Organizational Behavior

conflict and negotiations

Tomáš Ondráček
ondracek.t@mail.muni.cz

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1. types of conflict

conflict

conflict

Conflict is a process that begins when one party believes that the other party has negatively affected, or will negatively affect, something that the first party cares about.
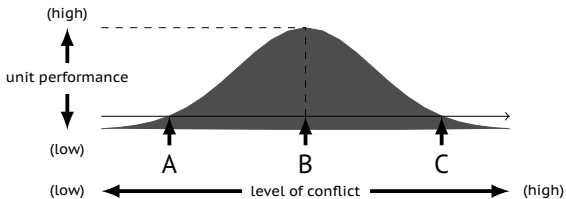
conflict: example

Example: Workplace Scenario
A manager and an employee have a disagreement about deadlines.
The employee feels they are too tight and will compromise quality,
while the manager is focused on meeting client expectations. This
leads to a conflict between their respective goals.

(adapted from Robbins and Judge (2017))

conflict

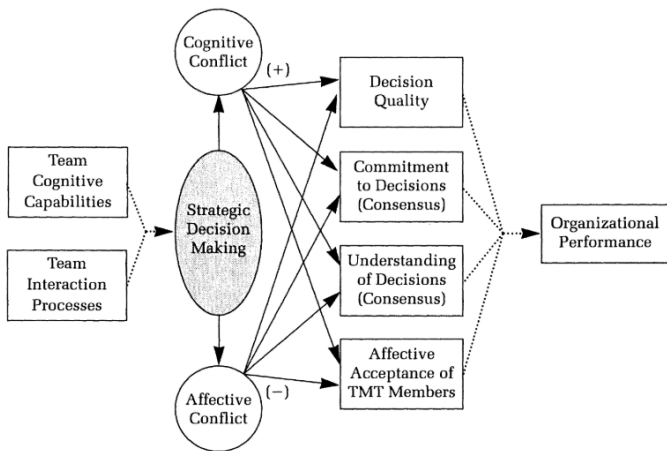| situation	level of conflict	type of conflict	internal characteristics units	output units
A	low	dysfunctional	apathetic stagnant unresponsive to change lacking new ideas	low
B	optimal	functional	viable self-critical innovative	high
C	high	dysfunctional	disruptive chaotic uncooperative	low

(Robbins & Judge, 2017)

paradox of conflict and decision making

Cognitive
Conflict

(+)

Decision
Quality

Team
Cognitive
Capabilities

Strategic
Decision
Making

Commitment
to Decisions
(Consensus)

Team
Interaction
Processes

Understanding
of Decisions
(Consensus)

Organizational
Performance

Affective
Conflict

(−)

Affective
Acceptance of
TMT Members

(Amason, 1996: 128)

types of conflict: consequences

dysfunctional conflict

Dysfunctional conflict refers to conflict that reduces the performance of the group.

functional conflict

Functional conflict refers to conflict that supports the group's goals and enhances its performance.

Example:
Functional conflict: A debate in a project meeting that leads to a better solution.
Dysfunctional conflict: Personal disagreements disrupting team dynamics.

conflict types: place of origin I/II

dyadic conflict
Dyadic conflict refers to a conflict that occurs between two people or parties.

interpersonal conflict
Interpersonal conflict refers to a conflict that occurs between different persons.

intrapersonal conflict
Intrapersonal conflict refers to a conflict that occurs within one person between their attitudes, values, etc.

conflict types: place of origin II/II

intergroup conflict

Interpersonal conflict refers to conflict that occurs between different groups or teams.

intragroup conflict

Intrapersonal conflict refers to conflict that occurs within group or team.

types of conflict: contents

task conflict

Task conflict refers to conflict that relates to content and objectives work.

relationship conflict

Relationship conflict refers to conflict that relates to interpersonal relationships.

process conflict

Process conflict refers to conflict that relates to the ways in which and procedures of work.

types of conflict: focus

affective conflict

Conflict that is emotional and focused on personal grievances or disputes.
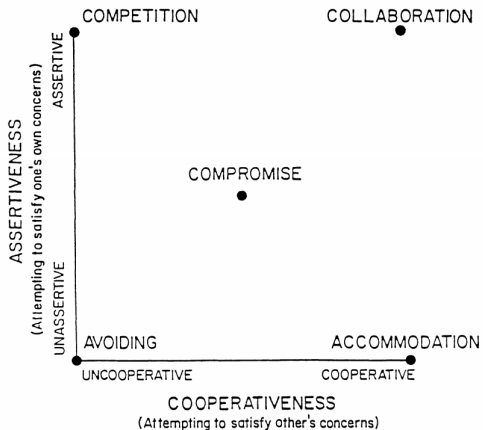
cognitive conflict

Conflict that is task-oriented and focused on critical differences of parties to choose the best solution to achieve common goals.

