

# Organizational Conflict, Politics, and Change



# Organizational Conflict

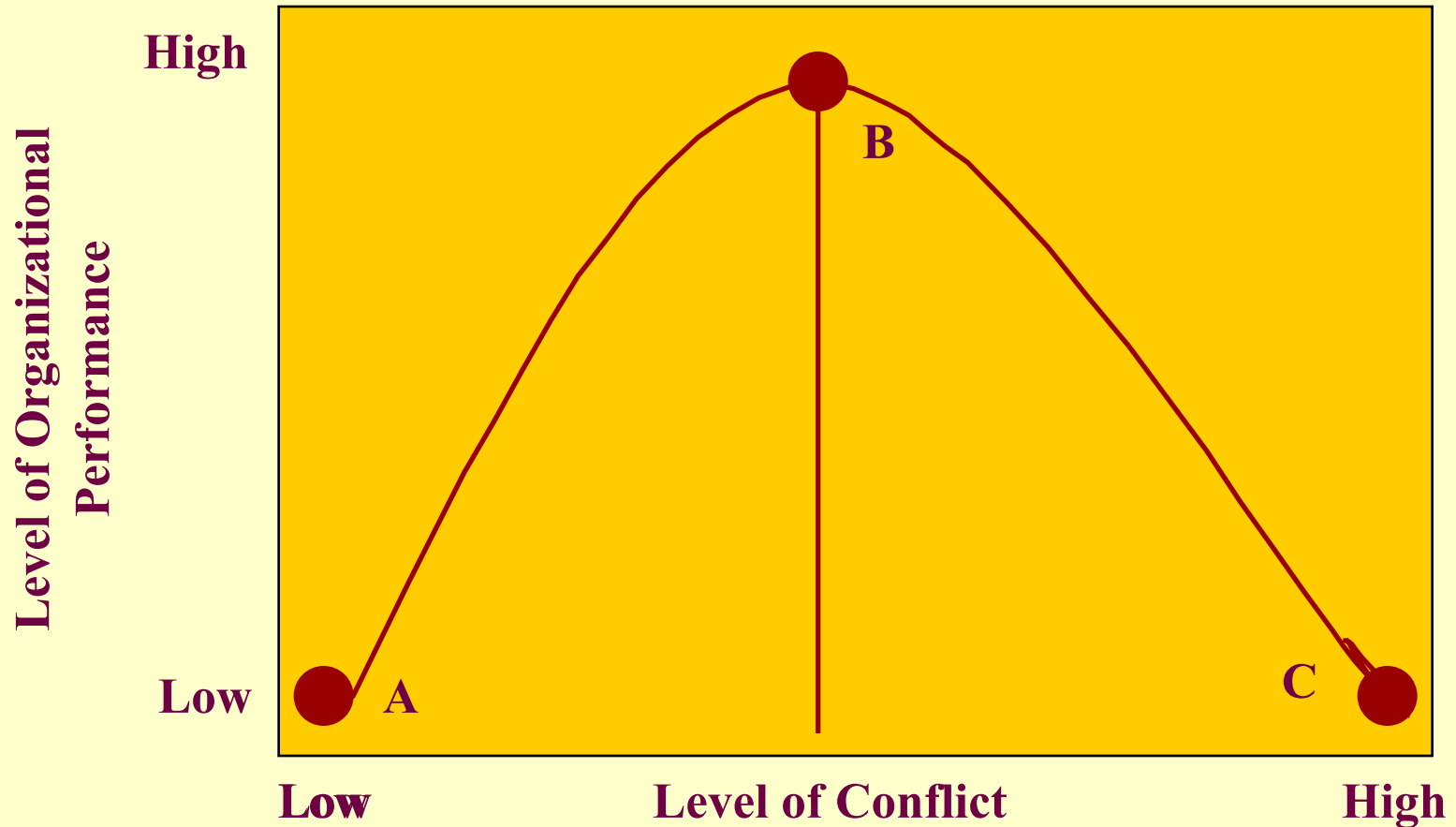
***Conflict*** exists in situations where goals, interests or values of people are incompatible and they block other's efforts to achieve their goals.

