Organizational Behaviour- II
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Lecture - 24
Conflict (Contd.,)

Namaskar. Today we will be continuing with our discussion on 'Conflict'. In the previous lectures, we have spoken about conflict, the meaning of conflict; we have discussed the transitions in conflict thought; we have discussed about functional and dysfunctional conflict in organizations; process, task and relationship conflict; we have also, you know, discussed intra-individual conflict, where we spoke about frustration, goal conflict, and role conflict. And then we talked about interactive conflict. Subsequently we discussed the conflict process in the case of interactive conflict, and then in the previous lecture, we discussed interpersonal, intergroup and organizational conflict, where we also discussed Transactional Analysis and the Johari window. Now moving further, we will today be discussing the Conflict Management Techniques, and we will talk about strategies with respect to Conflict Stimulation for functional conflict in organizations, and Conflict Resolution for dysfunctional conflicts in organizations. So, let us continue with our discussion on Conflict, and this is Module V, Lecture IV.

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So, we will be talking about Conflict Management today, and we will be discussing Strategies which can be used for Conflict Management.
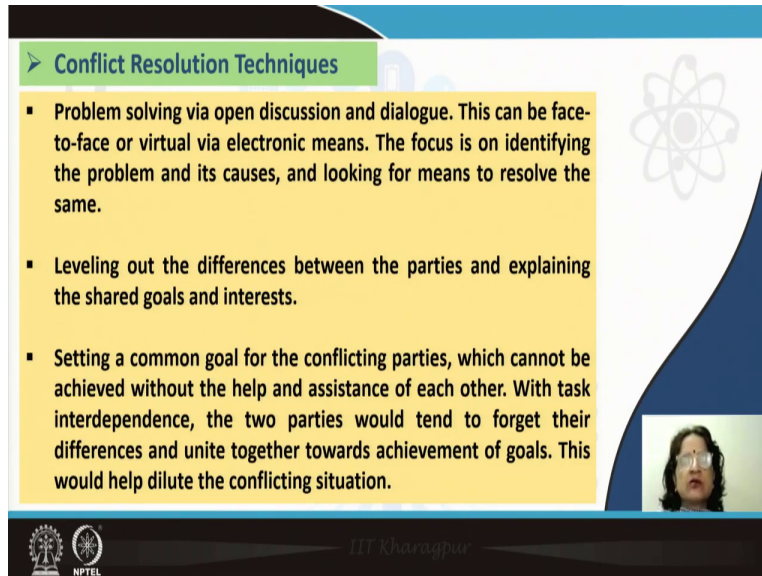
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Now what is Conflict Management? The use of techniques to achieve an optimum level of conflict which is desirable for an organization is known as conflict management. If you recall, I said that if there is too little of conflict, or if there is too much of conflict, it actually hampers organizational performance. It is only an optimum level of conflict which is desirable for an organization. And when we make use of techniques to achieve an optimum level of conflict desirable for an organization, it is known as Conflict Management.

Now Conflict Management includes both Conflict Resolution Techniques as well as Conflict Stimulation Techniques. Conflict Resolution techniques help fight dysfunctional conflict, and Conflict Stimulation techniques help towards creating functional conflict. So, as I have discussed earlier, that when we talk of conflict, it could be functional as well as dysfunctional in nature. Any conflict which hampers organizational performance or productivity, and affects the people in a negative manner, is a dysfunctional conflict and must be avoided at all costs. On the other hand, any and every kind of conflict, that helps an organization achieves achieve its you know, achieve higher levels of productivity, you know, achieve the goals, and perform well, and has a positive impact on the employees, is referred to as a functional conflict. And so, you know, functional conflict is something which is good for the organization. So, when we talk about Conflict Management Strategies we include both Resolution Techniques as well as Stimulation Techniques. The Resolution Techniques would help fight a dysfunctional conflict which is

harmful for the organization, and the Stimulation Techniques would help create a functional conflict which is useful for the organization.

