STRATEGIES FOR MANAGING ORGANIZATIONAL CONFLICT

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Abstract

This paper examined the effectiveness of conflict resolution in organization through Strategic management.

There are different causes of conflicts within organization and impact of conflicts on organization performance. The past decade researches identify the negative relation of conflict with employee performance. The research methodology was case study approach of SHERWINWILLIAMS an American and globally established company. The aim of study is to lessen conflicts in organization through strategic management for enhancing organizational performance and managing change in order to attain competitive advantage in this dynamic era.

This paper covers the role of strategic management in resolving and minimizing conflict that brings positive impact on organization. Conflict in the workplace just seems to be a fact of life. The fact that conflict exists, however, is not necessarily a bad thing: As long as it is resolved effectively, it can lead to personal and professional growth. Conflict in the workplace is a painful reality and a key reason for poor productivity and frustration. Conflict does not magically go away and only gets worse when ignored. So, to resolve conflicts strategic management is important.

Keywords: Conflict, Conflict resolution, Strategic management practice, Organizational

performance.

Introduction

Conflict is inevitable among humans. When two or more social entities have different attitudes, values, beliefs, and skills there would be conflict. Small irritating events such as negative attitudes occur repeatedly over time and can cause people to strike out at each other. In many cases, conflict occurs at the senior level of the organization. Conflict is a normal and natural part of our workplace. Conflict can be helpful in making necessary changes within the home or work environment. However, unresolved conflict can result into feelings of dissatisfaction, unhappiness, hopelessness, depression, and other emotions. It can result into behaviors such as physical or emotional withdrawal, resignation from jobs, termination of personal relations, anger, and even violence.

In these situations, some kind of intervention is needed. Anything that interrupts the office, impacts on productivity or poses a threat to other employees needs addressing. The degree to which one tolerates a situation before intervention may vary. A manager may not feel that it is necessary to intervene when a minor exchange of words occur between employees unless such an incident becomes a daily occurrence and expands beyond the employees initially involved. However, a situation where one employee threatens another requires immediate action.

Statement of research problem

Ample evidence points out that workplace conflict that is not handled well has heavy direct and indirect costs for employers, employees, and organizational effectiveness and efficiency. Research notes that more performance problems result from strained relationships than from shortages in skills or motivation. (Dana, 2001) exit interview data documents that 50 percent or more of voluntary resignations relate directly to unresolved conflict and show that “conflict is a decisive factor in at least 90% of involuntary terminations excluding cases of staff reduction due to downsizing, mergers and restructuring”. Additional studies more specifically document the

psychological effects of unmanaged conflict due to hostile work environments (Bloom, 2006). As organizations become conscious of costs and bottom-line calculations, attention must be directed to conflict management systems and strategies. (Dana, 2001) proclaims, "The means by which organizations manage conflict might very well be one of the most significant factors they currently face in regards to costs, efficiency, effectiveness and employee retention".

Conflict

Conflict is the perception of differences of interests among people.

Another definition of conflict is "A process of social interaction involving a struggle over claims to resources, power and status, beliefs, and other preferences and desires. The aims of the parties in conflict may extend from simply attempting to gain acceptance of a preference, or securing a resource advantage, to the extremes of injuring or eliminating opponents".

Conflict in organizations

Organizations are living systems consisting of interacting units performing tasks in a mutually dependent manner within a structure of scarce resources. It seems commonplace to suggest that conflicts would be present in such a setting. The parties in an organization may have a conflict about the distribution of resources, or they may have a more fundamental conflict about the very structure of their organization and the basic nature of their interaction. Once the parties are in a situation of goal incompatibility, their conflict develops in a dynamic fashion, initiating valuable and much-needed constructive changes or leading to intensifying strategies and destructive consequences.

Process of conflict

The Process of conflict consists of 4 stages or levels according to which the development of relationships between the sides involved in conflict is shown.

Latent stage: This is the stage in which certain characteristics, like communication, structure and personal variables, can lead to conflict. It is important to point out that it is not necessary to have the immediate occurrence of all three factors, but occurrence of just one. Communication in organization is very important, in case there is lack of communication in the organization this can lead to conflict. But also, too much communication, as well as obstacles in communication, possible lack of understanding or noise in the communication channel can produce conflict as a consequence.

Cognition and personalization: This stage represents the outcome of the impact of first phase factors.

