Full Paper

For,

"Research Conference on Innovation, (28-29 March 2014) at SIBM, Pune)

Title: Organizational Conflict Management: An Attribute to Diversity at Workplace

(Track: Innovative People Management Strategies)

Name of Author: Prof. Sandeep A. Hegade
Assistant Professor

Affiliation: SCES's Indira College of Engineering & Management, Pune

Contact Details:

E mail id: sandeep.hegade@indiraicem.ac.in

hegade.sdp@gmail.com

Mobile No.: 91-9763669494

Abstract

With rapid industrialization having its characteristic to be encompassing only select centres (cities/regions) of the country and marginalizing the wide spread population, it is quite evident to have migration at an enormous scale; attributing to several unprecedented and complex issues, not only for state but also for organizations.

Organizations are made up of formal and informal rules that coordinate actions of different people. But how can organizations make sure that people, who have diverse backgrounds, particular interests, and different understandings, comply with these rules?

Raising these questions means addressing the fine line between the exercise of power and ethics.

Conflict may arise in such environment due to issues such as personality clashes, goal incompatibility, and differences in judgment, uncooperative behavior and cultural misunderstandings. If conflict is not addressed and instead is allowed to escalate, people may feel frustrated, upset, and even act aggressively.

However, issues can be managed effectively to achieve learning through greater understanding of the problems, issues and opinions being debated or contested. Dealing with such issues effectively requires various communication and listening skills, paired with assertiveness and inter-cultural competencies such as mutual respect, empathy and sensitivity toward others. This paper intends to describe some common instigators of issues arising at workplace due to diversity of human resources and recommends strategies to help find respectful and culturally inclusive ways of managing and resolving tension.

Keywords: complex issues, diverse backgrounds, power, ethics, conflict

Title: Organizational Conflict Management: An Attribute to Diversity at Workplace

Organizations are made up of formal and informal rules that coordinate actions of different people. But how can organizations make sure that people-who have diverse backgrounds, particular interests, and different understandings- comply with these rules? Raising these questions means addressing the fine line between the exercise of power and ethics. *Power* is the concept that encompasses the mechanisms, processes, and dispositions that try, not always successfully, to ensure that people act according to the rules of the game. Hence, power is one of the central concepts in both management practice and theory. Ethics, on the other hand, is concerned with doing the right things in the right way. Of course, the whole issue of ethics depends in the first place on the ethicality of the business proposition that underlies the organization. However, a number of case studies refuted these expectations. Surprisingly, these case studies discovered bases of power outside the formal structure of authority and described the games they sanctioned and the rules that made them possible. More recently, interest in discussions of power has shifted to issues of resistance- how people in organizations resist formal organizational authorities. However, perhaps of more pressing concern is not the question of why people resist but why they might obey, particularly where there are ethical issues attached to what it is that they are obeying, issues that come into particular focus when considering examples of extreme organizations that are known as total institutions. Although we can learn a great deal from the concentration of power that occurs in total institutions, in fact, most organizational power is neither so total nor so hard edged. Instead of making people do what they wouldn't otherwise do, this power is subtler—it operates through modes of *soft domination*.

Organizational communication and conflict management - literature review:

It is not possible to have good human relations without communication. An effective communication is required, not only for maintaining human relations, but also for achieving good business performance. In addition, practical experience shows that there is no communication without conflicts. Sometimes, conflicts can be useful, as they help to make correct decision, although they might represent a huge obstacle to an organization and its business. Firstly some theoretical aspects of organizational communication will be presented, which is followed by discussion of selected theoretical aspects of conflicts and conflict management.

Organizational communication

Communication is transfer of information from sender to receiver, implying that the receiver understands the message. Communication is also sending and receiving of messages by means of symbols. In this context, organizational communication is a key element of organizational climate (Drenth et al, 1998). Finally, organizational communication is the process by which individuals stimulate meaning in the minds of other individuals by means of verbal or nonverbal messages (Richmond et al, 2005). For efficient communication, it is necessary that the receiver understands the meaning of the message and indicates it to the sender through some expected reactions (Ivancevich, Matteson, 2002). Each organization must enable communication in several directions: downward communication, upward communication, horizontal communication, and diagonal communication, as illustrated by Figure 1 (Miljković, Rijavec, 2008).

Downward communication flows from top management to employees. This type of communication is characteristic for companies with an authoritative style of management.

Upward communication flows from employees to top management. The main task of this communication is to inform top management of the situation Management, Vol. 18, 2013, 1, pp. 103-118 K. Spaho: Organizational communication and conflict management on the lower levels. It is the best way for top management to analyze the efficiency of downward communication and organizational communication in general (Miljković, Rijavec, 2008).

