

# MANAGING CONFLICT TO INCREASE ORGANIZATIONAL EFFECTIVENESS

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> Article DOI: <u>https://doi.org/10.36713/epra15126</u> DOI No: 10.36713/epra15126

### ABSTRACT

Conflict is an unavoidable element of human interactions. Within the framework of business organizations, the ability to effectively resolve conflicts remains pivotal to preserving a pleasant and productive work environment. The present work looks at the definitions of conflict that enlist its key factors and shows how conflict is inherent in human interaction in their workplaces. This paper highlights the common types of conflict usually exhibited in organizations and examines the sources and causes of conflict. This study considers in detail six theories on managing conflict, including Thomas-Kilmann's Conflict Mode Instrument (TKI), Integrative Negotiation Theory, Interest-Based Theory (Fisher & Ury's Principled Negotiation), Mediation and Third-Party Interventions, Conflict Transformation Theory, and Cultural Intelligence and Cross-Cultural Conflict Resolution Theory. Towards the end, some steps and strategies have been shared to resolve conflicts and increase organizational effectiveness, as suggested by various researchers.

**KEYWORDS:** conflict, theories of conflict management, organizational effectiveness, strategies for managing conflicts.

### **CONFLICT AND ITS TYPES**

Several authors have arrived at various definitions of conflict. For example, according to Cooper (2003), conflict can be defined as the convergence of conflicting interests. On the other hand, Owens (1985) defines social and psychological conflict as a phenomenon that occurs within the context of environmental and behavioral perspectives. Griffin et al. (2020), describes conflict as a disagreement between parties they believe their needs or interests will not be met. Similar to this definition, Oberschall (1978) states that social conflict can be understood as a contestation centered around differing values or competing assertions of status, authority, and limited resources.

In confrontations of this nature, the parties' objectives go beyond just obtaining desired values. These objectives also include endeavors to neutralize, inflict harm, or cause the opposing factions' demise. The fundamental purpose of Anderson et al. (2010) is to offer a complete definition of "high conflict." The above definition is formulated through a comprehensive amalgamation of extant research on high conflict, coupled with astute observations made by court employees and the author's personal clinical encounters with persons entangled in such relationships. Scholarly studies often suggest that conflict is defined variedly to be commensurate with the particular framework and scope of analysis. Shetach (2012) posits that conflict is an intrinsic element of both social and corporate contexts, rendering it pervasive. It means that it is present in every layer of personal, corporate, social, and international existence. Furthermore, it has both negative and positive realizations in the workforce. On the negative side, it can slow down the performance, gradually leading *it* to a halt. On the positive side, it helps to come up with unique ideas, procedures, and positive adjustments that ultimately lead to optimal performance and effectiveness of a firm. Consequently, this can lead to mutual benefits for the firm as well as its workforce (Osad & Osas, 2013).

Conflicts may also have detrimental effects if they engender opposition to a proposed shift, lead to disruption, foster distrust in interpersonal relationships, diminish productivity, and undermine organizational performance (Hotepo et al., 2010). Ultimately, it is important to note that the way conflict is managed is a huge determinant of whether it would have positive or negative outcomes (Griffin et al., 2020; Villa & Lugo-Machado, 2022).

In this overview of conflict and business effectiveness, we will present the causes, theories of conflict management, and some strategies to resolve conflicts in business organizations.

### CAUSES AND SOURCES OF CONFLICT 1. Katz's Typology

Katz (1965) devised a typology that delineated the primary origins of conflict into three distinct categories:



**Economic conflict** encompasses the pursuit of limited resources through competing agendas. Each side involved in a negotiation seeks to optimize its outcomes, and the conduct and sentiments of each party are oriented towards maximizing its benefits. One of the primary origins of the conflict between unions and management frequently stems from the incongruous objectives regarding allocating economic resources.

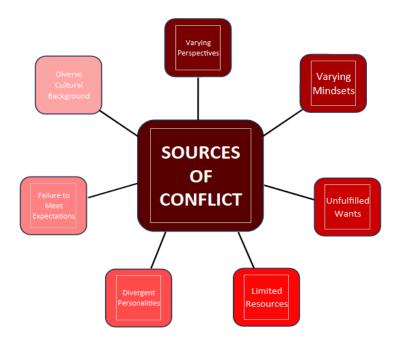
**Value conflict** refers to a state of incompatibility between different ways of life, ideologies, and the choices, values, and behaviors that individuals hold dear. There is often a profound moral dimension at play in international wars like the Cold War, with each side insisting on righteousness, ethnocentricity, as well as superiority of their own economic and political structures.

**Power conflict** emerges as a consequence of one party's endeavors to exert and sustain its influence over the other as well as on a wider communal framework. The notion of one party demonstrating more strength while simultaneously not causing a corresponding weakening of the other side is impractical, particularly when considering their direct impact on each other. Consequently, a conflict for dominance emerges, typically resulting in one party prevailing while the other suffers defeat or,

alternatively, leading to a stalemate characterized by an ongoing state of tension. Power conflicts can manifest in various contexts, such as interpersonal, intergroup, or international settings, when one or both sides opt for a power-oriented strategy in their interactions. Power is a significant factor in all conflicts, as the involved parties want to exert control over one another (Rothbart, 2020).