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So, coming to first the Resolution Technique. So, when would you want to resolve a conflict? You would want to resolve a conflict when the conflict is something which is dysfunctional. So, what are the techniques? One, a problem solving via open discussion and dialogue. So, whenever there is a conflict between people, between teams, between groups of people, between departments in the organization, and it is being regarded as dysfunctional, it is always important to resolve the conflict to via open discussion and dialogue.

And this can be face-to-face discussions, or in today's day and age, it could be virtual via electronic means, and the focus is on identifying the root causes of the problem, the root causes of the conflict and, you know, and looking for means to resolve the conflict. So, one of the very important techniques for resolution, is via open discussion and dialogue. Open discussion and dialogue makes, you know, things very visible; it creates an open, transparent environment, you know, between people, and there is open communication. There is more transparency with respect to facts, figures, information etc., and it can help resolve conflicts.
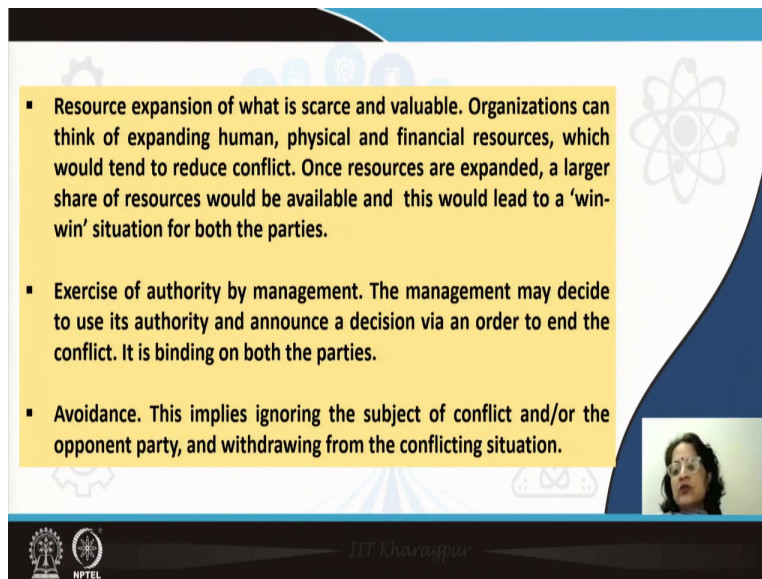
The second resolution technique which may be used is levelling out differences between parties, and explaining the shared goals and interests. Now this is very important when an organization,

you know, is facing a conflict where different departments, or different centers, or different units, or different divisions, are involved in the conflict. At that particular point in time, it is very important that the managers or the senior managers or the leaders of the company, try to bring the conflicting persons or parties or teams or groups or departments or divisions, together on a common platform, and explain to them, you know, that infighting is not desirable for the organization, and that the company or the organization, has important goals to pursue which are important not only for the organization, but also for individuals, and for everybody in the organization and the leader of the organization can come up with a discussion on the important, you know, goals, the priorities which need to be taken care off rather than the conflict between people. So trying to level out differences between the parties and explaining the shared goals and interests is something which is very important and leaders should resort to. The leaders could help people, you know, understand the interdependence - whether the interdependence is between people or between teams or between groups or between departments or between divisions in the company, or between, you know, strategic business units of the company. So in that way the conflicting people or the parties or the teams or the groups will realize that, yes, we are fighting over issues which are not that important, which are quite trivial, and there are other important goals that we need to achieve together. So, that will help them level out their differences. Often leaders resort to, you know, adopting strategies which can be a win-win situation for everybody. Win-win meaning, trying to keep everybody happy and satisfied, you know. If there are demands from Party A, and demands from Party B and C and so forth for scarce resources, they try to arrange a compromise or arrive at a compromise between them. So, in this way they try to level out the differences between the conflicting parties, and they try to resolve the conflict.

