MODULE 22

CONFLICT AND NEGOTIATION

"Working together isn't always easy"

- What should we know about dealing with conflict?

- How can we negotiate successfully?

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CONFLICT AND NEGOTIATION
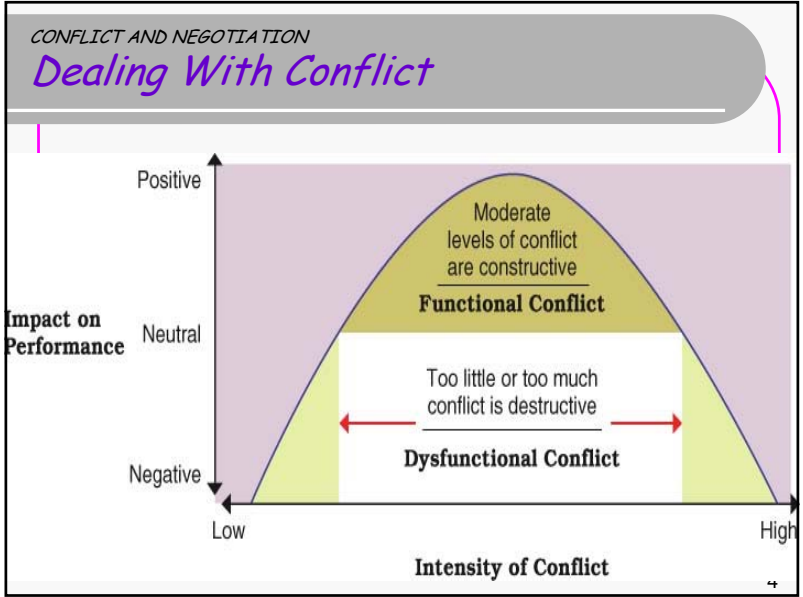
Dealing With Conflict

MODULE GUIDE 22.1

- **Conflicts can occur over substantive or emotional issues.**
- **Conflicts can be both functional and dysfunctional.**
- **Organizations have many sources of potential conflict.**
- **People use different interpersonal conflict management styles.**
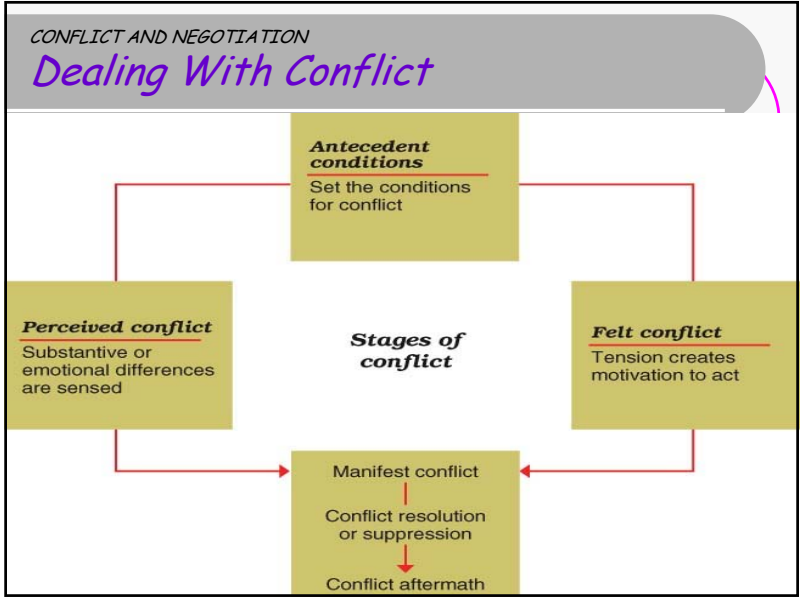- **Managers can use structural approaches to deal with conflicts in organizations.**

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CONFLICT AND NEGOTIATION
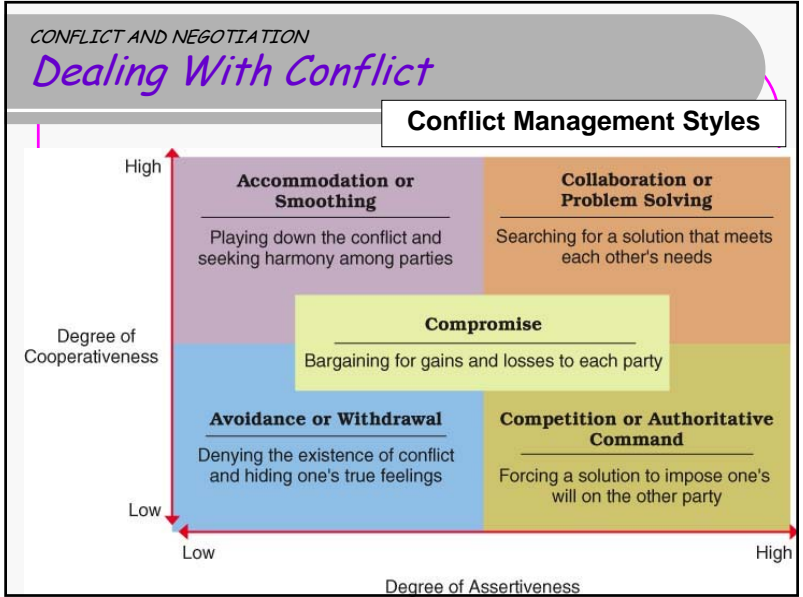
Dealing With Conflict