There are two sub stages in this stage:

Perception of the participants in conflict which does not mean that conflict has occurred,

Not until there has come to articulation of feelings and expression of awareness of conflict, can we say that the conflict itself occurs

Conflict manifestation: There is hostile behavior among participants in conflict and we say there comes to the so called open disagreement.

Conflict outcome: The last stage in this process of conflict is the conflict outcome which shows the further relationship development of the participants in conflict and consequences of conflict. Consequences of conflict can be manifested through increased working efficiency of the

organization in whole or quite the contrary, the decrease of working efficacy.

Types of conflict

Conflicts that originate in the individual person, conflicts that have their basis in the relationship between individuals, and conflicts that occur as a result of interactions between groups. These may be described as: Intrapersonal conflict, Interpersonal conflict, Interdepartmental conflict.

Intrapersonal conflict: Intrapersonal conflict is internal to the individual and is perhaps the most difficult form of conflict to analyze and manage. Intrapersonal conflict is basically a conflict between two incompatible tendencies. It arises when a stimulus evokes two different and incompatible tendencies and the individual is required to discriminate between these tendencies. In such a situation it is common for individuals to experience frustrations and to allow their conflict situation to be expressed in a range of behavioral strategies ranging from laziness and boredom to absenteeism, excessive drinking or destructive behavior.

Interpersonal conflict: Interpersonal conflict emphasizes the interaction of human factors in an organization. There are two classes of factors as conflict sources.

a. Personal: Individuals are not identical, constant or consistent. When two individuals are brought together and kept together, each with his own qualities, needs and skills, a conflict may arise if their attributes are not engaged together in a coordinated way. Interaction between individuals with different attitudes, values and needs can produce conflict behavior and affects organizational performance.

b. Functional**:** Individuals in organizations have roles which are expected sets of behavior

associated with their position. In theory, individuals are not expected to engage in any optional behavior. Such specification would be consistent with organizational preferences for consistency and predictability. In practice, however, role specifications tend to be ambiguous and incomplete, and in their interaction with others, some individuals often feel dissatisfied with their role or position, or they may feel that their aspirations for higher positions are being frustrated.

Interdepartmental conflict: The third major cause of organizational conflict is structural. Organizations are designed around product lines, regions or technical specialties. These activities are assigned to departments that often have mutually exclusive structured interests and goals and that interact within a framework of scarce resources and task dependence. When resources are relatively fixed and when one department's gain is at the expense of another, conflict should be expected. (International Journal of Sciences: Basic and Applied Research (IJSBAR), 2014)

Factors which affect the interaction structure between departments and create the conditions for interdepartmental conflict include:

a. Different attitudes between line and staff units

b. Organizational size (directly related to level of conflict)

c. Standardization (inversely related to conflict)

d. Physical or communicational barriers between departments

e. Unequal access to authority rewards or organizational resources

f. Ambiguity or uncertainty in assigning tasks or rewards to different departments.

1.1.5 Conflict management

A moderate amount of conflict, handled in a constructive fashion, is necessary for attaining an optimum level of organizational effectiveness. Unfortunately, there are still people who recommend conflict elimination. Conflict management skills are important for managers and that managers are interested in learning more about organizational conflict and its management.

Leadership in organizational conflict management

A good leader recognizes the sustaining presences of conflict underlying the course of all decision-making, communication, and human interaction (Lipsky, Seeber, & Fincher, 2003). The role of a good leader is not to end all conflicts (Cheldelin, 2002), which is virtually impossible. The sound leader must be able to recognize and use skills and processes that move interaction through the conflict dynamic and towards a positive and valuable outcome for all those involved. In essence, it is more effective to manage conflict well. To do so, the leader must understand the elements and normative processes associated with the conflict interaction, recognize the symptoms of conflict opportunity as early as possible, and undertake a process that moves people through any conflict toward higher levels of interaction or resolution (Moore, 2001). Through accepting the idea that conflict is an essential constituent of all human interaction and developing the essential skills necessary to address it well, the executive actually begins to reduce the incidence of all resolvable conflict in the workplace. The challenge for the leader then is not so much whether conflict is present, but when recognized in the communication process, the leader deals with it well and a resolution results (Turner, 2001). Within organizations, individuals who manage conflict effectively are perceived as competent communicators and capable leaders.