Horizontal communication flows between employees and departments, which are on the same organizational level. It enables coordination and integration of activities of departments, engaged in relatively independent tasks (Miljković, Rijavec, 2008).

Diagonal communication flows between people, which are not on the same organizational level and are not in a direct relationship in the organizational hierarchy. This type of communication is rarely used – usually in situations when it supplements other types of communication (Miljković, Rijavec, 2008). Diagonal communication is used, e.g. as labor unions organize direct meetings between employees and top management, avoiding the first line and middle level managers.

Factors Responsible:

Conflict is a clash of interests, values, actions, views or directions (De Bono, 1985). Conflict refers to the existence of that clash. Conflict is initiated the instant clash occurs. Generally, there are diverse interests and contrary views behind a conflict, which are revealed when people look at a problem from their viewpoint alone. Conflict is an outcome of organizational intricacies, interactions and disagreements. It can be settled by identifying and neutralizing the etiological factors. Once conflict is concluded it can provoke a positive change in the organization.

When we recognize the potential for conflict, we implicitly indicate that there is already a conflict of direction, even though it may not have yet manifested itself as a clash. Confliction is

the process of setting up, promoting, encouraging or designing conflict. It is a willful process and refers to the real effort put into generating and instituting conflict.

Why conflicts arise

In most organizations, conflicts increase as employees assert their demands for an increased share in organizational rewards, such as position, acknowledgment, appreciation, monetary benefits and independence. Even management faces conflicts with many forces from outside the organization, such as government, unions and other coercive groups which may impose restrictions on managerial activities.

Conflicts emanate from more than one source, and so their true origin may be hard to identify. Important initiators of conflict situations include:

- (i) People disagree. People disagree for a number of reasons (De Bono, 1985).
- (a) They see things differently because of differences in understanding and viewpoint. Most of these differences are usually not important. Personality differences or clashes in emotional needs may cause conflicts. Conflicts arise when two groups or individuals interacting in the same situation see the situation differently because of different sets of settings, information pertaining to the universe, awareness, background, disposition, reason or outlook. In a particular mood, individuals think and perceive in a certain manner. For example, the half-full glass of one individual can be half-empty to another. Obviously both individuals convey the same thing, but they do so differently owing to contrasting perceptions and dispositions.
- (b) People have different styles, principles, values, beliefs and slogans which determine their choices and objectives. When choices contradict, people want different things and that can create conflict situations. For example, a risk-taking manager would be in conflict with a risk-minimizing supervisor who believes in firm control and a well-kept routine.

- (c) People have different ideological and philosophical outlooks, as in the case of different political parties. Their concepts, objectives and ways of reacting to various situations are different. This often creates conflicts among them.
- (d) Conflict situations can arise because people have different status. When people at higher levels in the organization feel indignant about suggestions for change put forward from their subordinates or associates, it provokes conflict. By tolerating and allowing such suggestions, potential conflict can be prevented.
- (e) People have different thinking styles, which encourage them to disagree, leading to conflict situations. Certain thinking styles may be useful for certain purposes, but ineffectual or even perilous in other situations (De Bono, 1985).
- (f) People are supposed to disagree under particular circumstances, such as in sports. Here conflict is necessary, and even pleasurable.
- (ii) People are concerned with fear, force, fairness or funds (De Bono, 1985).
- (a) Fear relates to imaginary concern about something which might happen in the future. One may fear setbacks, disgrace, reprisal or hindrances, which can lead to conflict situations.
- (b) Force is a necessary ingredient of any conflict situation. Force may be ethical or emotional. It could be withdrawal of cooperation or approval. These forces are instrumental in generating, strengthening and terminating conflicts.
- (c) Fairness refers to an individual's sense of what is right and what is not right, a fundamental factor learnt in early childhood. This sense of fairness determines the moral values of an individual. People have different moral values and accordingly appreciate a situation in different ways, creating conflict situations.

(d) Funds or costs can cause conflict, but can also force a conclusion through acceptable to the conflicting parties. The cost of being in conflict may be measurable (in money terms) or immeasurable, being expressed in terms of human lives, suffering, diversion of skilled labour, neglect or loss of morale and self esteem. (De Bono, 1985).

Conditions creating conflict situations

According to Kirchoff and Adams (1982), there are four distinct conflict conditions, i.e., high stress environments, ambiguous roles and responsibilities, multiple boss situations, and prevalence of advanced technology. Filley (1975) identified nine main conditions which could initiate conflict situations in an organization. These are:

- (i) *Ambiguous jurisdiction*, which occurs when two individuals have responsibilities which are interdependent but whose work boundaries and role definitions are not clearly specified.
- (ii) Goal incompatibility and conflict of interest refer to accomplishment of different but mutually conflicting goals by two individuals working together in an organization. Obstructions in accomplishing goals and lack of clarity on how to do a job may initiate conflicts. Barriers to goal accomplishment arise when goal attainment by an individual or group is seen as preventing another party achieving their goal.
- (iii). *Communication barriers*, as difficulties in communicating can cause misunderstanding, which can then create conflict situations.
- (iv) Dependence on one party by another group or individual.
- (v) Differentiation in organization, where, within an organization, sub-units are made responsible for different, specialized tasks. This creates separation and introduces differentiation. Conflict situations could arise when actions of sub-units are not properly coordinated and integrated.