**Some level of conflict is inevitable given the wide range of goals in a firm.**

- Some conflict is good for organizational performance.
- Too much causes managers to spend much time responding to conflict.

# Conflict and Organizational Performance

Figure 16.1

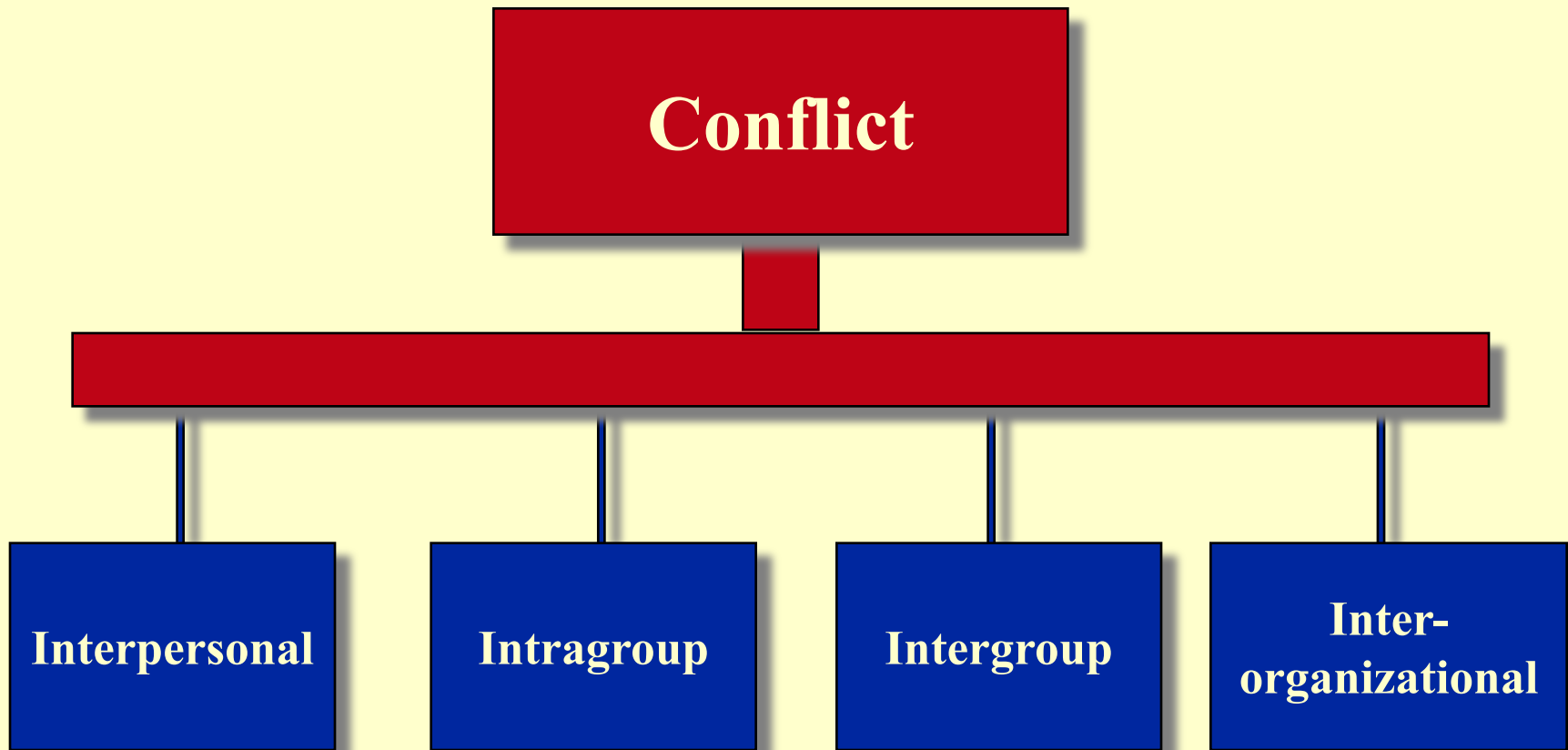


# Types of Conflict

- **Interpersonal Conflict:** between individuals based on differing goals or values.
- **Intragroup Conflict:** occurs within a group or team.
- **Intergroup Conflict:** occurs between 2 or more teams or groups.
  - Managers play a key role in resolution of this conflict
- **Interorganizational Conflict:** occurs across organizations.
  - Managers in one firm may feel another is not behaving ethically.

