CHAPTER 14 – CONFLICT & NEGOTIATION

A DEFINITION OF CONFLICT

Conflict

- ➢ 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.
- ➢ Encompasses a wide range of conflicts that people experience in organizations : Incompatibility of goals, differences over interpretations of facts, or disagreements based on behavioral expectations.

TRANSITIONS IN CONFLICT THOUGHT

1. **Traditional View of Conflict:** The belief that all conflict is harmful and must be avoided.
   Causes of conflict :
   - Poor communication
   - Lack of openness
   - Failure to respond to employee needs
2. **Interactionist 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.
   It doesnt propose that all conflicts are good.
   - Functional Conflict - Conflict that supports the goals of the group and improves its performance.
   - Dysfunctional Conflict - Conflict that hinders group performance

   Types of Conflicts:

   a. Task conflicts > Conflicts over content and goals of the work.
   b. Relationship conflicts > Conflict based on interpersonal relationships – ***almost always dysfunctional*** because it increase personality clashes and decrease mutual understanding which hinders the completion of organizational tasks.
   c. Process conflicts > Conflict over how work gets done.

3. **Managed Conflict View**
   - Research have started to focus more on managing the whole in which the conflicts occur, both before and after the behavioural stage of conflict occurs.
   - Managed conflict perspective does recognize that conflict is probably inevitable, and it focuses more on productive conflict resolution > the research has swung from eliminating conflict, to encouraging limited levels of conflict, and now to finding

constructive methods for resolving conflicts productively so their disruptive influence can be minimized

==The Conflict Process==

It has 5 stages:
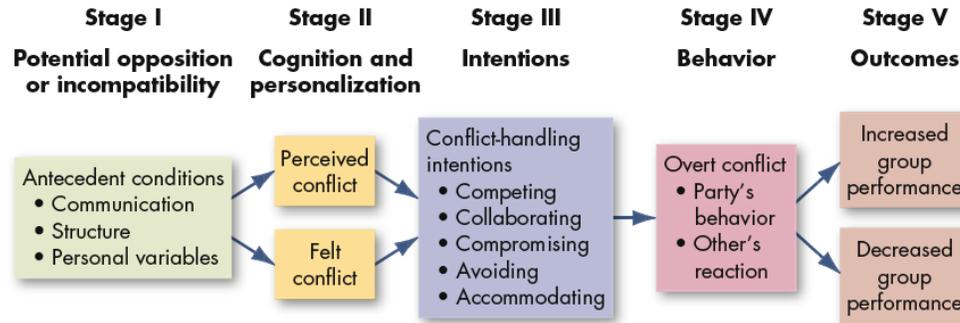
Stage I : Potential Opposition or Incompatibility

The appearance of conditions that create oppotunities for conflict to arise.

Causes of Conflicts:

1. COMMUNICATION
   – Arise from semantic difficulties, misunderstandings, and "noise" in the communication channels
   – The potential conflict increases when either too little or too much communication take place
2. STRUCTURE, includes:
   – Size and specialization of jobs
   – Jurisdictional clarity/ambiguity
   – Member/goal incompatibility
   – Leadership styles (close or participative)
   – Reward systems (win-lose)
   – Dependence/interdependence of groups
3. PERSONAL VARIABLES, includes:
   – Personality
   – Emotions
   – Values

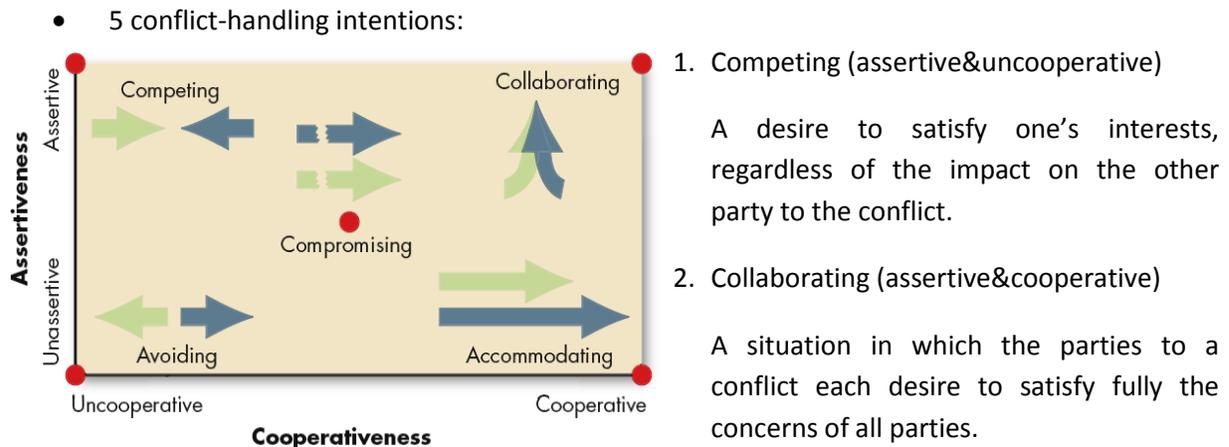**Stage II : Cognition and Personalization**

- 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:
    1. Negative emotions, allow us to oversimplify issues, lose trust, and put negative interpretations on the other party's behavior.
    2. Postivie feelings, increase our tendency to see potential relationships among the elements of a problem, to take a broader view of the situation, and to develop more innovative solutions

Stage III : Intentions

- Intensions are decisions to act in a given way. Effort to identify the primary conflict handling intentions can be defined by using two dimensions:
    1. Cooperativeness (the degree to which one party attempts to satisfy the other's party concern)
    2. Assertiveness (the degree to which one party attempts to satisfy his or her own concerns)
- 5 conflict-handling intentions:

1. Competing (assertive&uncooperative)

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

2. Collaborating (assertive&cooperative)

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

3. Avoiding (unassertive&uncooperative) : The desire to withdraw from or suppress a conflict.
4. Accomodating (unassertive&cooperative) : The willingness of one party in a conflict to place the opponent's interests above his or her own.
5. Compromising (midrange on both) : A situation in which each party to a conflict is willing to give up something.