- (vi) Association of the parties and specialization: When individuals specialized in different areas work in a group, they may disagree amongst themselves because they have different goals, views and methodologies owing to their various backgrounds, training and experiences.
- (vii) *Behavior regulation:* Organizations have to have firm regulations for individual behavior to ensure protection and safety. Individuals may perceive these regulations differently, which can cause conflict and negatively affect output.
- (viii) *Unresolved prior conflicts:* which remain unsettled over time create anxiety and stress, which can further intensify existing conflicts. A manager's most important function is to avoid potential harmful results of conflict by regulating and directing it into areas beneficial for the organization.

Effects of conflicts

Conflict situations should be either resolved or used beneficially. Conflicts can have positive or negative effects for the organization, depending upon the environment created by the manager as she or he manages and regulates the conflict situation.

Positive effects of conflicts

Some of the positive effects of conflict situations are (Filley, 1975): *Diffusion of more serious conflicts*. Games can be used to moderate the attitudes of people by providing a competitive situation which can liberate tension in the conflicting parties, as well as having some entertainment value. In organizations where members participate in decision making, disputes are usually minor and not acute as the closeness of member's moderate's belligerent and assertive behavior into minor disagreements, which minimizes the likelihood of major fights.

Stimulation of a search for new facts or resolutions: When two parties who respect each other face a conflict situation, the conflict resolution process may help in clarifying the facts and stimulating a search for mutually acceptable solutions.

Increase in group cohesion and performance: When two or more parties are in conflict, the performance and cohesion of each party is likely to improve. In a conflict situation, an opponent's position is evaluated negatively, and group allegiance is strongly reinforced, leading to increased group effort and cohesion.

Assessment of power or ability: In a conflict situation, the relative ability or power of the parties involved can be identified and measured.

Negative effects of conflicts

Destructive effects of conflicts include:

Impediments to smooth working

diminishing output

obstructions in the decision making process, and

formation of competing affiliations within the organization.

The overall result of such negative effects is to reduce employees' commitment to organizational goals and organizational efficiency (Kirchoff and Adams, 1982).

Theory of conflict management

Conflict is defined as disagreement between individuals. It can vary from a mild disagreement to a win-or-lose, emotion-packed, confrontation (Kirchoff and Adams, 1982). There are two theories of conflict management.

The traditional theory is based on the assumption that conflicts are bad, are caused by trouble makers, and should be subdued.

Contemporary theory recognizes that conflicts between human beings are unavoidable. They emerge as a natural result of change and can be beneficial to the organization, if managed efficiently. Current theory (Kirchoff and Adams, 1982) considers innovation as a mechanism for bringing together various ideas and viewpoints into a new and different fusion. An atmosphere of tension, and hence conflict, is thus essential in any organization committed to developing or working with new ideas.

Dealing with conflict

Conflicts are inescapable in an organization. However, conflicts can be used as motivators for healthy change. In today's environment, several factors create competition; they may be differing departmental objectives, individual objectives, and competition for use of resources or differing viewpoints. These have to be integrated and exploited efficiently to achieve organizational objectives.

A manager should be able to see emerging conflicts and take appropriate pre-emptive action. The manager should understand the causes creating conflict, the outcome of conflict, and various methods by which conflict can be managed in the organization. With this understanding, the manager should evolve an approach for resolving conflicts before their disruptive repercussions have an impact on productivity and creativity. Therefore, a manager should possess special skills to react to conflict situations, and should create an open climate for communication between conflicting parties.

Ways to resolve conflict: When two groups or individuals face a conflict situation, they can react in four ways (De Bono, 1985). They can:

Fight, which is not a beneficial, sound or gratifying approach to dealing with a conflict situation, as it involves 'tactics, strategies, offensive and defensive positions, losing and winning grounds,

and exposure of weak points.' Fighting as a way of resolving a conflict can only be useful in courtroom situations, where winning and losing becomes a by-product of the judicial process. *Negotiate*, towards a settlement with the other party. Negotiations take place within the prevailing situation and do not involve problem solving or designing. Third-party roles are very important in bringing the conflicting parties together on some common ground for negotiations. *Problem solve*, which involves identifying and removing the cause of the conflict so as to make the situation normal again. However, this may not be easy. It is also possible that the situation may not become normal even after removing the identified cause, because of its influence on the situation.