#### 2. Capozzoli's Seven Sources of Conflict

Capozzoli (1995) identified seven distinct sources of conflict. (1) The inclusion of team members with diverse cultural backgrounds contributes to the presence of varied values within work teams. (2) The team members exhibit varying mindsets, leading to divergent objectives. (3) Team members possess diverse unfulfilled wants, leading to a heightened sense of frustration that exacerbates conflicts. (4) The failure to meet different expectations among team members leads to conflicts. (5) Team members possess varying perspectives, leading to divergent interpretations of the same information. (6) The presence of limited resources frequently leads to a rise in conflict. (7) The team members exhibit divergent personalities that result in interpersonal conflicts. Figure 1 below shows the seven sources of conflict as identified by Capozzoli.



#### Figure 1: Capozzoli's identified seven sources of conflict

**3. Ineffective Communication as a Source of Conflict** 

Fisher (2000) identifies that ineffective communication contributes to conflicts, as miscommunication and misunderstandings can arise. Factors like self-centeredness, selective perception, emotional bias, and prejudices influence individual interpretations. Ineffective communication leads to perplexity, emotional distress, and resentment, perpetuating conflict dynamics. Regardless of objective factors or communication issues, disputes are seen as significant events by the parties involved.



#### THEORIES OF CONFLICT MANAGEMENT

Over the course of time, a multitude of conflict resolution theories have surfaced, each presenting distinct viewpoints and approaches to effectively handle and alleviate conflicts within the context of corporate environments. The current business landscape can benefit from several theoretical frameworks, such as collaborative negotiation, interest-based solutions, third-party interventions, and cultural understanding. These theories offer adaptable approaches to address the distinct issues faced in today's corporate environment. By embracing these theoretical frameworks and incorporating them into the operational strategies of organizations, businesses can cultivate favorable interpersonal connections, bolster collaborative efforts, and finally attain elevated levels of efficacy.

#### 1. Thomas-Kilmann Conflict Mode Instrument (TKI)

This instrument categorizes conflict resolution strategies into five distinct modes, namely competing, collaborating, compromising, avoiding, and accommodating. This theoretical framework places considerable importance on the careful selection of an appropriate conflict resolution strategy, with due attention given to the particular circumstances and desired outcomes. The framework offers a practical structure for individuals to assess their preferred methods of conflict management and adapt them to effectively address conflicts within corporate organizations (Thomas,1976, Villa and Lugo-Machado, 2022).

TKI has demonstrated its efficacy over a span of more than three decades in facilitating individuals across diverse contexts to comprehend the impact of various conflict styles on both personal and group dynamics.

#### 2. Integrative Negotiation Theory

Integrative negotiation theory, also known as collaborative negotiation, is focused on the creation of value that is advantageous to all parties involved in a conflict. Rather than viewing negotiations as a zero-sum game, this theory advocates for the idea that participants should discover shared interests and engage in collaborative efforts to develop new solutions that effectively address the needs of all interested parties. Integrative negotiation is an approach that prioritizes open communication, active listening, problem-solving that prioritizes open communication, active listening, and problem-solving as means to foster long-lasting relationships and maximize organizational outcomes. (Lewicki & Robinson, 1998).

Several scholarly works explore the significance of negotiation theory in the development of negotiation support systems. These studies analyze several aspects of negotiations, such as the contextual background, the parties participating, and the resulting outcomes. Buelens et al. (2008) emphasize the necessity of enhancing the application of longitudinal and qualitative research methodologies in order to overcome existing gaps in knowledge. In Thompson (1990), an analysis is conducted on the theoretical and empirical dimensions of negotiation behavior and outcomes. The study explores several factors that contribute to the success or failure of negotiations and evaluates different theoretical frameworks. In general, the articles underscore the importance of negotiation theory in the progression of negotiation support systems and emphasize the necessity for enhanced techniques and theoretical frameworks to get a deeper comprehension of negotiation behavior and its outcomes.

#### 3. Interest-Based Theory (Fisher and Ury)

Postulated by Roger Fisher and William Ury, this theory places significant emphasis on the separation of individuals from the topic at hand, directing attention towards the underlying interests rather than the specific views taken. This theoretical framework promotes the practice of generating a stretch of probable resolutions which are likely to appeal to the interests and apprehensions presented by the conflicting parties, with the ultimate goal of reaching mutually advantageous agreements. Business organizations can enhance dispute resolution and maintain relationships by identifying common ground and coming up with alternate courses of action. (Fisher et al., 1991)

#### 4. Mediation and Third-Party Interventions

Mediation entails the engagement of an impartial intermediary to promote the exchange of information and the process of negotiation between parties in conflict. Mediators facilitate the process of parties examining their own interests, generating a range of potential solutions, and collaboratively striving toward a solution that is mutually agreeable. The significance of empowering participants to assume responsibility for the solution, ensuring secrecy, and fostering a cooperative climate is emphasized in mediation theory (Moore, 2003).