Another technique which can be used is setting a common goal for the conflicting parties which they cannot achieve without the help and assistance of each other -a superordinate goal; like for example, the manager may decide on a very important goal, which cannot be achieved until and unless everybody cooperates with each other. So, there is a goal or the superordinate goal, which may be laid out by the senior management, or by the top leaders, or by the top management and the leader of the company, and the superordinate goal is something which is above all. And the different departments, different divisions, realize that they cannot achieve that goal until unless

they all cooperate with each other, and because of the issue of task interdependence, whether sequential or reciprocal, the conflicting parties, conflicting departments or units realize that they have to work with each other to be able to achieve the goal, and the two parties in that case would tend to forget their differences and unite for the time being to achieve those goals. And as and when they unite, you know, they may forget their older differences, and it would help dilute the conflicting situation.

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- Resource expansion of what is scarce and valuable. Organizations can think of expanding human, physical and financial resources, which would tend to reduce conflict. Once resources are expanded, a larger share of resources would be available and this would lead to a 'win-win' situation for both the parties.

- Exercise of authority by management. The management may decide to use its authority and announce a decision via an order to end the conflict. It is binding on both the parties.

- Avoidance. This implies ignoring the subject of conflict and/or the opponent party, and withdrawing from the conflicting situation.
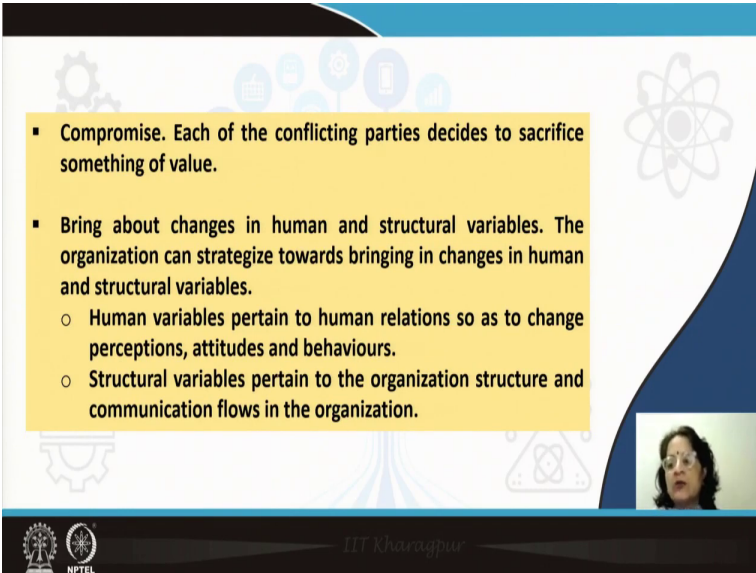
The fourth technique that can be used is resource expansion of what is scarce and valuable. A few moments ago I said, that very often people are fighting over resources, and these resources may be scarce. And so, Party A and Party B and Party C, they all want something, and then the only thing that is left with the management is to expand the resources so that it can leave everybody happy; you know, it can make everybody happy at the end of the day; everybody can feel a win-win situation, and it is satisfying for the conflicting parties at the end of the day. So, resource expansion of whatever is scarce and valuable, can also be adopted by the management so that the conflict between people, or between departments, can be resolved. So, organizations can think of expanding human resources, physical resources, material resources, financial resources, which would tend to reduce conflict, and once these resources are expanded, you know, the pie or the cake is expanded. So, there will be a larger share of resources available for the parties, and this would lead to a win-win situation for all. Now what is a win-win situation? We will be discussing it in a few moments from now, and in the next lecture when we do.

Negotiations we will be elaborating on it.

Another way by which management can resolve conflicts is exercise of authority. The management may decide to use authority, and announce a decision via an order to end the conflict between the two parties. And such an order is then binding on the two parties which are into conflict, whether it is two people, or whether it is to groups, or teams or departments or divisions and so forth. So, the management can also make use of authority, and announce a decision which would be binding on the conflicting parties.