Stage IV : Behavior

- The behavior stage includes: statements, actions, and reactions made by conflicting parties, usually as overts attempts to implement their own intensions.
- 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

Conflict intensities escalate as they move upward along the continuum untiil they become highly destructive

- How to de-escalate the conflict continuum?

  By CONFLICT MANAGEMENT : The use of resolution and stimulation techniques to achieve the desired level of conflict.

  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

  Conflict-Stimulation techniques:
  - Communication
  - Bringing in outsiders
  - Restructuring the organization
  - Appointing a devil's advocate

Stage V : Outcomes

The outcomes may be functional, if the conflict improves the group's performance, or dysfunctional, if it hinders performance

- **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

- **Dysfunctional Outcomes from Conflict**
  - Development of discontent
  - Reduced group effectiveness
  - Retarded communication
  - Reduced group cohesiveness
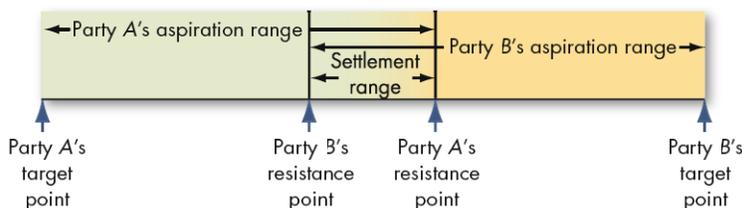 - Infighting among group members overcomes group goals

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

Bargaining Strategies

Two general approaches to negotiation:

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

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

Bargaining Characteristic	Distributive Bargaining	Integrative Bargaining
Goal	Get as much of the pie as possible	Expand the pie so that both parties are satisfied
Motivation	Win-lose	Win-win
Focus	Positions	Interests
Interests	Opposed	Congruent
Information Sharing	Low (sharing information will only allow other party to take advantage)	High (sharing information will allow each party to find ways to satisfy interests at each party)
Duration of Relationship	Short term	Long term

The Negotiation Process

1. Preparation and Planning
   - Gather information about the conflict, about other party and use it to develop a strategy
   - As a part of your strategy, determine your and the other's side **B**est **A**lternative **T**o a **N**egotiated **A**greement (BATNA)
2. Definition of Ground Rules
   - Defining with the other party the ground rules and procedures of the negotiation itself
     e.g: who will do the negotiating? Where it will take place? What time constraints? Etc..

Preparation and planning

Definition of ground rules

Clarification and justification

Bargaining and problem solving

Closure and implementation

3. Classification and Justification
   - When you have exchanged initial positions, both of you will explain, amplify, clarify, and justify your original demands
   - Provide with any documentation that helps to support your position
4. Barganing and Problem Solving
   - This is where both parties will undoubtedly need to make concessions.
5. Closure and Implementation
   - Formalizing the agreement that has been worked out and developing any procedures necessary for implementation and monitoring

Individual Differences in Negotiation Effectiveness

a. Personality traits

   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)

b. Moods/emotions

   In distributive negotiations, it appears that negotiators in a position of power or equal status who shows anger negotiate better outcomes because their anger induces concessions from their opponents.

   In integrative negotiations, postive moods and emotions appear to lead more integrative agreements.

c. Gender
   - 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 Negotiation

4 basic third-party roles:

1. Mediator   a neutral third party who facilitates a negotiated solution by using reasoning and persuasion, suggesting alternatives, and the like

   their overall effectiveness is fairly impressive
2. Arbitrator   a third party with authority to dictate an agreement

   Arbitration can be voluntary (requsted by the parties) or compulsory (forced on the parties by law or contract)
3. Conciliator   a trusted third party who provides an informal communication link between the negotiator and the opponent
4. Consultant   a skilled and impartial third party who attempts to facilitate problem solving through communication and analysis, aided by a knowldege of conflict management

Implications

Use COMPETITION:

- ✓ When quick, decisive action is vital (in emergencies); on important issues.
- ✓ Where unpopular actions need implementing (in cost cutting, enforcing unpopular rules, discipline).
- ✓ On issues vital to the organization's welfare.
- ✓ When you know you're right.
- ✓ Against people who take advantage of noncompetitive behavior.

Use COLLABORATION

- ✓ To find an integrative solution when both sets of concerns are too important to be compromised.
- ✓ When your objective is to learn.
- ✓ To merge insights from people with different perspectives.
- ✓ To gain commitment by incorporating concerns into a consensus.
- ✓ To work through feelings that have interfered with a relationship.

Use AVOIDANCE

- ✓ When an issue is trivial, or more important issues are pressing.
- ✓ When you perceive no chance of satisfying your concerns.
- ✓ When potential disruption outweighs the benefits of resolution.
- ✓ To let people cool down and regain perspective.
- ✓ When gathering information supersedes immediate decision.
- ✓ When others can resolve the conflict effectively.
- ✓ When issues seem tangential or symptomatic of other issues.

Use ACCOMODATION

- ✓ When you find you're wrong and to allow a better position to be heard.
- ✓ To learn, and to show your reasonableness.
- ✓ When issues are more important to others than to yourself and to satisfy others and maintain cooperation.
- ✓ To build social credits for later issues.
- ✓ To minimize loss when outmatched and losing.
- ✓ When harmony and stability are especially important.
- ✓ To allow employees to develop by learning from mistakes.