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Conflict in Organizations

Abstract

{Excerpt} Michael Cohen, James March, and Johan Olsen⁹ have developed an influential, agent-based representation of organizational decision-making processes. They submit that organizations are—at least in part and part of the time—distinguished by three general properties: (i) problematic preferences, (ii) unclear technology, and (iii) fluid participation. Citing, “Although organizations can often be viewed conveniently as vehicles for solving well-defined problems or structures within which conflict is resolved through bargaining, they also provide sets of procedures through which participants arrive at an interpretation of what they are doing and what they have done while in the process of doing it. From this point of view, an organization is a collection of choices looking for problems, issues and feelings looking for decision situations in which they might be aired, solutions looking for issues to which they might be the answer, and decision makers looking for work.” Decision opportunities characterized by problematic preferences, unclear technology, and fluid participation, viz., ambiguous stimuli, generate three possible outcomes, each driven by the energy it requires within the confines of organizational structure. These outcomes, whose meaning changes over time, are resolution, oversight, and flight. Significantly, resolution of problems as a style for making decisions is not the most common; in its place, decision making by flight or oversight is the feature. Is it any wonder then that the relatively complicated intermeshing of elements does not enable organizations to resolve problems as often as their mandates demand?

Keywords

Asian Development Bank, ADB, poverty, economic growth, sustainability, development

Comments

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Conflict in Organizations

By Olivier Serrat

Why Men Fight

War, the state of (usually open and declared) armed, hostile conflict between communities, has been conducted by most societies since at least the Bronze Age—that is, from about 4,000–3,000 BC.¹ Its perdurance suggests adaptive attributes; might it serve some deeper level of rationality?

Ethnographic literature on war is sparse but demonstrates that contention is a cultural phenomenon, that is to say, institutionalized behavior framed by consensus. The justification is that actual or potential warfare promotes solidarity among social groups, consolidating relationship by polarizing differences. By means of contest, the subjugated are made to assimilate; for this reason, *ceteris paribus*, social groups have enlarged steadily over the course of history.² Another—probably complementary—perspective argues that war is a product of natural human belligerence as individuals and groups struggle to maximize benefits.³ (The fact that warfare has also stimulated technological progress⁴ cannot be considered a driver of war even if men—and women, albeit to a lesser degree—seem enamored with new tools, methods, and approaches.) In modern times, ancient hatreds, identity politics, manipulative elites, political and economic systems, and contention for power have, singly or in combination, fuelled violence and fed from it.⁵



Complex adaptive systems are the source of much intra-organizational conflict that will not be managed, let alone resolved. To foster learning, adaptation, and evolution in the workplace, organizations should capitalize on its functions and dysfunctions with mindfulness, improvisation, and reconfiguration.

¹ Before nomadic groups settled for sedentary life in villages and towns that grew into early chiefdoms and then embryonic states, war likely amounted to small-scale raiding. (There is no convincing evidence of collective intergroup hostility before 10,000 years ago and in many isolated parts of the world much more recently than that.) But the invention and spread of agriculture, allied to the domestication of animals, circa 5,000 BC, set the stage for the emergence of complex urban societies. The aggregation of large populations required that people refocus their allegiances away from the extended family, clan, and tribe toward a larger social entity, the state. Then, warfare was made possible by the development of articulated social structures—of which standing armies surfaced as permanent parts—providing legitimacy and stability to new social roles and behaviors.

² It is as if cultural representations, to survive, must propagate and durably invade entire populations. In the process, of course, people, their environment, and the ideas themselves are transformed. See Dan Sperber. 1996. *Explaining Culture: A Naturalistic Approach*. Blackwell Publishers.

³ Thankfully, Douglas Fry posits that along with the capacity for aggression humans also possess a strong ability to prevent, limit, and resolve conflicts without mayhem. See Douglas Fry. 2005. *The Human Potential for Peace: An Anthropological Challenge to Assumptions about War and Violence*. Oxford University Press.

⁴ For example, the Bronze Age saw the development of offensive weapons, e.g., axes, composite bows, daggers, spears, and swords; protective gear, e.g., armor, shields, and helmets; and tactical innovations, e.g., battle plans, chariotry, (counter)intelligence and communications, mobility, patrolling techniques, phalanx formations, rank structures, and staffs.

⁵ Conflict theory, which deduces civilization as a fight for power and authority between groups that struggle over limited means, offers a handy lens through which to analyze society. Notions of political economy are likewise relevant.