And another way by which conflict can be resolved is avoidance. So, this implies ignoring the subject of conflict totally, and/or ignoring the opponent party, and withdrawing from the conflicting situation.
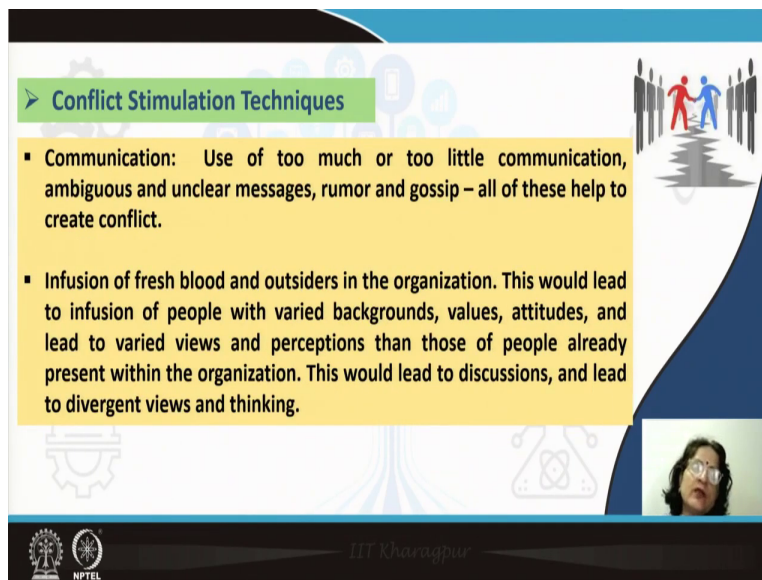
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So, these are different ways by which conflict can be resolved, but we also have to emphasize upon the fact that very often conflict can be resolved through a compromise and by bringing about changes in humans and structural variables. So, you know, apart from what we have discussed, you know, you can also try to reduce conflict or bring an end to conflict by bringing about changes in human and structural variables. And now what are these human and structured variables? Human variables pertain to human relations, so as to change perceptions of people, attitudes of people, and their behaviours; so bringing about a change in the mindset. And

structural variables pertain to the organization structure and the communication flows in the organization, the authority responsibility relationships in the organization - So, by bringing about changes in human and structural variables, you know, also managers can try and reduce conflict. And very often, the conflicting parties also agreed to arrive at a compromise, and they give up something of value. They decide to sacrifice something of value. So, that is wherein they reach a compromise. So, of course, compromise is something which may not always be successful or fruitful in the long run because when a compromise happens, either one party loses or both the parties in the conflict lose something. So, it is not a win-win situation, and so while compromise may be successful in the short run, it may breed, you know, discontentment for a later period and so what can be very useful to resolve conflicts, is bringing about changes in human and structural variables. So, we have all these different ways in which you can actually resolve conflict. You can have, you know, use of authority, compromise, avoidance, bringing about change in human and structural variables, superordinate goals, open discussion, dialogue, face-to-face discussions, and expanding the resources which are scarce - all of these strategies can be used, all of these techniques can be used for resolution of conflict.

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Now we come to strategies or techniques which are to be used for stimulating conflict. As I just said a little while ago, not all conflict in organizations is dysfunctional. Some amount of conflict is good for the organization, is useful for the organization, and so, managers need to create that kind of a conflict which is functional in nature, which is positive in nature. So, how do you

create conflict or how do you stimulate conflict? So, conflict stimulation techniques include one, communication. So, use of too much of communication, or too little of communication, ambiguous messages, unclear messages, rumours, gossip - all of these can help create conflict; you know it is like trying to create, you know, a ripple effect in the in the plain water. So, there is some kind of an activity, some kind of a dialogue, some kind of a communication which can be initiated, which leads to, you know, some kind of information spread and rumour and gossip everywhere and so, that will trigger people to, you know, to wake up; it would be a wake-up call, rather than a laid-back attitude. So, use of too much or too little communication, ambiguous messages, unclear messages, rumours, gossip - all of these can help to create conflict.

