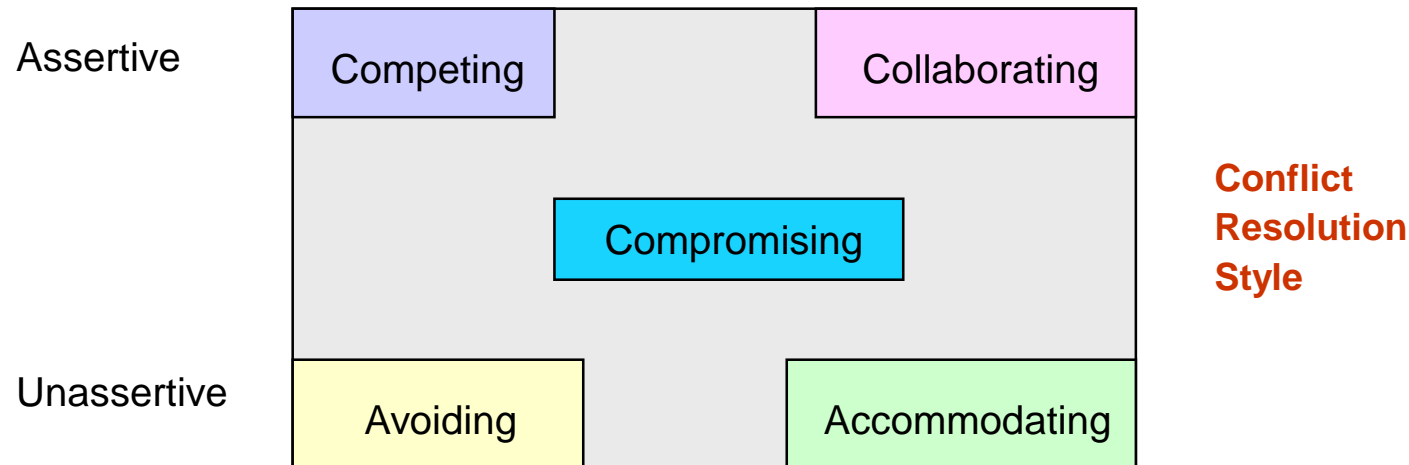
Conflict is not always negative. Conflict, like fire, can be a useful force when properly handled. Stimulating competition and conflict, sometimes, can have a galvanizing effect on the progress of organisations. An environment devoid of novelty, challenge can be unbearable to human beings.

Stimulation Strategies

- a) *Communication*
- b) *Bringing in outsiders*
- c) *Restructure the organisation*
- d) *Encouraging competition*

Conflict Resolution Styles

Conflict management style is often viewed in terms of a two dimensional model. Thompson suggested five styles: competitive, sharing, avoidant, collaborative and accommodating. The choice and use of the five conflict handling styles is likely to depend upon both, the nature of the individual and the situational factors. The following figure is reflective of a useful two dimensional model for understanding and comparing the conflict resolution behaviours. These represent different combinations of assertiveness and cooperativeness. The two dimensions produce five types of conflict strategies:



Conflict Management Strategies

- ❖ *Ignoring the conflict*
- ❖ *Physical separation*
- ❖ *Withdrawal*
- ❖ *Dominance*
- ❖ *Appeal procedures*
- ❖ *Compromise*
- ❖ *Liaison group/intermediaries/integrators*
- ❖ *Member relation*
- ❖ *Reduce interdependence*
- ❖ *Procedural and Structural Changes*
- ❖ *Super-ordinate goals*
- ❖ *Identifying a common enemy*
- ❖ *Integrated problem solving*

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Conflict Management Strategies		
Conflict management strategy	Type of strategy	Appropriate situations
Ignoring the conflict	Avoidance	When the issue is trivial. When the issue is symptomatic of more basic, pressing problems.
Imposing a solution	Avoidance	When quick, decisive action is needed. When unpopular decisions need to be made and consensus to be appears very unlikely.
Smoothing	Defusion	As a stopgap measure to cool down temperaments and regain perspective. When the conflict is over non-work issues.
Appealing to superordinate goals	Defusion	When there is a mutually important goal that neither group can achieve without the cooperation of the other. When the survival or success of the overall organisation is in jeopardy.

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Bargaining	Containment	<p>When the two parties are of relatively equal power.</p> <p>When there are several acceptable, alternative solutions that both parties would be willing to consider.</p>
Structuring the interaction	Containment	<p>When previous attempts to openly discuss conflict issues led to conflict escalation rather than to problem solution.</p> <p>When a respected third party is available to provide some structure and could serve as a mediator.</p>
Integrative problem solving	Confrontation	<p>When there is a minimum level of trust between groups and there is no time pressure for a quick solution.</p> <p>When the organisation can benefit from merging the differing perspectives and insights of the groups in making key decisions</p>

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Redesigning the organisation	Confrontation When the sources of conflict come from coordination of work. When the work can be easily divided into clear project responsibilities (self contained work groups), or when activities require a lot of interdepartmental coordination over time (lateral relations).
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Contingency Approach to Conflict Management

Derr has argued in favour of a contingency approach to conflict management consisting of three strategies:

- ❖ *Collaboration*
- ❖ *Power play*
- ❖ *Bargaining*

Negotiation

- ❖ **Basic Assumptions:** Negotiation is the process of bargaining between two or more interdependent parties to reach a solution that is mutually acceptable. It is usually a give and take process. There is no room for threat or coercion. Both parties come to the table not to shake hands but to arrive at a solution that is mutually beneficial.
- ❖ **Essential Features:** Negotiation is the process that takes place when two or more parties, each of whom is seen as controlling some resource which the other desires, confer to reach an agreement on mutual exchange of the resources. For negotiation to happen, transactions between a minimum of two individuals or groups must take place. Parties, having a conflict of interest, present their proposals and counter proposals for division and/or exchange of resources in a mutually helpful manner.
- ❖ **Distributive Bargaining:** Distributive bargaining is all about the pieces to be cut from the pie (a zero sum game where either side gains at the expense of the other). The method seeks to find the size of the slice for each party that reflects each side's power and ability to harm the other, without totally disrupting the relationship.

The Negotiation Process

Negotiation requires demands preparation, hard work and the ability to foresee the moves of the adversary and respond appropriately. One needs to have a game plan before one undertakes the journey. Such a game plan, inevitably, would involve the following steps:

Preparation

- ❖ *Set realistic goals and the bargaining zone*
- ❖ *Assess the adversary*
- ❖ *Tactics*

Discussion

- ❖ *Give the mike to the other party*
- ❖ *Your sales pitch*
- ❖ *Clarification and justification*
- ❖ *Frequency and size of proposals*

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Post-negotiation

Both parties must come out of the negotiation room in a positive frame of mind. The sacrifices made, the concessions extracted and the agreement reached and in fact every outcome that is likely to emerge out of the room is mutually agreed upon and beneficial to all. It is not a “tough guy” or “nice guy” approach but a kind of **win-win approach** where both parties have worked together to find ways that are mutually rewarding in the long run. Once the agreement comes in black and white, an action plan should take care of every aspect that has been agreed upon in terms of commitment of resources, careful monitoring and evaluation.