(Amason, 1996: 129)

2. conflict process

intention in conflict resolution

dimensions of intentions in conflict

COMPETITION   COLLABORATION

ASSERTIVE

ASSERTIVENESS
(Attempting to satisfy one's own concerns)

COMPROMISE

UNASSERTIVE

AVOIDING   ACCOMMODATION

UNCOOPERATIVE   COOPERATIVE

COOPERATIVENESS
(Attempting to satisfy other's concerns)

(Thomas, 1992)

conflict resolution intention I/II

collaborating

Collaboration is a way of approaching conflict resolution where each party in a conflict seeks to fully satisfy the needs of all other parties.

compromising

Compromise is a way of approaching conflict resolution where each party in a conflict is willing to give up something.

avoiding

Avoidance is a way of approaching conflict resolution where the parties are willing to to withdraw or suppress the conflict.

conflict resolution intention II/II

accomodating

Accomodation is a way of approaching conflict resolution where one party is in a conflict is willing to give the interests of the other party a higher priority than its own their own interests.

competing

Competition is a way of approaching conflict resolution in which each side seeks to satisfy its own interests, regardless of the impact this has on other parties in the conflict.

BAR event intensity scale

BAR scale	COPDAB scale	BAR event description
–7	15	Formal declaration of war; extensive war acts causing deaths, dislocation or high strategic costs
–6	14	Extensive military acts
–5	13	Small scale military acts
–4	12	Political–military hostile actions
–3	11	Diplomatic–economic hostile actions
–2	10	Strong verbal expressions displaying hostility in interaction
–1	9	Mild verbal expressions displaying discord in interaction
0	8	Neutral or non-significant acts for the inter-nation situation
1	7	Minor official exchanges, talks or policy expressons—mild verbal support
2	6	Official verbal support of goals, values or regime
3	5	Cultural or scientific agreement or support (non-strategic)
4	4	Non-military economic, technological or industrial agreement
5	3	Military economic or strategic support
6	2	International freshwater treaty; major strategic alliance (regional or international)
7	1	Voluntary unification into one nation

(Wolf, Yoffe, & Giordano, 2003)

options for conflict resolution

options for conflict resolution

- collaborating or problem solving

- compromising

- smoothing

- forcing

- withdraw or avoidance

- altering

3. negotiation

negotiation

negotiation

Negotiation is a process in which two or more parties exchange goods and services in an attempt to agree on the price of the exchange.

types of negotiation II/III

distributive bargaining

Distributive bargaining is bargaining in which the parties attempt to allocate a given amount of resources. It is a win-lose situation.

integrative bargaining

Intergrative bargaining is bargaining in which the parties attempt to to find an agreement or agreements that can create a win-win (win-win) solution.

Example:
Distributive: Buyer and seller negotiate the price of a car.
Integrative: Two departments negotiate resources for mutual benefit.

types of negotiation II/III

	distributive	integrative
goal	get the most	satisfy everyone
motivation	win-lose	win-win
focus	positional	interest
interest	opposition	congruent
sharing	low	high
duration	short	long

distributive and integrative negotiation III/III

- distributive negotiations
  - aggressive strategies
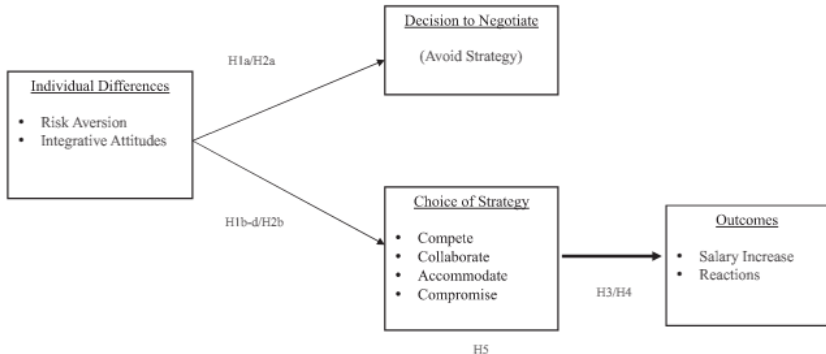   - anchoring
    - time pressure
    - ...

- integrative action
  - trust
  - compromise?

negotiation process

negotiation process

1. preparation

2. determining the rules

3. clarifying and confirming positions

4. bargaining and problem solving

5. conclusion and implementation

salary negotiation model

Decision to Negotiate

(Avoid Strategy)

Individual Differences

- Risk Aversion
- Integrative Attitudes

H1a/H2a

H1b-d/H2b

Choice of Strategy

- Compete
- Collaborate
- Accommodate
- Compromise

H5

H3/H4

Outcomes

- Salary Increase
- Reactions

(Marks & Harold, 2011)

BATNA

The Best Alternative To a Negotiated Agreement (BATNA)

The Best Alternative to a Negotiated Agreement refers to the concept that, what should be the least possible acceptable outcome of a party in a negotiation.

negotiation and individual differences

What influences negotiation?

