Chapter 9: Conflict & Negotiation

CONFLICT DEFINED

conflict = process that begins when one party perceives that another party has –vely affected (or is about to) sth that the 1st party cares about

- must be *perceived* for it to exist
- opposition / incompatibility + some form of interaction btwn parties

functional conflict = (constructive) conflict that supports goals of the group & improves its performance
- lower range of Conflict Intensity Continuum

dysfunctional conflict = (destructive) conflict that hinders group performance
- higher range of Continuum

- source of conflict is important factor determining functionality of conflicts

cognitive conflict☺ = task-oriented & related to differences in perspectives & judgments
- identifies potential solutions to problems

affective conflict = emotional & aimed @ a person rather than an issue (dysfunctional)

CONFLICT INTENSITY CONTINUUM

Annihilatory conflict	Overt efforts to destroy the other party
	Aggressive physical attacks
	Threats & ultimatums
	Assertive verbal attacks
	Overt questioning/challenging of others
No conflict	Minor disagreements/misunderstandings

Sources of Conflict

Communication	- semantic difficulties, misunderstandings, "noise" - potential for conflict inc. when too little / much communication takes place - channel for communicating can influence stimulating opposition	
Structure	• Size of group • Specialization in tasks • Composition of group	- larger group - more specialized activities - young group members (high turnover) → greater potential for conflict
	• Jurisdictional Ambiguity	- in defining where responsibility for actions lie - ambiguity inc. intergroup fighting for control of resources/territory → greater potential for conflict
	• Reward Systems	- when one member's gain is @ another's expense - performance evaluation process (when ppl feel unfairly treated; when managers have diff. ideas about employees' responsibilities)
	• Leadership Style	- if managers tightly control & oversee work of employees
	• Goal Compatibility (Diversity of Goals)	- when groups seek diverse ends
	• Degree of Dependence btwn Groups	- if interdependence allows one group to gain @ another's expense → conflict
Personal Variables	- different value systems, personality characteristics of certain ppl - authoritarian & dogmatic, demonstrate low self-esteem → potential conflict	