Indeed, those who are unable to manage conflict effectively may have trouble reaching organizations goals (Nicotera, 1995), Journal of Bus mess and Leadership: Research, Pracuce. and Teaching maintaining positive relationships and cohesiveness (Canary, Cupach, & Messman, 1995; Coser, 1956), and solving problems (Hall, 1986). individuals who have difficulty handling conflict are also more likely to be dissatisfied with their jobs (Infante & Gordon, 1991; Infante, Anderson, Martin, Herington, & Kim, 1993). Thus, it is imperative that researchers determine how competent various leadership styles of conflict management are perceived to be. Rahim ' s (1985; Rahim & Bonoma, 1979) work has uncovered five leadership styles used in organization: avoiding, compromising, dominating, integrating, and obliging. These styles associate with a variety of organizational variables. (Rahim, 1985, 1986; Rahim & Bonoma, 1979), such as organizational position, organizational climate, job burnout, job satisfaction, gender, and education (Lee, 1990; Posner, 1986; Rahim, 1990).

Conflict-handling models

When people find themselves in conflict, their behavior can be described in terms of where it lies along two independent dimensions assertiveness and cooperativeness. Assertiveness is the degree to which you try to satisfy your own concerns, and cooperativeness the degree to which you try to satisfy the other person’s concerns.

In order to survive, a company must focus its efforts on generating revenue in the face of competition. According to Ryan Bannerman Associates, sometimes the need to focus on beating the competition can get disrupted by internal organizational conflict. In order to keep your employees focused on being productive and bettering the competition, it is necessary to

understand the causes of organizational conflict.

To handle conflicts, Sherwin-Williams has put together, a set of strategies that are the most common in many organizations, like the above figure points it out we have; competing, collaborating, compromising, avoiding and accommodation.

Competing

Competition operates as a zero-sum game, in which one side wins and other loses. Highly assertive personalities often fall back on competition as a conflict management strategy. The competitive strategy works best in a limited number of conflicts, such as emergency situations. In general, business owners benefit from holding the competitive strategy in reserve for crisis situations and decisions that generate ill-will, such as pay cuts or layoffs.

Collaborating

Collaboration works by integrating ideas set out by multiple people. The objective is to find a creative solution acceptable to everyone. Collaboration, though useful, calls for a significant time commitment not appropriate to all conflicts. For example, a business owner should work collaboratively with the manager to establish policies, but collaborative decision-making regarding office supplies wastes time better spent on other activities.

Avoiding

The avoidance strategy seeks to put off conflict indefinitely. By delaying or ignoring the conflict, the avoider hopes the problem resolves itself without a confrontation. Those who actively avoid conflict frequently have low esteem or hold a position of low power. In some circumstances, avoiding can serve as a profitable conflict management strategy, such as after the dismissal of a

popular but unproductive employee. The hiring of a more productive replacement for the position calms much of the conflict.

Compromising

The compromising strategy typically calls for both sides of a conflict to give up elements of their position in order to establish an acceptable, if not agreeable, solution. This strategy prevails most often in conflicts where the parties hold approximately equivalent power. Business owners frequently employ compromise during contract negotiations with other businesses when each party stands to lose something valuable, such as a customer or necessary service.

Accommodating

The accommodating strategy essentially entails giving the opposing side what it wants. The use of accommodation often occurs when one of the parties wishes to keep the peace or perceives the issue as minor. For example, a business that requires formal dress may institute a "casual Friday" policy as a low-stakes means of keeping the peace with the rank and file. Employees who use accommodation as a primary conflict management strategy, however, may keep track and develop resentment.

Making conflict management a strategic advantage:

Building conflict management skills

Once individuals learn their styles, training and coaching can help them develop three levels of skills to supplement the skills they already have.

Choosing the right conflict mode

The most fundamental conflict skill is the ability to select the conflict mode that will be most productive for a given situation. For example, if there are personality conflicts in organization they have strong negative consequences in organizations and should be avoided. Conflicts become personalized when people focus their energy and attention on what is wrong with each other rather than on substantive conflict issues. People become irritated with each other, engage in blame, express anger, and otherwise behave negatively toward each other. This negative emotionality interferes with decision making, undermines cohesiveness, reduces job satisfaction, and increases turnover. So, to solve any conflict related issues in organization management should choose the right conflict mode.