- **Conflict**
  - a disagreement over issues of substance and/or an emotional antagonism.
- **Substantive Conflict**
  - disagreement over goals, resources, rewards, policies, procedures, and job assignments.
- **Emotional Conflict**
  - results from feelings of anger, distrust, dislike, fear, and resentment, as well as relationship problems.
- **Functional Conflict**
  - stimulates us toward greater work efforts, more creativity in problem solving, and even to cooperate more with others.
- **Dysfunctional Conflict**
  - Is destructive and hurts task performance

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CONFLICT AND NEGOTIATION

Dealing With Conflict

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Slide 1

CONFLICT AND NEGOTIATION
Dealing With Conflict

Antecedent conditions — Set the conditions for conflict

Perceived conflict — Substantive or emotional differences are sensed

Stages of conflict

Felt conflict — Tension creates motivation to act

Manifest conflict

Conflict resolution or suppression

Conflict aftermath

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Sources of Conflict Five Conflict Management Styles

1. **Avoidance or withdrawal**
   -downplaying disagreement, withdrawing, staying neutral at all costs
2. **Accommodation or smoothing**
   -giving in and smoothing over differences to maintain harmony
3. **Competition or authoritative command**
   -trying to win in active competition, or using authority to win by force
4. **Compromise**
   -bargaining for something "acceptable" so each party wins and loses a bit
5. **Collaboration or problem solving**
   -working through differences to solve problems so that everyone gains

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Conflict Management Styles

High

Accommodation or Smoothing — Playing down the conflict and seeking harmony among parties

Collaboration or Problem Solving — Searching for a solution that meets each other's needs

Compromise — Bargaining for gains and losses to each party

Degree of Cooperativeness

Avoidance or Withdrawal — Denying the existence of conflict and hiding one's true feelings

Competition or Authoritative Command — Forcing a solution to impose one's will on the other party

Low

Low — Degree of Assertiveness — High

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Conflict Management Styles

When to use conflict management styles

• Collaboration and problem solving is preferred to gain true conflict resolution when time and cost permit.
• Avoidance may be used when an issue is trivial, when more important issues are pressing, or when people need to cool down temporarily and regain perspective.
• Authoritative command may be used when quick and decisive action is vital or when unpopular actions must be taken.
• Accommodation may be used when issues are more important to others than to yourself or when you want to build "credits" for use in later disagreements.
• Compromise may be used to arrive at temporary settlements of complex issues or to arrive at expedient solutions when time is limited.

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CONFLICT AND NEGOTIATION

Dealing With Conflict

- **Outcomes of Conflict**
  - Lose-lose
    - no one achieves his or her true desires and the underlying reasons for conflict remain unaffected.
  - Competition
    - uses force, superior skill, or domination to win a conflict.
  - Compromise
    - occurs when each party to the conflict gives up something of value to the other.
  - Win-lose
    - one party achieves its desires and the other party does not.
  - Collaboration
    - involves working through conflict differences and solving problems so everyone wins.
  - Win-win
    - the conflict is resolved to everyone's benefit.

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CONFLICT AND NEGOTIATION

Successful Negotiation

MODULE GUIDE 22.2

- **Negotiation is a process of reaching agreement.**
- **Negotiation can be approached in distributive or integrative ways.**
- **Integrative agreements require commitment, trust, and information.**
- **Successful negotiation should meet high ethical standards.**
- **Negotiators should guard against common negotiation pitfalls.**
- **Mediation and arbitration are forms of third-party negotiations.**

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CONFLICT AND NEGOTIATION

Successful Negotiation

- **Negotiation**
  - the process of making joint decisions when the parties involved have alternative preferences
- **Substance Goals**
  - focus on outcomes.
- **Relationship Goals**
  - focus on people's relationships and interpersonal processes.
- **Distributive Negotiation**
  - focuses on win-lose claims made by each party for certain preferred outcomes.
- **Integrative Negotiation**
  - uses a win-win orientation to reach solutions acceptable to each party.

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CONFLICT AND NEGOTIATION

Successful Negotiation

- **Four Criteria of Effective Negotiation**
  - 1. Quality
    - getting a "wise" agreement satisfactory to all sides
  - 2. Cost
    - being efficient, using minimum resources and time
  - 3. Harmony
    - acting to strengthen rather than weaken relationships
  - 4. Implementation
    - gaining real commitments to live up to agreements

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CONFLICT AND NEGOTIATION

Successful Negotiation

- **Bargaining Zone**
  - the distance between one party's minimum reservation point and the other party's maximum reservation point.

Bargaining Zone

| $12.75/hour | $13.25/hour | $13.75/hour | $15.00/hour |
| Mi | Ur | Mr | Ui |

Mi = Management's initial offer   Mr = Management's maximum reservation point
Ur = Union's minimum reservation point   Ui = Union's initial offer

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CONFLICT AND NEGOTIATION

Successful Negotiation

- **Negotiation Pitfalls**
  - Myth of the "fixed pie."
    - assumes that in order for you to gain, the other person must give something up.
  - Non-rational escalation of conflict
    - Becoming committed to previously stated demands and allowing ego to get in the way
  - Overconfidence
    - ignoring the other party's needs.
  - Too much telling and too little hearing
    - When committing the "telling" problem, parties to a negotiation don't really make themselves understood to each other. When committing the "hearing" problem, they fail to listen sufficiently well to understand what each is saying.

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CONFLICT AND NEGOTIATION

Successful Negotiation

- **Third Party Negotiation**
  - Mediation
    - a neutral party tries to help conflicting parties improve communication to resolve their dispute.
  - Arbitration
    - a neutral third party issues a binding decision to resolve a dispute.

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