Design, which is an attempt towards creativity in making the conflict situation normal. It considers conflicts as situations rather than problems. Designing is not confined to what is already there, but attempts to reach what might be created given a proper understanding of the views and situations of the conflicting parties. The proposed idea should be appropriate and acceptable to the parties in conflict. A third party participates actively in the design process rather than being just an umpire.

Conflict-resolution behavior:

Depending on their intentions in a given situation, the behavior of conflicting parties can range from full cooperation to complete confrontation. Two intentions determining the type of conflict-handling behavior are *assertion* and *cooperation:* assertion refers to an attempt to confront the other party; and cooperation refers to an attempt to find an agreeable solution.

Depending upon the degree of each intention involved, there can be five types of conflict handling behavior (Thomas and Kilman, 1976). They are:

Competition is a win-or-lose style of handling conflicts. It is asserting one's one viewpoint at the potential expense of another. Competing or forcing has high concern for personal goals and low concern for relationships. It is appropriate in dealing with conflicts which have no disagreements. It is also useful when unpopular but necessary decisions are to be made.

Collaboration aims at finding some solution that can satisfy the conflicting parties. It is based on a willingness to accept as valid the interests of the other party whilst protecting one's own interests. Disagreement is addressed openly and alternatives are discussed to arrive at the best solution. This method therefore involves high cooperation and low confrontation. Collaboration is applicable when both parties desire to solve the problem and are willing to work together toward a mutually acceptable solution. Collaboration is the best method of handling conflicts, as it strives to satisfy the needs of both parties. It is integrative and has high concern for personal goals as well as relationship.

Compromise is a common way of dealing with conflicts, particularly when the conflicting parties have relatively equal power and mutually independent goals. It is based on the belief that a middle route should be found to resolve the conflict situation, with concern for personal goals as well as relationships. In the process of compromise, there are gains and losses for each conflicting party.

Avoidance is based on the belief that conflict is evil, unwanted or boorish. It should be delayed or ignored. Avoidance strategy has low cooperation and low confrontation. It is useful either when conflicts are insignificant or when the other party is unyielding because of rigid attitudes. By avoiding direct confrontation, parties in conflict get time to cool down.

Accommodation involves high cooperation and low confrontation. It plays down differences and stresses commonalities. Accommodating can be a good strategy when one party accepts that it is

wrong and has a lot to lose and little to gain. Consequently, they are willing to accommodate the wishes of the other party.

Conclusion:

The paper analyzes the importance of conflict management in organizational communication by looking into the basics of organizational communication (as an introduction into conflict management) and, later, by focusing to conflict management strategies and styles. All managerial levels have a responsibility for good organizational communication and conflict management. Conflicts are inevitable in any organization. A modest level of conflict can be useful in generating better ideas and methods, inspiring concern and ingenuity, and stimulating the emergence of long-suppressed problems. Conflict management strategies should aim at keeping conflict at a level at which different ideas and viewpoints are fully voiced but unproductive conflicts are deterred. Practical experiences have shown that managers cannot be left out of conflicts, but must take active part in it. Organizations are social entities segmented into hierarchies of departments and individuals. The basic realities of organizational life cannot but stimulate comparisons, competitions and conflicts between departments and individuals. Conflict is an omnipresent feature at each of these organizational levels. Since conflict may have functional as well as dysfunctional consequences, it is essential that administrators explore various methods and techniques of conflict management.

References:

De Bono, E. 1985. Conflicts: A Better Way to Resolve Them. London: Harrap.

Buddhodev Sinha, A., (2011): Conflict management: making life easier,

Filley, A.C. 1975. Interpersonal Conflict Resolution. Glenview IL: Scott, Foresman.

Irving, J.L. 1971. Group think. Psychology Today, November.

Ivancevich, J.M., Szilagyi, A.D., Jr., & Wallace, M.J., Jr. 1977. *Organizational Behavior and Performance*. California, CA: Goodyear Publishing.

Kirchoff, N., & Adams, J.R. 1982. Conflict Management for Project Managers. Drexel Hill:

Miljković, D., Rijavec M., (2008), Organizacijska psihologija, IEP, Zagreb

Munduate, L., Luque, P., Baron, M., (1997): Styles of handling interpersonal conflict: an observational study, Psicothema, 9 (1), pp. 145-153.

Petković, M., (2008): Organizaciono ponašanje, Ekonomski fakultet Beograd, Beograd Rahim, A, (2002): Toward theory of managing organizational conflict, The International Journal of Conflict Management, 13 (3), pp. 206-235.

Organizational Communication for Survival: Making Work, Work, Allyn and Bacon, Needham Heights MA