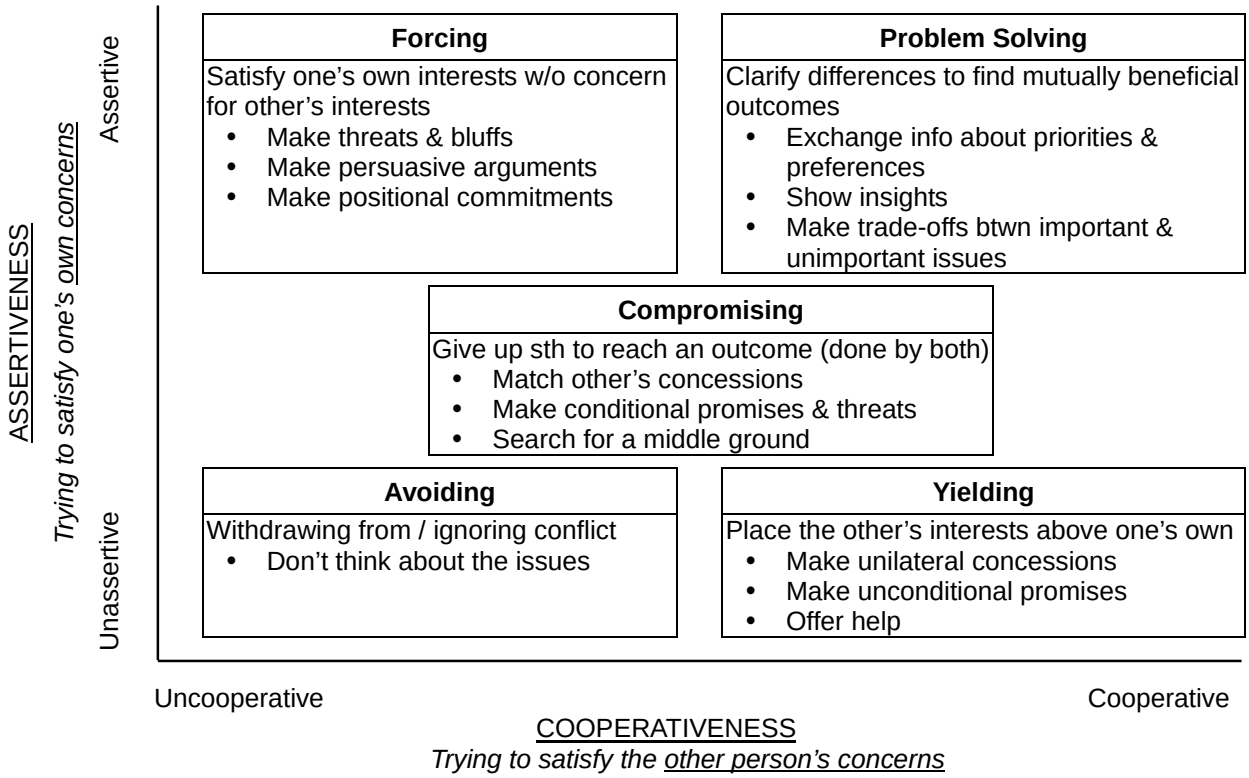
CONFLICT RESOLUTION

- individual attitude toward conflict is important

Conflict Management Strategies

- Forcing: impose one's will on the other party *(win-lose)*
- Problem Solving: try to reach agreement that satisfies both's aspirations *(win-win)*
- Avoiding: ignore / minimize importance of issues creating the conflict *(lose-lose)*
- Yielding: accept & incorporate the will of the other party *(win-lose)*
- Compromising: balance concern for oneself w/ concern for other party to reach solution *(lose-lose)*

*Dual concern theory – use 2 dimensions: *Cooperativeness & Assertiveness*



- research shows ppl have disposition to handle conflicts in certain ways
- some situations call for particular strategies (e.g. child wants to run into street, parent forces)

What Can Individuals Do to Manage Conflict?

- Problem solving: request face-to-face mtg to identify problem & resolve it thru open discussion
- Develop super-ordinate goals: create shared goal that requires both parties to work together & motivates them to do so
- Smoothing: play down differences while emphasizing common interests w/ other party
- Compromising: agree w/ other party that each will give up sth of value to reach an accord
- Avoidance: withdraw from / suppress conflict

When conflict is work-related… additional techniques:

- Expansion of resources: create win-win situation for conflict due to scarcity of resource ($, promotion, office space)
- Authoritative command: management use formal authority to resolve conflict & communicate its desire to parties involved
- Altering human variable: behaviourial change techniques (e.g. human relations training)
- Altering structural variables: change formal org. structure & interaction patterns of conflicting parties thru job redesign, transfers, creation of coordinating positions

Resolving Personality Conflicts

Factors that lead to personality conflicts:

- Misunderstandings based on age, race, cultural diff.s
- Intolerance, prejudice, discrimination, bigotry
- Perceived inequities
- Misunderstandings, rumours, falsehoods about individual/group
- Blaming for mistakes / mishaps (finger-pointing)
    - result in lowered productivity
    - cause co-workers to take sides b/c parties try to seek sympathy from others
    - best to work it out btwn themselves

Resolving Intercultural Conflicts

Multiculturalism & global environment → conflict

- contact w/ ppl from other cultures → misunderstanding when ppl ignore diff. perspectives that might result from cultural differences
- High- *(nonverbal & subtle situational cues, status)* vs. Low-Context cultures *(reply on words, less formality w/ ppl of diff. status)*

Across culture, ppl have diff. ideas about appropriateness & effects of conflicts

- Mexicans: conflict should be kept private
  Americans: conflict needs to be dealt w/ directly & openly
  Asians: conflict almost always has –ve effect on work unit;
  preference for conflict avoidance & compromising (which N Americans view as sub-optimal)
  relational contracts
- Collectivists value harmony among members more than individualists do
- N Americans prefer problem-solving (win-win solution) & legal contract after negotiations
- Japan: non-confrontational style
- Westerners: more comfortable w/ competition (forcing)

Third-Party Conflict Resolution

- sometimes ppl reach a stalemate, unable to resolve their differences
  → Alternative Dispute Resolution (ADR) – 3rd party helps both sides find a solution outside court