A second technique to create conflict is infusion of fresh blood and outsiders in the organization. So, whenever you hire new people, particularly from different backgrounds, different, you know, literacy levels, educational levels, work experience, diverse work experience, people with socio-economic cultural backgrounds, you know, their values are different, attitudes are different, opinions are different, perceptions are different, and this leads to varied views and perceptions in the organization, and this infusion of people with varied backgrounds leads to varied views and perceptions than those of people who are already present in the organization. So, this leads to discussions, this leads to dialogue, it leads to divergent views and thinking, and that is something which can stimulate creativity and foster innovation in an organization. It can actually create healthy competition amongst people. It can lead to, you know, brainstorming session between people; it can lead to sharing of new ideas; it can lead to healthy competition, and it can lead to, you know, some kind of, you know, a race between people for enhancing the productivity and performance, and this could be beneficial for the organization.

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- Bringing about a change is the organizational structure so at to disturb the equilibrium, and lead to healthy interaction.

- Appointing a critic who would always question the opinion of the majority or the consensus. The devil's advocate can help stimulate conflict.
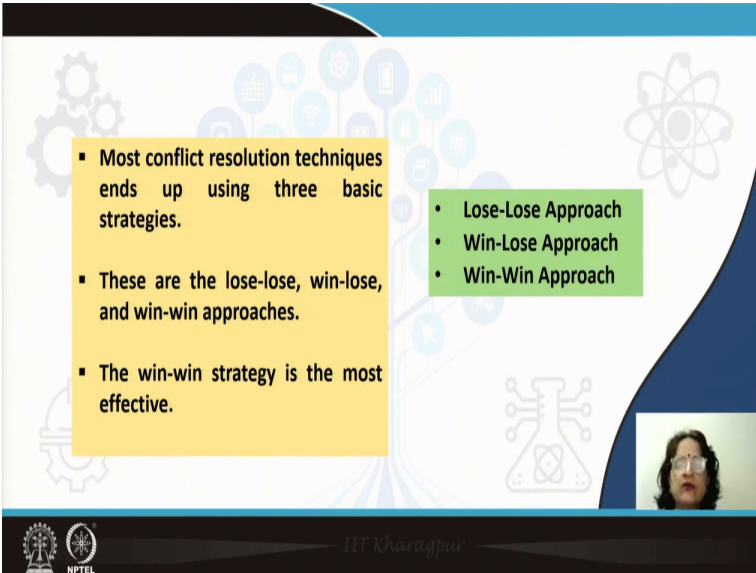
The third is bringing about a change in the organizational structure so as to disturb the equilibrium, and lead to healthy interaction. Very often, with stable organizational structures and traditional, you know, hierarchy, very traditional-oriented authority-relationships, people begin to follow a very traditional, conventional mode of thought and behaviour, and that could lead to also a laid-back attitude. People do not think out of the box. People forget to think out of the box; people do not want to be creative, you know, creativity cannot be fostered; new ideas cannot be infused, and this would hamper an organization from, you know, being high on creativity, or innovation and things like that. So, you know, like for example, a traditional organization structure, may be such that does not appreciate a healthy dialogue between the subordinates and the superiors, in terms of the subordinates sharing their views with respect to improvement of production processes for example. So, in this kind of a traditional structure, orders have to be followed, and it is a top-down approach, rather than encouraging a bottom-up or a grassroot approach, where the people who are actually at the shop floor or in the factory may have better ideas about improving the processes can be encouraged. So, people at the grassroot or people at the shop floor, or people in the lower level, are not encouraged to present their views or ideas or thoughts. So, in that case, it is more of a top-down approach rather than a bottom-up approach, and so creative ideas may get stifled right at the bottom, and it could lead to, you know, loss of new ideas, loss of new ideas because they are not encouraged to speak, and it could in a way, you know, be demotivating for the employees at the shop floor who just have to execute orders rather than propose new ideas, or new methods of improving work performance. So, in such kind of a

traditional structure, things then gradually become very laid-back; people become very laid-back; they just follow orders; they do not do not like to share new ideas, new opinions, new thoughts etc. and so this can be harmful for the organization in the long run. So, that is why changes need to be brought about in traditional organizational structure formats; they have to be made more open, and with lesser rigidity with respect to authority relationships. So, bringing about a change in the organization structure, can bring about healthy interaction, and healthy competition in the organization.