A reading of Richard Donkin's *History of Work*⁶ intimates it may be a short step from the field of battle to that of organizations. Situations of feud and acts of negative reciprocity in the corporate world, if thankfully bloodless, are an obdurate truth: everywhere, there is much talk of "winning," as if the term had ageless definition. Surely, however, what it means to win should be seen as culturally and socially situated. In general, instead of prevailing over another party, one might more beneficially recognize and promote consciousness of a shared concern and common interests in facing it.

Satisficing at Work⁷

Paraphrasing John Rambo, if war is normal and peace an accident, one could at least expect collaboration *within* organizations. Yet, even there, particularly in public and illegitimate organizations, the quasi-resolution of conflicts is the norm.⁸

Michael Cohen, James March, and Johan Olsen⁹ have developed an influential, agent-based representation of organizational decision-making processes. They submit that organizations are—at least in part and part of the time—distinguished by three general properties: (i) problematic preferences, (ii) unclear technology, and (iii) fluid participation. Citing, "Although organizations can often be viewed conveniently as vehicles for solving well-defined problems or structures within which conflict is resolved through bargaining, they also provide sets of procedures through which participants arrive at an interpretation of what they are doing and what they

A problem is a chance for you to do your best.

—Duke Ellington

have done while in the process of doing it. From this point of view, an organization is a collection of choices looking for problems, issues and feelings looking for decision situations in which they might be aired, solutions looking for issues to which they might be the answer, and decision makers looking for work." Decision opportunities characterized by problematic preferences, unclear technology, and fluid participation, viz., ambiguous stimuli, generate three possible outcomes, each driven by the energy it requires within the confines of organizational structure.¹⁰ These outcomes, whose meaning changes over time, are resolution, oversight, and flight.¹¹ Significantly, resolution of problems as a style for making decisions is not the most common; in its place, decision making by flight or oversight is the feature. Is it any wonder then that the relatively complicated intermeshing of elements does not enable organizations to resolve problems as often as their mandates demand?

A major feature of the Garbage Can Model is the partial uncoupling of problems and choices. Decision making is usually thought of as a process for solving the former but that is often not what happens. Quoting further from Michael Cohen, James March, and Johan Olsen, "Problems are worked upon in the context of some choice, but choices are made only when the shifting combinations of problems, solutions, and decision makers happen to make action possible. Quite commonly this is after problems have left a given choice arena or before they have discovered it (decisions by flight or oversight)." One device for quasi-resolution of conflicts is local rationality; since each division or department within an organization

Decision is a risk rooted in the courage of being free.

—Paul Tillich

⁶ Richard Donkin. 2010. *The History of Work*. Palgrave Macmillan.

⁷ Herbert Simon coined the word "satisfice"—a portmanteau combining "satisfy" with "suffice"—in 1956 to characterize approaches to information processing and decision making based on bounded rationality. With implications for human beings, he argued that the psychological environment of organisms limits the cognitive resources they have to maximize. In other words, because they lack complete information, they choose what might not be optimal but will make them happy enough. See Herbert Simon. 1956. Rational Choice and the Structure of the Environment. *Psychological Review*. Vol. 63, No. 2, pp. 129–138.

⁸ See Richard Cyert and James March. 1963. *A Behavioral Theory of the Firm*. Prentice Hall.

⁹ See Michael Cohen, James March, and Johan Olsen. 1972. A Garbage Can Model of Organizational Choice. *Administrative Science Quarterly*. Vol. 17, No. 1, pp. 1–25.

¹⁰ Four factors have substantial effects on organizational choice. They are an organization's net energy load, problem access structure, decision structure, and energy distribution. As expected, inherent and contextual risks are higher in structurally complex organizations.

¹¹ Decisions by resolution can only come to pass if the participants to the decision process are suitably able, a sufficiently good solution is available to them, and the problem they are called to solve is relatively simple. Decisions by oversight are routines that confirm the legitimacy of an organization but cannot solve problems. Flight is no decision but may allow reexamination of the choice after the trickiest issue has been set aside.

only deals with a narrow range of problems, each can at least pretend to be rational in addressing local concerns. (Of course, as a general rule, local rationalities are mutually inconsistent and so will not build synergy. The metaphor of organizational silos begs no explanation.) A second device is acceptable-level decision rules; where they are met, the level of consistency between one decision and another is low enough for the divergence to be tolerable. A third is sequential attention to goals; this allows consideration to be given first to one goal and then to another. Obviously, surface, latent, or open conflicts run through all organizational choices even if satisficing exists to maintain them at levels that are not unacceptably detrimental. Concluding, contemporary views of conflict think it endemic, inevitable, and often legitimate.