- personality

- emotions

- culture

- men and women

- …

4. third parties

third parties

arbitrator

An arbitrator is a third party in a negotiation who has the authority to impose the parties to an agreement.

mediator

A mediator is a neutral third party in a negotiation who facilitates reaching a negotiated solution by using reasoning, persuasion and offering alternatives.

conciliator

A conciliator is a neutral third party in a negotiation who provides informal communication link between the negotiator and the opponent.

negotiation in a social context

- **reputation**
  - credibility
    - competence
    - integrity

- **relationships**
  - renegotiation

Discussion Scenarios

Scenario 1:
Apple vs. Samsung
–
Patent Dispute

Scenario 1: Context

Context

Apple and Samsung, two tech giants, engaged in a series of legal battles over patent infringement. Apple accused Samsung of copying the design and technology of its iPhone, while Samsung countered with claims of its own patents being violated. After multiple court rulings in different countries, both companies agreed to settle the case in 2018.

(Program on Negotiation at Harvard Law School, 2023a, 2023b)

Scenario 1: Discussion Questions

Discussion Questions

1. How do intellectual property disputes impact innovation (in the tech industry)?
2. What negotiation strategies should Apple and Samsung have employed to resolve the issue earlier?
3. Could this conflict have been avoided through initial collaboration rather than litigation? How?

Scenario 1: Key Learning Points

Key Learning Points

This scenario highlights the significance of protecting intellectual property and the financial and reputational costs of prolonged legal disputes in business.

(Program on Negotiation at Harvard Law School, 2023a, 2023b)

Scenario 2:
JPMorgan and DOJ
–
Financial Crisis Settlement

Scenario 2: Context

Context

In 2013, JPMorgan faced a lawsuit from the Department of Justice (DOJ) for its role in selling troubled mortgage securities that contributed to the 2008 financial crisis. JPMorgan's CEO, Jamie Dimon, negotiated a settlement just before the DOJ announced legal charges. The final settlement was $13 billion, the largest in DOJ history.

Scenario 2: Discussion Questions

Discussion Questions

1. Was the $13 billion settlement a fair outcome for JPMorgan and +the public? Why or why not?

2. What role do power dynamics play when a corporation negotiates with a government entity?

3. How could JPMorgan have prevented this conflict? What risk management strategies might they adopt for the future?

Scenario 2: Key Learning Points

Key Learning Points

This case demonstrates how high-level negotiations can mitigate legal and reputational risks, and the importance of corporate responsibility in avoiding future crises.

Scenario 3:
Interdepartmental Conflict Over Budget Allocation

Scenario 3: Context

Context

In a company, the Sales and Marketing departments were in conflict over how the annual budget should be allocated. Both departments had different priorities: Marketing wanted more funds for advertising campaigns, while Sales wanted a larger portion for customer relationship management tools. After multiple discussions, a compromise was reached to allocate funds based on current performance metrics, with a plan to revisit the allocation after six months.

(CMA Consulting, 2023b)

Scenario 3: Discussion Questions

Discussion Questions

1. How can interdepartmental competition for resources impact overall business performance?

2. What negotiation strategies could have been used to reach an agreement more quickly?

3. What role does performance data play in resolving conflicts over resource allocation?

Scenario 3: Key Learning Points

Key Learning Points

This scenario illustrates the importance of transparent communication and the use of objective data when making decisions about resource allocation in a business.

Scenario 4:
Client-Vendor Contract Dispute

Scenario 4: Context

Context

A client is dissatisfied with a vendor's service due to repeated delays and poor quality of deliverables. The client threatens to terminate the contract, but the vendor offers a new plan to resolve the issues, including a discounted rate and a revised timeline. After negotiations, the client agrees to continue the contract with performance improvement measures in place.

(CMA Consulting, 2023a)

Scenario 4: Discussion Questions

Discussion Questions

1. What are the potential risks and benefits of continuing a relationship with a vendor who has not met expectations?

2. How could the vendor have approached the issue to prevent it from escalating to the point of contract termination?

3. Should the client have negotiated stricter penalties for future delays, or would this damage the working relationship?

Scenario 4: Key Learning Points

Key Learning Points

This scenario highlights the need for clear communication, trust-building, and flexible negotiation when managing ongoing business relationships.

(CMA Consulting, 2023a)

Scenario 5:
Workplace Conflict Due to Cultural Differences

Scenario 5: Context

Context

In a global company, two employees from different cultural backgrounds experience communication issues due to varying work styles and expectations. This leads to tensions and reduced collaboration. The HR department facilitates a mediation session where both employees openly discuss their differences, and strategies are developed to improve their working relationship.

Scenario 5: Discussion Questions

Discussion Questions

1. How can cultural differences create barriers to effective communication in the workplace?

2. What strategies can organizations implement to manage and leverage cultural diversity in teams?

3. How can HR play a more proactive role in preventing conflicts arising from cultural misunderstandings?

Scenario 5: Key Learning Points

Key Learning Points

This scenario showcases the importance of cultural awareness and communication skills in preventing and resolving conflicts within diverse teams.

SUMMARY

fundamentals of conflict

- good and bad conflicts
- type of conflict
- goals (intentions) in conflict
- conflict resolution
- third party

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MASARYK UNIVERSITY