Finally appointing a critic, who would always question the opinion of the majority, or the consensus which is a devil's advocate can also stimulate conflict. A person who criticizes the majority decision or criticizes a consensus, which is being arrived out arrived at without much of thought, and without much of facts and logic, such a person, such a critic, who questions the majority decision, or the consensus can also help stimulate conflict. He or she can always question what the majority decision is, whether it is right or wrong, or suited to the occasion or not; He or she can always question the consensus decision, whether it is right or wrong and in this way, by questioning a decision or by questioning, you know, a solution to a problem, they can actually, you know, can actually encourage more discussion, more of brainstorming amongst people, and can stimulate conflict and lead to better ideas. So, these are different techniques which can be used to resolve conflict and stimulate conflict.

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Now most of the conflict resolution techniques end up using three basic strategies. We have the lose-lose, the win-lose and the win-win approach. So, the win-win approach is of course the best approach. Now we will be discussing these approaches subsequently in our chapter on Negotiation, which is going to be the last topic of discussion under conflict.

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But let me briefly discuss with you what these approaches are. So, you have the lose-lose approach or the win-lose approach and the win-win approach. The lose-lose approach is that both the parties in the conflict tend to lose, and the approach can be either in the form of a compromise which they arrive at adopting a middle ground, or if they are not able to arrive at a compromise, the company may institute a third party agent - could be a conciliator, could be a mediator, could be an arbitrator, and this third party could actually try and bring both the parties, warring parties, or conflicting parties into, you know, to a solution, and the difference here between conciliation and arbitration is that while in the case of conciliation it is more voluntary, and not binding on both parties, but in the case of arbitrator as a third party, the decision is binding on both the parties. So, we will be discussing about this third party either as a conciliator or a mediator or an arbitrator in the next session. But at the moment I would just like to say that, when two persons or two groups or two teams or two departments or two divisions, I mean, two parties, two conflicting parties, are not able to arrive at a compromise, the management may resort to a third party intervention, in the form of conciliation, mediation and arbitration. And in the case of conciliation and mediation, a judgment which is arrived at or pronounced may not be

binding, but in the case of arbitration, it is binding on both the parties. Sometimes the management may resort to bureaucratic or government rules and regulations and resolve a conflict, but whatever these forms could be, it actually leaves both the parties in a lose-lose scenario; both parties lose during the conflict resolution and so this is a lose-lose approach. A win-lose approach is, you know, 'we versus they' approach. So, one party is 'we'; another party is 'they'. So, it is a 'we versus they', and the gain of 'we' is the loss of 'they'. So, one party wins at the cost of the other. One party wins, one party loses. So, if 'we' gains, 'they' loses, or if 'they' gains 'we' loses. So, one party is in a conflict wins, and the other party loses. Even in this case, a third party may be chosen and an arbitrator may be used. But in a win-win approach, it is both parties being better off than before; both parties win, they leave the, you know, negotiation or the you know negotiation table feeling happier than before because both parties feel that they have got something out of, you know, the conflict, and it is the most desirable approach, So, win-win approach is something which is the most desirable approach and companies must use it.
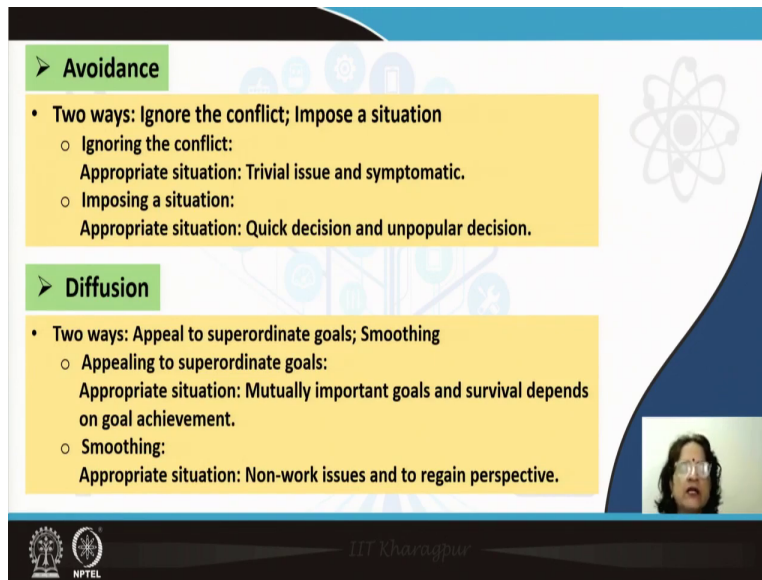
But of course, as we will see during our discussion on Negotiation, that a win-win approach may not always be possible for an organization.