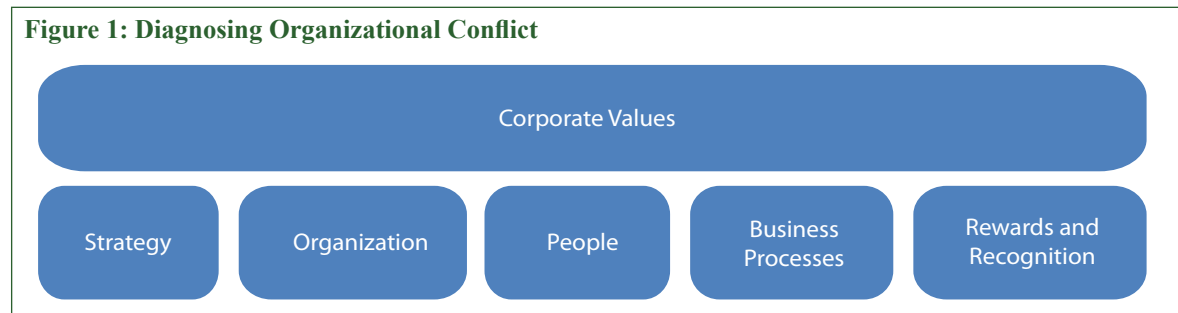
A Précis on Organizational Conflict

If civilization is to survive, we must cultivate the science of human relationships—the ability of all peoples, of all kinds, to live together, in the same world at peace.

—Franklin Delano Roosevelt

Heterogeneity in values and ideas is a profound reality that organizations (and societies at large, as we saw) have to deal with; it can—and usually does—breed conflict, that is, an interactive process or state in which the interests of individuals or groups in an organization appear divergent or incompatible,¹² often resulting in overt or covert attempts to block or thwart the other party’s attempts to satisfy these for

preferred outcomes.¹³ In addition to miscommunication, large bones of contention are freedom, goals, positions, rewards and recognition, resources, and task interdependences.¹⁴ (Low formalization of rules and regulations may also exacerbate jurisdictional misunderstanding.) Conflict is also an inevitable part of dynamic growth (or decline).



Source: Author.

¹² When all is said and done, a shocking number of conflicts owe to miscommunication, that is, semantic sources. Increased self-knowledge and mutual understanding will promote cohesion. Even then, communication distortions can have structural origins: as information is passed up or down a hierarchy, it is susceptible to ambiguity and breakdown.

¹³ Recurrently, the process that unfolds will have a group tell stories about its views and misrepresent (if they are understood at all) those of the other party. What it perceives as “good” in its position will be underscored and what is “bad” will be ignored. The position of the other party will be assessed as “bad” with little “good,” if any. As a result, the objectivity and judgment of both parties will be impaired and discussions of differences will not exhibit rational or constructive behavior. Each party will phrase questions and answers in such ways that strengthen its position and disparage the other’s.

¹⁴ Individuals and groups who value autonomy resist calls for conformity. Due to their respective functions and responsibilities, members of organizations frequently pursue goals that are somewhat (when not entirely) different from one another. Those who seek power tussle with others for status. Everywhere, rewards, recognition, and resources are thought insufficient and improperly distributed, driving competition for such prizes. What is more, the assistance, information, compliance, or co-coordinative activities that a group needs to accomplish its tasks may not be forthcoming. A six-point checklist covering corporate values, strategy, organization, people, business processes, and rewards and recognition provides a ready framework for diagnosing in-house conflict.

“A strange justice that is bounded by a river! Truth on this side of the Pyrenees, error on the other side,” Blaise Pascal reflected. One school of thought holds that effective management should conduce such a healthy environment that conflicts do not arise; a larger body of opinion believes that conflict must be, reluctantly, accepted as a fact of life but that it should be avoided and suppressed rather than understood and cured;¹⁵ a third group of advocates, often encamped in the private sector, argues that not letting the lions in can actually be ruinous because conflict engages—it leads to deeper understanding, more comprehensive choice, and better contingency planning. For sure, if faced well, conflict can lead to positive change; unresolved, it can take on a life of its own and become the center of all thought and action—it might then hurt people, ruin reputations, inhibit relationships, and fragment organizations causing a downward spiral in organizational health.¹⁶