Implementing a mode effectively

The second level of skill involves successfully implementing the conflict-handling mode you have chosen. Because collaborating is especially important for decision quality, conflict management programs tend to ensure that people learn key skills for collaborative problem solving.

Reducing the costs of a mode

The third level of skill involves reducing the costs, or negative consequences, of the mode you have chosen. Managers who are less skilled at conflict management often accept some collateral damages normal or inevitable, rationalizing that “You have to break some eggs to make an omelet.” In contrast, more skilled managers find ways to minimize these costs. For example, managers can learn how to compete when necessary without antagonizing people, how to avoid an issue without being evasive, how to accommodate without looking weak, and so on

Involving top management

Human resources departments can take responsibility for training programs on conflict management, and these programs alone will help an organization. Looking at organizations that have made conflict management a core competency, however, it is clear that top management must also be actively involved in building openness into the organization's culture and modeling constructive conflict management.

Building openness into the culture

Each organization‟s culture has a built-in mind-set about conflict. As a result, different cultures seem to favor different conflict modes. The prevailing mind-set in some organizations is that conflict is a threat to relationships and team cohesiveness, so people should do what they can to accommodate others‟ views and needs. Some organizations view conflict mostly as a potential drain on time and energy, so conflict issues should be avoided whenever possible. Other organizations see conflict as a challenge to one‟s credibility and authority, so one needs to counter it strongly that is, take competitive stand and protect one's position. Still other organizations see mutual concessions and compromise as the only pragmatic way to settle conflicts.

Improving strategic decision making

When top managers manage conflict constructively, they do more than provide examples for others. They also improve their strategic decision making.

Smoothing strategy

It is one that involves avoiding conflict. The smoothing strategy rates low on assertiveness and high on cooperativeness, de-emphasizes differences and highlights points common to both parties. This strategy may also result in positive work behavior and attitudes. Withdrawal strategy involves the tendency of a party to a conflict to abstain from and ignore the conflict altogether rather than trying to directly resolve it. This strategy has the tendency to engender counterproductive work behavior.

1.6 Findings

In addition to the data presented in the above chapter, few other discoveries where made throughout the process of conducting this study. These discoveries involve:

1.6.1 Causes of organizational conflicts

Conflict as mentioned in the background of our study, is a natural situation among human beings, but still it a result of many other aspects not in accordance with the entire concerned party. Some of the causes of conflicts in a workplace are;

Managerial expectations

It is the job of an employee to meet the expectations of his manager, but if those expectations are misunderstood, conflict can arise. Managers need to spend time clearly communicating their goals to employees and then confirming those goals in writing. A manager should also encourage her employees to ask questions about their goals and hold regular meetings to discuss the goals and how best to reach them.

Breakdown in communication

If a department requires information from another department in order to do its job, and the

second department does not respond to the request for information, a conflict can arise. Some interdepartmental disagreements might trigger a nonresponsive attitude that can quickly become an internal conflict. Another way of creating this sort of conflict is by giving a circular response such as an issue being perpetually "under review." When people or departments are late in responding to information requests, or they are withholding information on purpose, it is best to address the situation immediately with a personal meeting with both sides to resolve the situation.

Misunderstanding the information

According to mediation expert Robert D. Benjamin, writing on Mediate.com, internal conflict can sometimes arise as the result of a simple misunderstanding. One person may misunderstand information, and that can trigger a series of conflicts. In order to deal with this kind of situation, it is best to have the person admit her misunderstanding and work with the affected parties to remedy the situation. For example, if the production manager misunderstands the product manufacturing goals, then the sales manager may not have enough product to sell. Taking responsibility for a mistake can quickly defuse a potential organizational conflict.

Lack of accountability

Organizational conflict might arise from frustration. One source of frustration is a lack of accountability. If something has gone wrong, and no one is willing to take responsibility for the problem, this lack of accountability can start to permeate throughout the entire company until the issue is resolved. One way to combat a lack of accountability is to have anyone who comes into contact with a document sign his name to it and include the date. The paper trail may sometimes

find the source of the problem, which can then be addressed.

In any situation involving more than one person, conflict can arise. The causes of conflict range from philosophical differences and divergent goals to power imbalances. Unmanaged or poorly managed conflicts generate a breakdown in trust and lost productivity. For small businesses, where success often hinges on the cohesion of a few people, loss of trust and productivity can signal the death of the business. With a basic understanding of the five conflict management strategies, small business owners can better deal with conflicts before they escalate beyond repair.

