ADMINISTRATION AND MANAGEMENT SKILLS
(LII312)

7. MANAGEMENT SKILLS – Pt. 3

7.5. Conflict Management

What is conflict? Conflict can be described as a disagreement among groups or individuals characterized by antagonism and hostility. This is usually fueled by the opposition of one party to another, in an attempt to reach an objective different from that of the other party. The elements involved in the conflict have varied sets of principles and values, thus allowing such a conflict to arise. Conflict is an inevitable part of life. Each of us possesses our own opinions, ideas and sets of beliefs. We have our own ways of looking at things and we act according to what we think is proper. Hence, we often find ourselves in conflict in different scenarios; may it involve other individuals, groups of people, or a struggle within our own selves. Consequently, conflict influences our actions and decisions in one way or another. Conflict comes naturally as the clashing of thoughts and ideas is a part of the human experience. It is true that it can be destructive if left uncontrolled. However, it shouldn't be seen as something that can only cause negative things to transpire. It is a way to come up with more meaningful realizations that can certainly be helpful to the individuals involved. These positive outcomes can be reached through an effective implementation of conflict resolution.

On a positive note, conflict can be seen as an opportunity for learning and understanding our differences. We can all live harmoniously despite conflicts as long as we know how to responsibly manage these struggles. Conflict management is something that companies and managers need to deal with. Conflict significantly affects employee morale, turnover, and litigation, which affects the prosperity of a company, either constructively or destructively. Conflict management is the process of limiting the negative aspects of conflict while increasing the positive aspects of conflict. The aim of conflict management is to enhance learning and group outcomes, including effectiveness or performance in organizational setting. Properly managed conflict can improve group outcomes.

One way to address organizational conflict is to create formal procedures which can guide and facilitate organizational behavior and interactions. This can reduce confusion about role expectations, clarify chains of command, and proscribe appropriate methods for completing tasks and advancing organizational goals. Finally, Noble reminds us (2012), "Each of us makes mistakes, has buttons that can be pushed, areas of particular sensitivity. Conflict management coaching aims to expand our self-awareness and build our confidence to deal with conflict."

7.5.1. Origin and Evolution of Conflicts

Author Jaffee notes (2008), "The emergence of a factory system of production during the early stages of industrial capitalist development in Europe and the United States presaged the beginning of organizational conflict. The perpetual challenge posed by the human factor of production revealed itself even before workers had entered the factory." Capitalist production required that human labor be concentrated under one roof for the purpose of economic activity. However, the would-be workers, anticipating a loss of freedom and autonomy entailed in a subordinate wage labor relationship with factory owners, engaged in resistance and rebellion. This new relationship posed a threat to roles and identities. The traditional way of life and labor was disrupted. This provoked intense resistance, opposition, and conflict over the emerging organization of factory production.

Conflict stemmed not just from the reorganization of work life, and the human reaction to it, but the hierarchical managerial command structure inherent in most organizational forms. This new system, in which some command and others obey had to be bolstered with a legitimizing rationale. Here we find the initial development of "managerial ideology" which remains a powerful analytic tool for conceptualizing managerial efforts to the present day. Managerial theories interpret the facts of authority and obedience so as to neutralize or eliminate the conflict between the few and many in the interest of a more effective exercise of authority. To do this, the exercise of authority is either denied altogether on the grounds that the few merely order what the many want; or it is justified with the assertion that the few have qualities of excellence which enable them to realize the interests of the many.

There are several causes of conflict. Conflicts may occur within the following scenarios;

- A party is required to engage in an activity that is incongruent with his or her needs or interests.
- A party holds behavioral preferences, the satisfaction of which is incompatible with another person's implementation of his or her preferences.
- A party wants some mutually desirable resource that is in short supply, such that the wants of all parties involved may not be satisfied fully.
- A party possesses attitudes, values, skills, and goals that are salient in directing his or her behavior but are perceived to be exclusive of the attitudes, values, skills, and goals held by the other(s).
- Two parties have partially exclusive behavioral preferences regarding their joint actions.
- Two parties are interdependent in the performance of functions or activities.

7.5.2. Conflict Types

Conflict can be classified into the following four types;

- **Interpersonal conflict** refers to a conflict between two individuals. This occurs typically due to how people are different from one another.

- **Intrapersonal conflict** occurs within an individual. The experience takes place in the person's mind. Hence, it is a type of conflict that is psychological involving the individual's thoughts, values, principles and emotions.

- **Intragroup conflict** is a type of conflict that happens among individuals within a team. The incompatibilities and misunderstandings among these individuals lead to an intragroup conflict.

- **Intergroup conflict** takes place when a misunderstanding arises among different teams within an organization.

7.5.3. Models of Conflict Resolution

There have been many styles of conflict management behavior that have been researched in the past century. Currently, two primary models of conflict resolution are used and they are mediation and arbitration. Mediation is a voluntary dispute resolution process where all parties must consent to participate in good faith and work toward a mutually agreeable resolution. Mediating parties are not bound to

resolve their dispute (although mediated settlements, once reached, can be made binding if the parties decide to draft a contract called a *settlement agreement*). Mediations are not "decided" in favor of one party or another; rather, the mediator simply facilitates the negotiation process. Arbitration, on the other hand, is a dispute resolution process in which a neutral party (the *arbitrator*) hears a dispute between one or more parties and, after considering all relevant information, renders a final decision in favor of one of the parties. Arbitration decisions may be either binding or non-binding, depending on the terms of the arbitration agreement. Binding arbitration decisions may be confirmed by a court and carry the same significance as a court judgment. For managers and leaders, overall conflict management should aim to minimize affective conflicts at all levels, attain and maintain a moderate amount of substantive conflict, and use the appropriate conflict management strategy to effectively bring about the first two goals, and also to match the status and concerns of the two parties in conflict.