ADR Strategies

Facilitation	facilitator (usually acquainted w/ both parties) suggests that 2 parties work together to resolve the issue - informal solution aimed @ getting both parties to talk directly w/ each other
Conciliation	**conciliator** = trusted 3rd-party who provides informal communication link btwn negotiator & opponent - use in international, labour, family, community disputes - also engage in fact-finding, interpret msg's, persuade disputants to develop agreements 1. when agreement not reached, bring in conciliation officer 2. sometimes used so union can reach legal strike position (or management: lockout) 3. if dispute cannot be resolved thru conciliation, wait for strike/lockout 4. then mediator can be called in to use more power to solve the dispute
Ombudsperson	= person that hears disputes btwn parties (before formal procedures are taken) - impartial, widely respected, trusted - investigates issue confidentially & tries to arrange solution - advantage: parties can avoid going thru formal org. channels for resolution (which can escalate differences btwn parties, lead to greater conflict)
Peer Review	panel of peers put together to hear both sides of the issue from parties involved & recommend solution - objective in listening & making recommendation, decision (may/may not be binding)
Mediation	**meditator** = neutral, noncoercive 3rd party who facilitates negotiated solution by using reasoning, persuasion, suggestions for alternatives - can be more aggressive in proposing solutions than conciliators - widely used in labour-management negotiations & civil-court disputes - @ workplace, "fairness" committee handle grievances - conflict intensity cannot be too high – most effective under moderate levels
Arbitration	**arbitrator** = 3rd party to a negotiation who has the authority to dictate an agreement - authority varies according to rules of negotiators - can be voluntary (requested) or compulsory (forced on parties by law/contract) - big advantage over mediation: ALWAYS results in settlement - however, conflict may resurface later b/c arbitrator may be too oppressive

CONFLICT OUTCOMES

- *Agreement*
  equitable & fair agreements – best outcome.
  if one party feels exploited/defeated → further conflict
- *Stronger relationships*
  when conflict resolved +vely → better relationships & greater trust
- *Learning*
  handling conflict successfully teaches one how to do it better next time
  opportunity to practice conflict handling skills

- constructive (improve quality of decisions, stimulate creativity, encourage curiosity, etc)
- prevent groupthink
- challenge status quo, support creation of new ideas
- promote reassessment of group goals & activities
- inc. probil'y that group will respond to change

*Research confirms that conflict can be functional & improve productivity
e.g. groups composed of members w/ diff. interests tend to produce higher quality solutions
e.g. scientists most productive when there's certain amnt of intellectual conflict

NEGOTIATION

negotiation = process in which 2 or more parties exchange goods/services and try to agree upon the exchange rate for them

- within negotiation, there's many issues (items specifically placed on bargaining table for discussion)
  positions (individual's stand on issue)
  interests (underlying concerns affected by negotiation resolution)
- negotiators who recognize underlying interests of themselves and the other party → have more flexibility in achieving resolution
  e.g. employer offers u mortgage @ lower rate than bank (addresses your underlying interests)

BARGAINING STRATEGIES

DISTRIBUTIVE VS. INTEGRATIVE BARGAINING		
Bargaining Characteristic	**Distributive**	**Integrative**
Available resources	Fixed amnt of resources to be divided	Variable amnt of resources to be divided
Primary motivations	I win, you lose	I win, you win
Primary interests	Opposed to each other	Convergent / congruent w/ each other
Focus of relationships	Short-term	Long-term

Distributive Bargaining	= negotiation that seeks to divide up fixed amnt of resources (*win-lose* solution) - zero-sum conditions (any gain I make is @ ur expense, vice versa) - *e.g. labour-management negotiations over wages* - party focuses on trying to get opponent to agree to a specific target point (or as close to it as possible) "leave one party as loser!" e.g. persuade opponent, advise accepting settlement near urs, argue ur target is fair, get opponent to feel emotionally generous toward u (thus accept outcome close to ur target point)
Integrative Bargaining	= negotiation that seeks 1 or more settlements that can create *win-win* solution - preferred - builds long-term relationships (makes working together in future easier) - bonds negotiators, make both sides feel they have achieved victory

HOW TO NEGOTIATE

1. **Developing a Strategy**

- when you anticipate opponent's position, you're better equipped to counter his arguments w/ facts, figures that support your position ("do your hw")
- to determine goals, best to consider their *"target & resistance" points*