1.6.2 Examples of conflicts and resolutions in the Workplace

Conflict is inevitable in workplace settings, and conflicts can arise between co-workers, supervisors and subordinates or between employees and external stakeholders, such as customers, suppliers and regulatory agencies. Managing conflict is a key management competency and all small business owners should study and practice effective conflict management skills to maintain a positive workplace environment.

Discrimination issues

Discrimination can be a source of heated conflict, potentially ending in legal trouble for a company or its owners. Discriminatory conflicts can arise from personal prejudices on the part of employees or perceptions of mistreatment of employees.

As an example of a discrimination-related conflict, imagine a minority employee in a team setting who feels that he is consistently assigned the most unskilled work tasks in the group. This employee may begin to harbor resentment against team members and managers, eventually

lashing out through decreased productivity or outright verbal conflict. To resolve this issue, a manager could sit down with the whole team and discuss the way in which job tasks are assigned, making changes as necessary to ensure that tasks are divided equitably.

Performance review conflicts

No employee likes to receive a negative performance review but giving negative feedback in a review can be unavoidable based on the employee's own actions during the review period. Employees may become angry over not receiving expected pay raises, promotions or other performance-related incentives, and may lash out by spreading discontent through gossip and a negative attitude at work. Employees may argue directly with supervisors during performance reviews, creating sensitive situations that require tactful communication. To resolve a conflict arising from a negative performance review, work directly with the employee to create a solid, time-bound plan of action to improve her performance, and tie the completion of these goals to guaranteed incentives. Allow employees a voice when setting goals to increase their dedication to achieving the goals.

Conflicts with customers

Sales and customer service employees can experience conflict with customers on a fairly regular basis, depending on the industry. A common conflict experienced by salespeople is a dissatisfied customer who feels personally cheated by an individual salesperson.

For example, if a car salesman sells a used car without a performance guarantee or warranty and the car breaks down on the buyer, the buyer may return to furiously confront the salesperson and demand a refund. The best first step to solve these conflicts is to involve a manager who has the

right to offer refunds, discounts or other conciliatory gestures to the customer unless you are in a situation where employees are empowered to make these kinds of decisions.

Leadership conflicts

Personality clashes between managers and subordinates can cause a range of interpersonal conflicts to arise. Employees may feel intimidated or pushed by more authoritarian managers, or may perceive a lack of guidance from more hands-off managers. Managers with type-A personalities may set goals that are too ambitious for their subordinates, setting them up for failure and inevitable conflict.

To handle these personality mismatches, first try to gather an understanding between the manager and the subordinate so that each understands the others' perspective in the situation. Never treat conflict management situations as disciplinary hearings, as if managers are inherently right and employees are inherently wrong; this is a reliable way to lose good employees. If the two cannot come to an understanding, place the employee under the supervision of another manager if possible.

Conclusion

From the discussion thus far, it is quite evident that conflicts occur in organizations as a result of competition for supremacy, leadership style, scarcity of common resources, etc. This reduces staff satisfaction about the job and also reduces productivity or service rendered. Thus, early recognition of the conflict and paying attention to the conflicting parties is very important. Negotiation between parties involved is the best way to resolve conflict while force should not be used at all.

Darling and Fogliasso (1999). conclude that it is impossible to eliminate conflict totally. Managers who try to eliminate conflict will not last long, while those who manage it well will typically experience both institutional benefits and personal satisfaction.

Recommendations

Arising from the findings and conclusion of this study, the following are herewith recommended for organizations:

i. Organizations should make adequate room for decision making.

ii. For proper running and optimum productivity, staff welfare should be taken into consideration.

iii. To avoid rumor mongering, organizations should develop a proper system of information dissemination to all and different.

iv. Managers should learn to practice delegation of authority to members of staff in the lower unit.

v. Participatory, rather than oppressive style of management, should be encouraged by

organizations.

vi. There should be adequate interaction and information flow in conflict resolution.

vii. Competition for authority should not be the priority of the staff of organizations but rather working together in peace and unity to achieve a common goal for the good of the organization.

viii. And Training workshops should be organized for staff of organizations on conflict resolution procedure.

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