

STUDY UNIT 8 CONFLICT AND NEGOTIATION

LEARNING OUTCOMES

- On successful completion of this study unit, students will be able to:
 - Define conflict and negotiation
 - Select and justify a personal view on conflict based on various views of conflict
 - Outline the conflict process used in organisations
 - Describe conflict management techniques
 - Describe the five steps in the negotiation process
 - Discuss issues of conflict and negotiation within the South African context

DEFINITION OF CONFLICT

- Conflict is a process that begins when one party perceives that another party has negatively affected, or is about to negatively affect something that the first party cares about.
- Negotiation is defined as a process in which two or more parties exchange goods or services and attempt to agree upon the exchange rate for them.

TRANSITIONS IN CONFLICT THOUGHT

The Traditional View

- The early approach to conflict assumed that all conflict was bad.
 - Conflict was viewed negatively and it was used synonymously with terms such as violence, destruction and irrationality to reinforce its negative connotations.
 - Conflict, by definition, was harmful and had to be avoided.

The Human Relations View

- This position argued that conflict was a natural occurrence in all groups and organisations.
 - It argued that as conflict was natural it had to be accepted.

The Interactionist View

- While the human relations approach accepts conflict, the interactionist approach encourages conflict on the grounds that a harmonious, peaceful, tranquil and cooperative group is prone to becoming static, apathetic and non-responsive to needs for change and innovation.
 - The major contribution of the interactionist approach therefore is encouraging group leaders to maintain an ongoing minimum level of conflict - enough to keep the group viable, self critical and creative.

THE CONFLICT PROCESS

(377 / 16.1)

Stage 1: Potential Opposition or Incompatibility

- This stage is characterised by the presence of conditions that create opportunities for conflict.
 - For simplicity sake, these conditions have been condensed into 3 general categories:
 - Communication, which includes differing word connotations, jargon, insufficient exchange of information and noise in the communication channel.
 - Structure, which refers to the size, degree of specialisation in the tasks assigned to group members, jurisdictional clarity, member-goal compatibility, leadership styles, reward systems, and the degree of dependence between groups and individuals.
 - Personal variables, which include differences in values and personalities.

Stage 2: Cognition and Personalisation

- This is characterised by responding to the situation which has potential for opposition or incompatibility.
 - Conflict is perceived and conflict issues are defined.

Stage 3: Intentions

- Intentions intervene between people's perceptions and emotions and their overt behaviour.
- Conflict handling intentions include:
 - Competing (assertive and uncooperative)
 - Collaborating (assertive and cooperative)
 - Avoiding (Unassertive and uncooperative)
 - Accommodating (Unassertive and cooperative)
 - Compromising (mid range between assertiveness and cooperativeness) (379 / 16.2)

Stage 4: Behaviour

- This stage is characterised by visible conflict and includes statements, actions and reactions of the conflicting parties (380 / 16.3).

Stage 5: Outcomes

- This stage is characterised by the action / reaction interplay between the conflicting parties and resulting in consequences.
- These outcomes may be functional in that the conflict results in an improvement in the group's performance or dysfunctional in that it reduces group performance.

CONFLICT MANAGEMENT TECHNIQUES

- Techniques to stimulate conflict include:
 - Communication: Use ambiguous/ messages to increase conflict levels.

- Bringing in outsiders: Adding employees to a group whose backgrounds, values, attitudes or managerial styles differ from those of present members.
- Restructuring the organisation: Re-aligning work groups, altering rules and regulations, increasing interdependence and making similar structural changes to disrupt the status quo.
- Appointing a devil's advocate: Designating a critic to purposely argue against the majority positions held by the group.
- Conflict management techniques include:
 - Problem solving: Face to face meeting of conflicting parties for the purpose of identifying the problem and resolving it through open discussion.
 - Superordinate goals: Creating a shared goal that cannot be attained without the cooperation of the each of the conflicting parties.
 - Expansion of Resources: When conflict is caused by the scarcity of a resource - say money, promotion opportunities, office space- expansion of the resource can create a win- win solution.
 - Avoidance: Withdrawal from, or suppression of, the conflict.
 - Smoothing: Playing down differences while emphasizing common interest between the conflicting parties.
 - Compromise: Each party to the conflict gives up something of value.
 - Authoritative command: Management uses its formal authority to resolve the conflict and then communicates it desires to the parties involved.
 - Altering the human variable: Using behavioural change techniques such as human relations training to alter attitudes and behaviours that cause conflict.
 - Altering the structural variables: Changing the formal organization structure and the interaction patterns of conflicting partners through job redesign, transfers, creation of coordinating positions, & the like. (380 / 16.1)

FUNCTIONAL V DYSFUNCTIONAL CONFLICT

- To determine the functionality of conflict the type of conflict has to be considered:
 - Task conflict relates to the content and goals of work.
 - Relationship conflict focuses on interpersonal relationships.
 - Process conflict relates to how the work gets done.

NEGOTIATION

Definition

- Negotiation is a process in which two or more parties exchange goods or services and attempt to agree upon an exchange rate for them.

Approaches

- Two general approaches can be identified (382 / 16.2):
 - Distributive bargaining, which sees parties identify original positions as opposites of a continuum and then compromise to arrive at an agreement.
 - Integrative bargaining, which is based on an approach of integrative

problem solving in order to arrive at a win-win solution.

The negotiation Process

- The five steps in negation process are:
 - Preparation and planning:
 - This involves gathering information relevant to the negotiation and make necessary plans.
 - Definition of ground rules:
 - The ground rules and procedures to be followed during negotiation should be defined.
 - Clarification and justification:
 - Both parties have the chance to explain and justify their original demands.
 - Bargaining and problem solving:
 - During this stage both parties are involved in exchanging ideas and in trying to reach an agreement.
 - Closure and implementation:
 - This stage deals with formalising the agreement.