# Types of Conflict

Figure 16.2



# Sources of Conflict

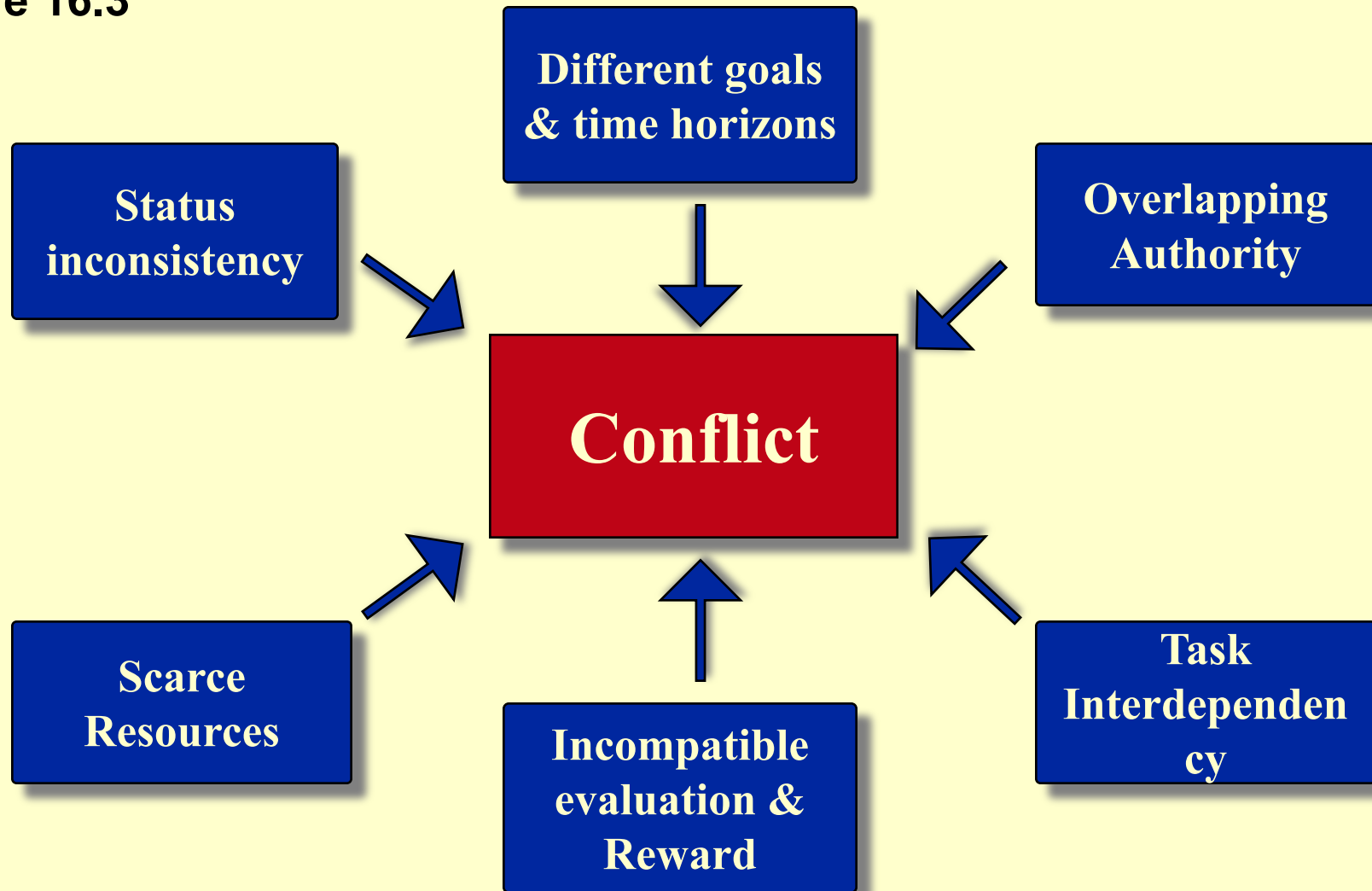
- ***Different goals and time horizons:*** different groups have differing goals.
  - ◆ Production focuses on efficiency; Marketing on sales.
- ***Overlapping authority:*** two or more managers claim authority for the same activities.
  - ◆ Leads to conflict between the managers and workers.
- ***Task Interdependencies:*** one member of a group fails to finish a task that another depends on.
  - ◆ This makes the worker that is waiting fall behind.