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Now finally, we come to Strategies used for Conflict Management. So, there are four broad strategies which may be used for conflict management avoidance, diffusion, containment and confrontation. So, let us first start with avoidance.

Avoidance can be in two ways - either ignore the conflict, or impose a situation. Ignoring the conflict - for this particular approach, the appropriate situation will be when the problem issue or the conflicting issue is very trivial, and it is symptomatic; clearly visible reasons for conflict are there. So, you can actually ignore the conflict. And the other format for avoidance can be imposing a situation. The imposing a situation works in situations where a quick decision is required and the quick decision may be unpopular for both the parties, or both the conflicting parties. So, you know, the manager or the leader or the third party, uses a technique to just impose, you know it. So, that is wherein, you know, in those cases when a quick decision, an unpopular decision is required, you know - imposing a situation could be adopted.

The second one is what we call as diffusion. Now diffusion again can be in two ways - appeal to superordinate goals and smoothing. Now appeal to superordinate goals - appropriate situation for using, you know, this is when you there are mutually important goals between the conflicting parties, or conflicting teams, and survival of the organization, and survival of both the parties depends on the achievement of those goals. So, both the parties are interdependent on each other sequentially or reciprocally, and if they both have to achieve their goals they have to do it with the help of each other. So, the manager comes up or the leader comes up with a superordinate goal, and when the two parties or conflicting parties are working together to achieve the goal, differences between them get diluted. So, this is one way of diffusion. The other way in which

you can actually adopt diffusion is smoothing. So, smoothing happens, and is useful in cases when the conflict relates to non-work issues, and the objective is to help both parties regain a perspective, think differently, and so, this can be adopted.

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The third is containment. Again containment can be done either through bargaining or by structuring the interactions. Bargaining can be useful when both the groups are equally powerful, and alternate solutions are available; and both the parties are not ready to accept each other's viewpoints; and both the parties want maximum gains. So, in that case, bargaining can be used, and another way for containment can be through structuring the interaction. Structuring the interactions is appropriate, you know, in situations where it is realized that open discussion may lead to escalation of the problem, and a third party is available to resolve the conflict.

And finally we have confrontation. Confrontation again has two forms - integrative problem solving and redesigning the organization. Integrative problem solving is used in cases when the conflicting parties do not trust each other. And it would be better if they openly confront each other because the organization benefits from such a confrontation. So, integrative problem serving is used, when it is realized that the organization would benefit from a confrontation, and redesigning the organization is also a means to adopt, you know, when a manager decides to adopt confrontation as a conflict management strategy.

So, in that case you know, redesigning the organization is appropriate when the conflict is due to coordination of work, and work can easily be divided into clear-cut project responsibility.

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So, these are the four different strategies which may be used - we have avoidance, diffusion, containment and confrontation. Avoidance could be either ignoring the conflict or imposing a situation. Diffusion could be in the form of appealing to subordinate goals and smoothing. Containment could be via bargaining and structuring the interactions. And confrontation could be through integrative problem solving and redesigning the organization.

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So, with this I come to a conclusion of this lecture. These are the references.

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Now in the next lecture we will be ending our discussion on the topic, 'Conflict' and we will be discussing negotiations. Thank you.