In short, organizational conflict can be (i) intrapersonal,¹⁷ (ii) interpersonal, (iii) intragroup, and (iv) intergroup.¹⁸ The strategies for managing the last three, structural, types, each revealing different levels of concern for self and others are (i) integrating—resolving problems to reach an effective solution acceptable to all disputants; (ii) obliging—satisfying the concerns of the other party to preserve a relationship and perhaps obtain something in exchange; (iii) dominating—achieving a win–lose resolution that is in the best interest of one group and at the expense of the other; (iv) avoiding—sidestepping situations; and (v) compromising—seeking a resolution that satisfies at least part of each party's demands.¹⁹ Interest-based relational approaches to integrating urge protagonists to make mutual respect and good relationships the first priority, keep people and problems separate, listen very carefully (before talking) to the grievances presented, set out what verifiable specifics give reasons for the conflict, and explore options together. To note, most diagnoses and treatments of organizational conflict ignore the issue of authority to settle, meaning, the obligation of parties to report to or obtain consent from supervisors who were not involved in discussions or may not be familiar with the dilemmas.²⁰ (This is a widespread difficulty in hierarchical organizations where attempts at resolution, oversight, or even flight can necessitate approval by several echelons.) What is more, most aim to resolve or manage organizational conflict through technocratic approaches that pay little heed to learning—always necessary to enhance individual, group, and organizational effectiveness.

¹⁵ Human resource divisions typically view conflict as the failure to develop appropriate congenial social norms for groups; organizations should be ordered, smooth-running, and harmonious.

¹⁶ This is an understatement. Win–lose conflicts among individuals and groups delay decisions, create deadlocks, divert energy and time from the main concern, obstruct exploration of alternatives, interfere with listening, decrease or destroy sensitivity, and cause general defensiveness. All too commonly, they also interfere with empathy, arouse anger, provoke personal abuse, cause members to withdraw from task forces or committees, relegate resentful or now-indifferent losers to the sidelines, and incline underdogs to sabotage.

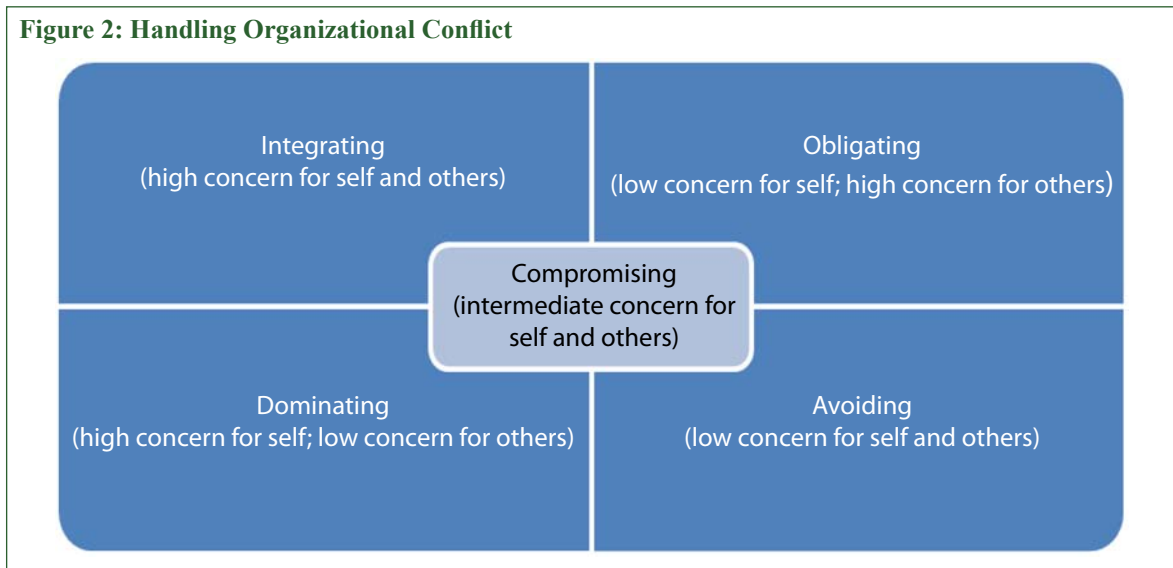
¹⁷ Conflict within individuals refers to a person's inner workings and personality problems. Related difficulties are the province of professional counselors but there are surely aspects of intrapersonal conflict that managers should understand and possibly help remedy. With due respect to Abraham Maslow's hierarchy, these might be explored in relation to the need that humans have for esteem and self-actualization. See Abraham Maslow. 1943. A Theory of Human Motivation. *Psychological Review*. Vol. 50, No. 4, pp. 370–396.