# Sources of Conflict

- ***Incompatible Evaluation or reward system:*** workers are evaluated for one thing, but are told to do something different.
  - ◆ Groups rewarded for low cost but firm needs higher service.
- ***Scarce Resources:*** managers can conflict over allocation of resources.
  - ◆ When all resources are scarce, managers can fight over allocations.
- ***Status inconsistencies:*** some groups have higher status than others.
  - ◆ Leads to managers feeling others are favored.

# Sources of Conflict

Figure 16.3





# Resolving Conflicts

- ***Functional Conflict Resolution:*** handle conflict by compromise or collaboration between parties.
  - ◆ **Compromise:** each party concerned about their goal accomplishment and is willing to engage in give and take to reach a reasonable solution.
  - ◆ **Collaboration:** parties try to handle conflict without making concessions by coming up with a new way to resolve differences.
- Managers also need to address ***individual sources*** of conflict.

# Managing Individual Conflict

- Increase awareness of the *source of conflict*
  - ◆ Can conflict source can be found and corrected?
- Increase *diversity awareness* and skills
  - ◆ Older workers may resent younger workers, or experience cultural differences.
- Practice *Job Rotation & Temporary assignments*
  - ◆ Provides a good view of what others face.
- Use *permanent transfers & dismissal* if needed
  - ◆ Avoids problem interaction.
- *Change organization's structure*
  - ◆ Conflict can signal the need to adjust the structure.

# Conflict Solutions

- *Alter the source of conflict:*
  - ◆ If due to overlapping authority, managers fix the problem to change the source.
- *Negotiation:* use when parties have equal power.
  - ◆ Parties try and find a **common ground** by considering various alternatives.
  - ◆ *Distributive negotiation:* parties see there is a fixed resource base.
    - For them to gain, the other must lose.
  - ◆ *Integrative negotiation:* parties can increase total resources by coming up with a new solution.
    - Information sharing, trust are common here.

# Negotiation Strategies for Interactive Bargaining

- **Emphasize Superordinate Goals:** these are goals both parties agree on.
  - Keeps the big picture in focus.
- **Focus on the problem, NOT the people: don't make it personal.**
  - It is easy to dwell on people's shortcomings rather than problems.
  - Once this occurs, people resist negotiation.