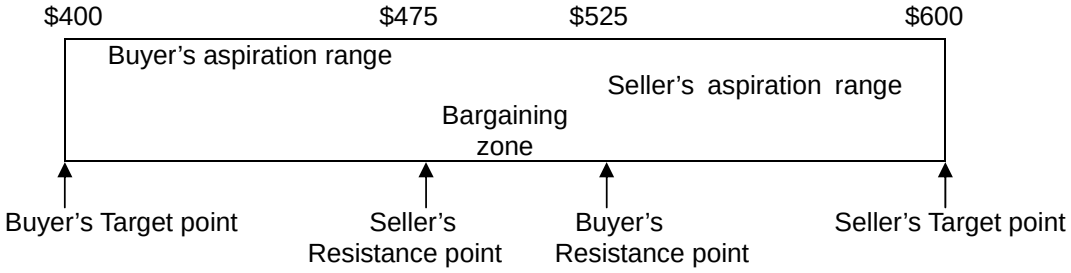
(defines what he would like to achieve) (marks the lowest outcome acceptable; would rather break off if even lower)

AND, their ***b**est **a**lternative **t**o a **n**egotiated **a**greement* (**BATNA** = the outcome an individual faces if negotiations fail)

*good idea to also have opponent's BATNA

e.g. buyer & seller, each has a target point & resistance point; area btwn these 2 points is each negotiator's aspiration ranges

if there's overlap btwn their ranges → exists **bargaining zone** (zone btwn each party's resistance point, assuming there's overlap in this range)*, where each side's aspirations can be met*



2. **Defining Ground Rules**
   - parties exchange initial proposals or demands
   - determine… Who will do the negotiating? Where will it take place? What time constraints? To what issues will negotiation be limited? …etc

3. **Clarification & Justification**
   - explain, amplify, clarify, bolster, justify ur original demands
   - educate & inform each other on the issues, their importance, how each arrived @ their demands
   - provide the other party w/ any documentation that helps support ur position

4. **Bargaining & Problem Solving**
   - actual give & take in, try to hash out an agreement
   - concessions need to be made by both parties

5. **Closure & Implementation** (handshake)
   - formalizing agreement, develop procedures necessary for implementation & monitoring
   - major negotiations need to list out specifics in formal contract *(e.g. buying real estate, job offer)*

CONTEMPORARY ISSUES IN NEGOTIATION

Gender Differences in Negotiating Style

I. Women are more inclined to be concerned w/ feelings & perceptions (long-term view), while men more focus on resolving matter @ hand

II. Men view bargaining session as separate event, while women view it as part of the overall relationship w/ individual (maintain relationships after bargaining is over as strategy)

III. Women tend to want all parties in negotiation to be empowered (less likely to have negotiation where 1 person is clearly winner, the other loser), while men more likely to use power as part of bargaining strategy

IV. Men more often use dialogue to persuade other parties (more aggressive), while women more likely use dialogue to achieve understanding

- no overall difference in effectiveness of men & women in negotiation
  but: men perform better when negotiations were over male-stereotypical tasks (e.g. airplanes)
  women……over female-stereotypical tasks (e.g. child care)
- however, no one style preferable to the other; best style depends on situation
- belief that women are nicer than men in negotiations → result from lack of power held by women, not gender

- managerial women: less confidence, less satisfied w/ their performance (women may unduly penalize themselves by refusing to negotiate w/ confidence when necessary)
- outcomes of negotiations for women & men also seem to differ (e.g. men offered higher starting salaries than women)

Cultural Differences in Negotiating Style

France	- like conflict - often gain recognition & develop reputations by thinking, acting against others - tendency to take a long time in negotiating agreements - aren't very concerned about whether their opponents like/dislike them
China	- believe negotiations never end - negotiate to develop relationship & commitment to work together (rather than tie up loose end)
Japan	- ALSO negotiate to develop relationships & commitment to work together
US	- impatience & desire to be liked - often taken advantage by foreign negotiators through their dragging out negotiations & making friendship conditional on final settlement

- cultural context influences amnt & type of preparation for bargaining
  relative emphasis on task vs. interpersonal relationships
  tactics used
  the place where negotiation conducted