¹⁸ As recognized earlier, conflicts can be constructive too, although the art of sparking that remains esoteric outside sports. Some individuals and groups use conflict as a motivating force toward innovation and change.

¹⁹ Kenneth Thomas and Ralph Kilmann's taxonomy of conflict styles classifies such responses as competitive (assertive, uncooperative); collaborative (assertive, cooperative); compromising (intermediate assertiveness and cooperativeness); accommodating (unassertive, cooperative); and avoiding (unassertive, uncooperative). See Kenneth Thomas and Ralph Kilmann. 1997. *Thomas-Kilmann Conflict Mode Instrument*. Xicom. Surprisingly, the framework has also found application in an area that one might have assumed directly opposite to conflict management, that is, collective knowledge development in strategic alliances. See Rikard Larsson, Lars Bengtsson, Kristina Henriksson, and Judith Sparks. 1998. The Interorganizational Learning Dilemma: Collective Knowledge Development in Strategic Alliances. *Organization Science*. Vol. 9, No. 5, pp. 285–305. This goes to show that organizations are likely to eschew internecine conflict, or learn most together, when they choose collaborative strategies of high transparency and receptivity.

²⁰ The conflicting parties may wish to adjust their respective positions as they learn together but they are under the influence of remote, sometimes even unknown, decision makers who have the ability to influence mediation and its outcome.

Figure 2: Handling Organizational Conflict



Source: Adapted from M. Afzalur Rahim. 2002. Toward a Theory of Managing Organizational Conflict. *International Journal of Conflict Management*. Vol. 13, No. 3, pp. 206–235.

A Complexity View of Organizational Conflict

Approaches that reduce complexity make sense in low-context situations²¹ but do not in the sphere of multiple, interacting phenomena. The social context of conflicts is evolutionary, meaning that causes and effects are not always directly linked, proportionate, or predictable: complex adaptive systems such as conflicts are better understood through requisite variety—this means having at least as much complexity as the issue being discussed.

Some problems are so complex that you have to be highly intelligent and well informed just to be undecided about them.

—Laurence Peter

Basic concepts of complexity science—the study of dynamic relationships in complex adaptive systems rather than the isolated properties of their agents—have entered everyday language. (Foremost among them is the notion of emergence, which connotes unpredictability. Others include connectivity, interdependency, nonlinearity, sensitivity to initial conditions, feedback processes, bifurcation, phase space, chaos and edge of chaos, adaptive agents, self-organization, and co-evolution.)

Applied to organizations, now perhaps best described as collectives of human activity, complexity thinking puts a damper on naive hopes of an ordered and controllable existence. Instead, it helps explain change through learning, adaptation, and evolution, often by means of competition and cooperation and usually in the interest of survival. It does so by acknowledging that people are intelligent, dynamic, self-organizing, and emergent beings who are capable of discerning thoughtfulness and innovative reactions to conflict. Indeed, when cause-and-effect relationships between people, experiences, and contexts can only be perceived in retrospect, not in advance through deliberate strategy, the wiser approach is to probe, sense, and respond rather than be deceived by the empty promise of command and control. Reinterpreted as pattern fluctuation—not breakdown, noise, or error—conflict should more usefully be seen as the product of perpetual surprise, itself generated by ongoing nonlinear interactions. Leticia Andrade, Donde Ashmos Plowman, and Dennis Duchon²² propose that

²¹ For instance, in low-context communications the mass of information is vested in the explicit message; in high-context communication it is either in the physical context or initialized in the person.

²² Leticia Andrade, Donde Ashmos Plowman, and Dennis Duchon. 2008. Getting Past Conflict Resolution: A Complexity View of Conflict. *Emergence: Complexity and Organization*. Vol. 10, No. 1, pp. 23–38. Quoting, “When organizations improvise, they test competing interpretations and experiment with alternative notions of what might work. When organizations develop the capacity for mindfulness, they highlight differences and let the differences inform organizational members and offer opportunities to learn. When organizations reconfigure themselves and function more like a federation of patches, each of which is trying to find success, the whole system is capable of learning from its patches and find successful co-evolutionary adaptations.”

mindfulness,²³ improvisation, and reconfiguration—no small order, if trust is added—will then help fructify that for organizational growth and renewal.

Further Reading

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For further information

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²³ Mindfulness is the state of active, open attention to the present. It involves continuing scrutiny of expectations, their unremitting refinement and differentiation based on experience, and willingness and ability to define new prospects that make sense of unprecedented events or circumstances. In organizations, it is responsible for elevating collective intelligence and nurturing a mindful culture.

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