# Negotiation Strategies

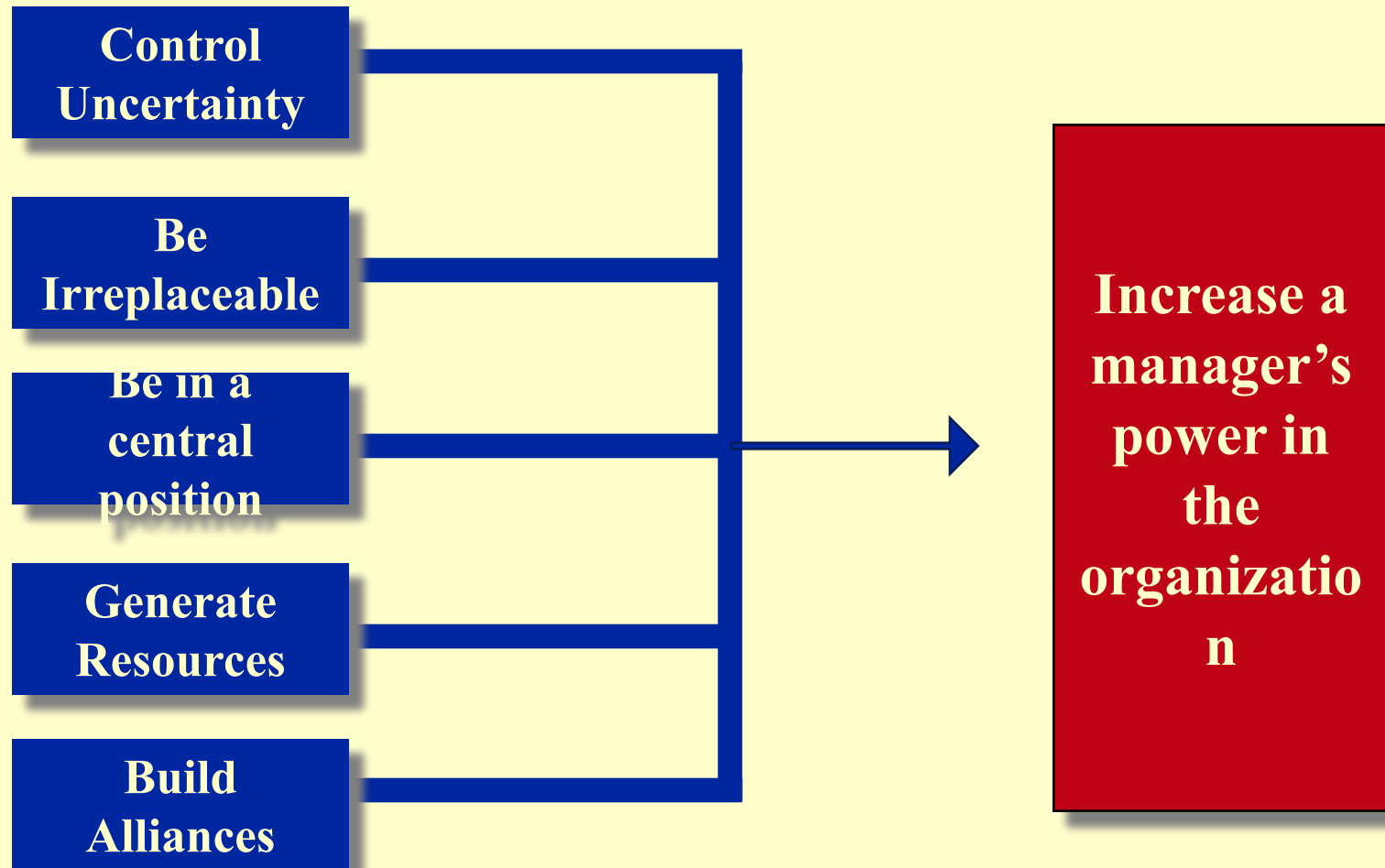
- **Focus on interests, not demands:** demands are what you want, interests are why you want them.
  - Demands are confrontational and slow negotiations.
- **Create new options for joint gain:** focusing on interests allows for new ideas to come forth.
  - Perhaps there is a new solution that can solve the issue.
- **Focus on what is fair:** emphasizing fairness allows both parties to give a bit and agree.

# Organizational Politics

- **Organizational politics** are the activities managers engage in to increase their power and use it to achieve their goals.
  - ***Political strategies***: specific tactics used to increase power and use it effectively.
  - Politics can be negative, but also is a positive force allowing needed change.
    - ◆ Everyone throughout the firm engages in politics
    - ◆ Political activity allows a manager to gain support for an idea.