#### 5. Conflict Transformation Theory

Conflict transformation theory surpasses dispute resolution by examining the underlying factors that give rise to conflicts and fostering constructive transformation within individuals and institutions. This view acknowledges that disagreements have the potential to foster growth and innovation when effectively managed. Business organizations have the capacity to employ conflict transformation strategies through the establishment of platforms for constructive discourse, fostering an environment that promotes comprehension of varied viewpoints, and executing modifications that effectively tackle the root causes of conflicts (Lederach, 1996).

Conflict Transformation Theory helps explain and resolve disputes. Miall (2007) argues that conflict transformation theory may educate and assess European conflict intervention and should include external agents like the EU. Mitchell (2002) contrasts "conflict transformation" with "resolution" of conflict.

# 6. Cultural Intelligence and Cross-Cultural Conflict Resolution

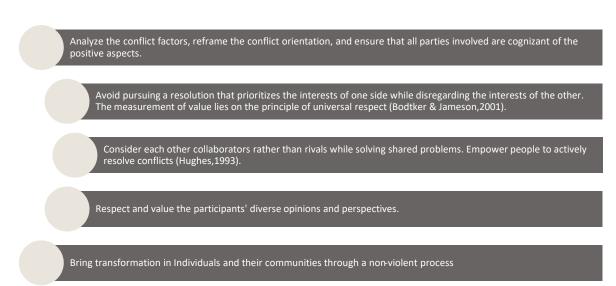
The phenomenon of globalization has led to the heightened importance of intercultural conflicts within commercial entities. The theory of cultural intelligence places significant emphasis on the comprehension and recognition of cultural disparities as a



means to proficiently negotiate conflicts. Individuals can enhance their conflict resolution tactics and mitigate misconceptions by acknowledging and accommodating multiple perspectives through the recognition of varying communication styles, values, and conventions (Earley & Ang, 2003).

# STEPS TO MANAGE CONFLICT IN AN ORGANIZATION

The following figure exhibits important steps to help manage conflict in an organization, as posited by Bodtker and Katz Jameson (2001) and Hughes (1993):



## Figure 2: Steps for effective organizational conflict management

# STRATEGIES TO MANAGE CONFLICT IN AN ORGANIZATION

There are numerous solutions available for managing conflicts at work in modern organizations.

- i. According to Tamunomiebi et al. (2020), efficient conflict resolution techniques can enhance group productivity, communication, time management, cooperation, and management and employee relations.
- ii. Identifying the conflict's underlying causes, active listening, and establishing common ground are just a few methods and tactics Ellis and Abbott (2011) discuss for handling disagreement.
- iii. According to Katz and Flynn (2013), most firms do not have conflict management systems or are unaware of them.
- iv. Carter (2005) offers a thorough manual for managing conflict inside an organization, including topics like turning conflict into a constructive force, responding to problems promptly, and implementing best practices for alternative dispute resolution.
- v. Mosquera, A. d. C. (2011) highlights effective strategies for managing organizational conflicts, while Murerwa and Guantai (2019) propose a pre-conflict resolution environment approach that aims to examine the fundamental aspects of conflict, including its nature, effective communication strategies, active listening skills, the importance of a willingness to settle conflicts, and the alignment of thoughts and actions.

- vi. Rovenska (2021) highlights the significance of corporate objectives and posits that the selection of conflict resolution strategies is contingent upon the relative positioning of the conflicting parties vis-à-vis their opponents.
- vii. Contemporary conflict resolution systems prioritize active engagement and personal accountability for managers. Proactive measures are necessary to mitigate contradictions, but different approaches are necessary if conflicts arise. Effective conflict resolution should prioritize personnel's psychological well-being and individualized employee management, considering their unique demands and interests (Dublenkova et al., 2022)
- viii. Organizations should provide re-education programs for employees on conflict management structures to challenge the misconception that conflict is harmful. Managers should adopt strategies that align with the conflict's characteristics. Prioritizing constructive conflict management practices is crucial for organizational effectiveness, fostering employee engagement, and influencing overall organizational effectiveness (John-Eke and Akintokunbo, 2020).

# CONCLUSION

The paper's findings indicate that there is no universally optimal approach to conflict management in contemporary companies. However, all management gurus agree that conflict resolution is necessary to enhance an organization's effectiveness. Lingered on or left unattended and unresolved, conflicts toxify a company's work environment. There are as many strategies to resolve conflict as there are causes and reasons for it. Successful



management of conflicts necessitates the implementation of a customized blend of theory-embedded methods and strategies specifically designed to address the unique circumstances of each situation.

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