On a more personal or basic level, there are five different primary strategies that individuals unknowingly use during times of conflict. They are as follows;

1. **Accommodating -** Accommodation involves having to deal with the problem with an element of self-sacrifice; an individual sets aside his own concerns to maintain peace in the situation. Thus, the person yields to what the other wants, displaying a form of selflessness. It might come as an immediate solution to the issue; however it also brings about a false manner of dealing with the problem.
2. **Avoiding -** In this approach, there is withdrawal from the conflict. The problem is being dealt with through a passive attitude. Avoiding is mostly used when the perceived negative end outweighs the positive outcome. In employing this, individuals end up ignoring the problem, thinking that the conflict will resolve itself.
3. **Collaborating -** Collaborating aims to find a solution to the conflict through cooperating with other parties involved. Hence, communication is an important part of this strategy.
4. **Competing -** Competition involves authoritative and assertive behaviors. In this style, the aggressive individual aims to instil pressure on the other parties to achieve a goal. It includes the use of whatever means to attain what the individual thinks is right.
5. **Compromising -** Compromising is about coming up with a resolution that would be acceptable to the parties involved. Thus, one party is willing to sacrifice their own sets of goals as long as the others will do the same.

7.6. Change Management

Change management is a systematic approach to dealing with change, both from the perspective of an organization and on the individual level. A somewhat ambiguous term, change management has at least three different aspects, including: **adapting to change, controlling change, and effecting change**. A proactive approach to dealing with change is at the core of all three aspects. For an organization, change management means defining and implementing procedures and/or technologies to deal with changes in the business environment and to profit from changing opportunities. Just like plants and animals, organizations and the individuals in them inevitably encounter changing conditions that they are powerless to control. The more effectively you deal with change, the more likely you are to thrive.

Change Management as a discipline began to emerge in the 1980s driven by leading consulting firms working with Fortune 500 companies. Early adopters, such as GE, Ford, and AT&T, were very large corporations that could derive significant savings through more efficiently implementing new programs and were accustomed to cutting edge thought leadership roles. Currently, change management is an approach to transitioning individuals, teams, and organizations to a desired future state. In a project management context, change management may refer to a project management process wherein changes to the scope of a project are formally introduced and approved.

Today, organizational change is a structured approach in an organization for ensuring that changes are smoothly and successfully implemented to achieve lasting benefits. In the modern business environment, organizations face rapid change like never before. Due to the growth of technology, modern organizational change is largely motivated by exterior innovations rather than internal moves. When these developments occur, the organizations that adapt quickest create a competitive advantage for themselves, while the companies that refuse to change get left behind. This can result in drastic profit and/or market share losses. Organizational change directly affects all departments from the entry level employee to senior management. The entire company must learn how to handle changes to the organization.

7.6.1. Process of Change

As a multi-disciplinary practice that has evolved as a result of scholarly research, organizational change management should begin with a systematic diagnosis of the current situation in order to determine both the need for change and the capability to change. The objectives, content, and process of change should all be specified as part of a Change Management plan. Change management processes should include creative marketing to enable communication between changing audiences, as well as deep social understanding about leadership's styles and group dynamics. As a visible track on transformation projects, Organizational Change Management aligns groups' expectations, communicates, integrates teams and manages people training. It makes use of performance metrics, such as financial results, operational efficiency, leadership commitment, communication effectiveness, and the perceived need for change to design appropriate strategies, in order to avoid change failures or resolve troubled change projects.

Successful change management is more likely to occur if the following are included;

1. Benefits management and realization to define measurable stakeholder aims, create a business case for their achievement (which should be continuously updated), and monitor assumptions, risks, dependencies, costs, return on investment, and cultural issues affecting the progress of the associated work.
2. Effective communication that informs various stakeholders of the reasons for the change, the benefits of successful implementation, as well as the details of the change.
3. Devise an effective education, training and/or skills upgrading scheme for the organization.
4. Counter resistance from the employees of companies and align them to overall strategic direction of the organization.
5. Provide personal counseling (if required) to alleviate any change-related fears.
6. Monitoring of the implementation and fine-tuning as required.

7.6.2. Trends of Change

The following lists outline the most current change management trends;

1. The awareness of the need and value of Change Management is increasing at all levels of organizations
2. Organizations continue to devote more resources and positions to Change Management
3. Change Management activities are being introduced earlier and more often into Project Management programs
4. Demand is growing for building internal Change Management competencies versus relying on outside consulting
5. There is a greater demand for Change Management training and certification within organizations

Author Llopis adds (2014), "Business environments are changing rapidly and that requires its leaders to change just as rapidly to keep up. The result of these changes is the natural evolution of a company's business model that now demands that its leaders serve as change agents to lift and lead the entire company." As change agents, you must know how to sell change and this requires a set of skills that you may not have been originally asked to have when you first got the job. As such, you must now learn how to be a change agent and assume the responsibilities that go with it.

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