# Political Strategies for Increasing Power

Figure 16.4



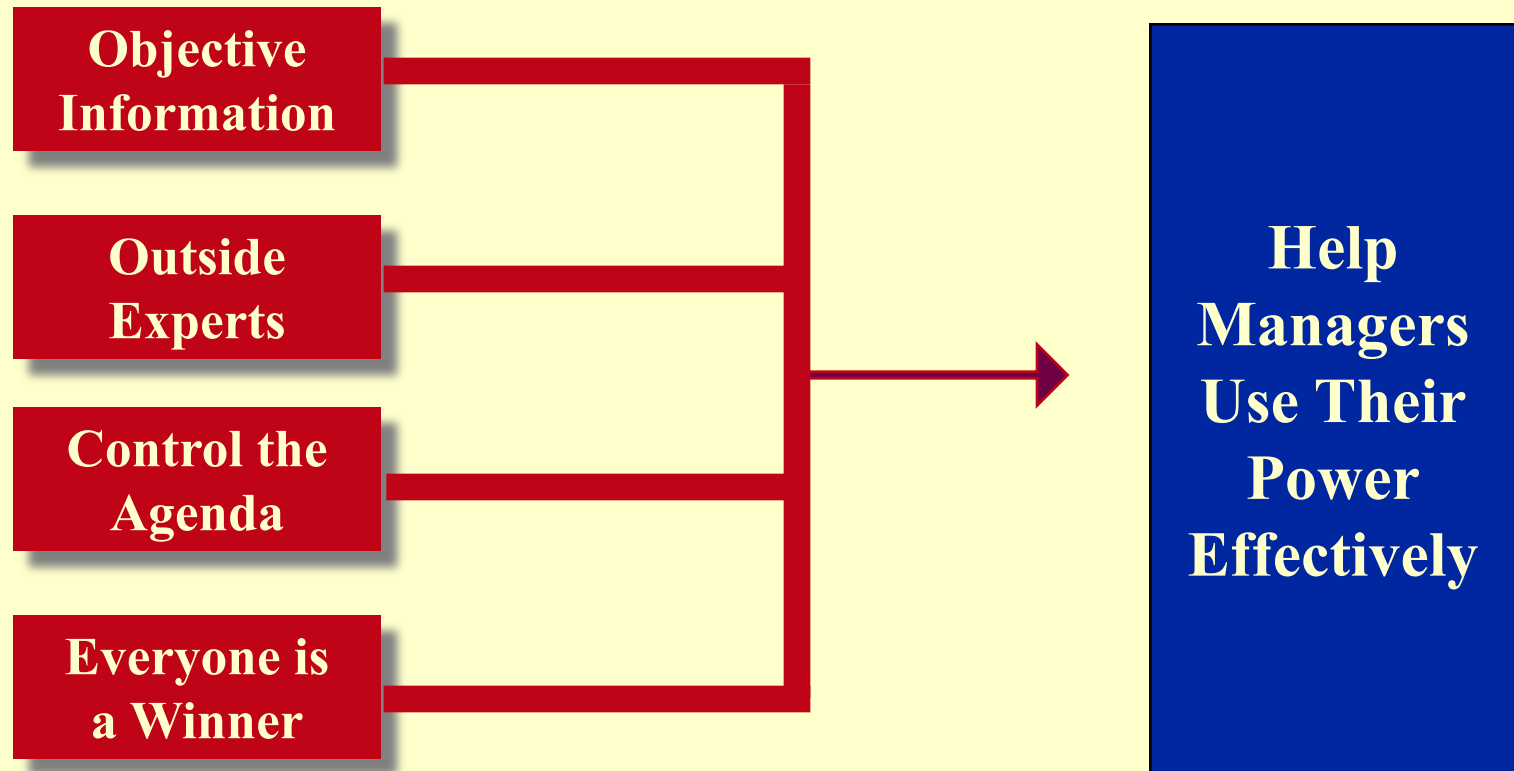
# Strategies for Increasing Power

- ***Control Uncertainty***: managers who can reduce uncertainty for the firm increase power.
- ***Be Irreplaceable***: develop valuable special knowledge or skills.
- ***Be in a Central Position***: managers have crucial control over the firm's activities. They increase their power and can influence others.
- ***Generate Resources***: managers who can hire skilled people or find financing.
- ***Build Alliances***: develop mutually beneficial relations with others inside and outside the organization.



# Strategies for Exercising Power

Figure 16.5

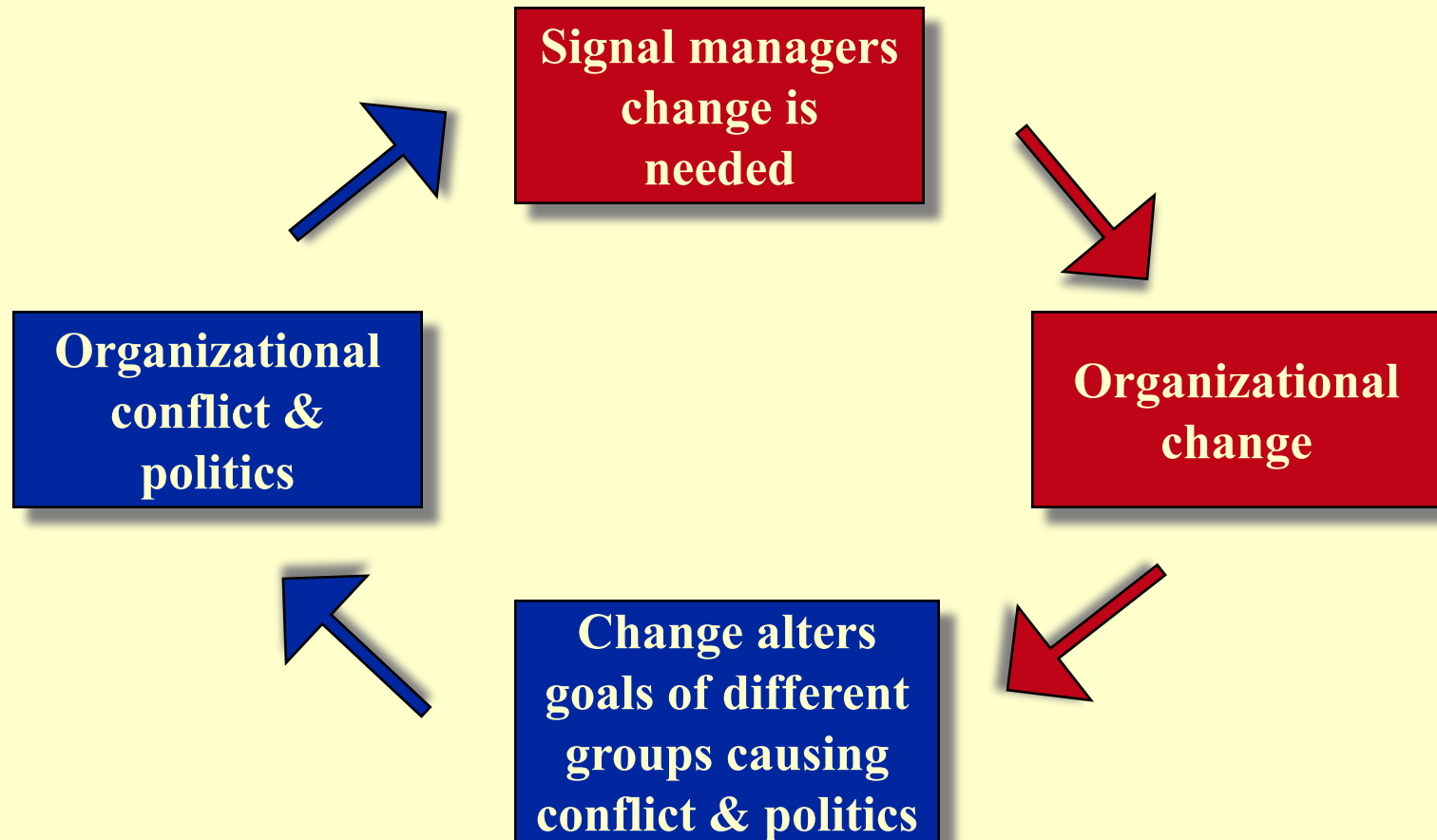


# Strategies for Exercising Power

- ***Rely on Objective Information:*** impartial information causes others to feel the manager's course of action is correct.
- ***Bring in an Outside Expert:*** lends credibility to manager's proposal (when the expert agrees).
- ***Control the Agenda:*** influence those issues included (and those dropped) from the decision process.
- ***Make Everyone a Winner:*** everyone whose support is needed benefits personally from providing that support.

# Relationship Between Conflict, Politics and Change

Figure 16.6



# Managing Organizational Change

- ◆ **Assess need for change:** recognize a problem exists and find its source.
  - Look inside and outside the firm for sources.
- ◆ **Decide on the change to make:** determine the ideal future state.
  - Decide exactly what the future company will look like.
  - What obstacles need to be changed to get there.
- ◆ **Implement the change:** a top-down change is quickest, bottom-up is more gradual.
  - Bottom-up is more effective at eliminating obstacles.
- ◆ **Evaluate Change:** was it successful? Benchmark (compare) your change to others.

# Steps in the Organizational Change Process

Figure 16.7

