

## **Role of Conflict and Negotiation in Developing Capability**

### Abstract

This paper focuses on the techniques followed by the organisations to resolve conflicts. The description of the big five personality attributes have been conducted to analyse the particular situation. A development plan has also been included in the report for offering equal treatment to each of the employees. Based on the discussion of this paper, it has been found that effective negotiation techniques is important to maintain a proper work environment in the organisations.

**Table of Contents**

1.0 Introduction.....	4
2.0 Literature Review.....	4
3.0 The Description of Diagnostic Tools and Test Analysis .....	7
3.1 Big Five Personality Attributes.....	7
3.1.1 Test Analysis of Big Five Personality Traits .....	7
3.2 The Johari Window.....	7
3.2.1 Test Result Analysis .....	8
3.3 Belbin Team Inventory .....	8
3.3.1 Test Analysis.....	8
4.0 Development Plan.....	8
5.0 Conclusion .....	9
6.0 Reference List.....	10
7.0 Appendix.....	13

## **1.0 Introduction**

Conflicts are universal and can occur due to a clash of ideas; however, the results are not always destructive since, conflicts are often responsible for sparking innovation and creativity. Hence, managers may opt to apply the principle of negotiation so that the performance of the company is not affected. In many companies, the labour force is organised with the presence of unions; they often negotiate with the management in issues related to salaries, bonus and commissions, etc. However, negotiations are also common in political and international spheres (Dwyer, 2012).

In this paper, the researcher has represented the application of three diagnostic tools; namely, The Big Five personality measures, Johari Window and Belbin Team Inventory, in order to illustrate how they can help in reducing destructive conflict. This paper also provides a development plan encouraging win-win negotiations. These tests help in evaluating the potential of employees in comparison to their appropriate job role.

## **2.0 Literature Review**

According to Professor William Wilmot and professional mediator, Joyce Hocker, conflict can be described as a struggle that takes place between parties. However, it need not necessarily involve any physical fight and often they can be nonverbal (O'Rourke and Collins, 2008). In an organisation, it is often sighted that there is no direct accusation or contact between the parties involved in conflict but they vent their pent up feelings upon a third party. However, Wilmot and Hocker had mentioned interdependency among individual parties is a necessary condition for them to be involved in a conflict. This interdependence is central for the individual to work together providing the opportunity to share ideas setting the backdrop of a conflict (O'Rourke and Collins, 2008).

Nowadays, human capital is considered one of the most productive assets by scholars; helping in increasing organisations' competitive advantage. As a company expands, its employment also increases which can lead to complexities. However, to curb such chances and increase efficiency, it is very important that employees are comfortable to work as a team (M. Djurica, N. Djurica and Janicic, 2014). Some of the essential attributes in this regard are cooperation, trust among the

employees and empathy. These behavioural characteristics can help in building cordial relationships in work place (Cross and Shaw, 2014).

Over the last few decades, the structure of business has undergone manifold changes that have led to increasing difficulties in managing the resources efficiently. These rising complexities have been the root cause of conflicts making it a universal phenomenon whether in relation to personal choices or workplace (Cross and Shaw, 2014). One example of workplace conflict is the argument among colleagues in relation to a specific change in a project. The sustenance of a conflict depends upon the willingness of the conflicted parties to keep their stance in context to a particular issue and in extreme cases can lead to escalation (Singh, 2008). Shargh, Soufi and Dadashi (2013) had identified some reasons that can lead to rise of a conflict; they are emotional antipathy, disagreement among team members and differential opinions. However, among all these factors emotional distress can deter the performance of employees and lead to an environment of mutual distrust. Emotional conflicts are very common at workplaces between superiors and their followers (Singh, 2008).

Conflicts can be either constructive or destructive; the former can help in facilitating innovation and creativity while destructive conflicts can deteriorate the organisational culture. Destructive conflicts have been the root cause of dissatisfaction among workers. When a company works with demotivated employees, it affects the company's overall productivity resulting in a deterioration of its reputation (Omisore and Abiodun, 2014).

The process through which individual or team opts for a common solution to a particular issue can be described as negotiation (Zartman and Faure, 2005). In this process, people leave their individual opinions and jointly decide on the best outcome. However, it does not mean that all members agree to single outcome but it reflects individual are ready to seek for more suitable solutions by leaving their divergent stance. In a negotiation, each member has to have positive attitude towards compromise and coordinate by leaving his or her status quo. The managers and entrepreneurs negotiate upon the prices with the suppliers and while offering job to applicants, HR professionals negotiate over the salaries and other compensation benefits. In case of team meetings, researchers expect each member to negotiate with each other so that it does not affect their individual schedule (Hames, 2011).

Rise in competition has forced the firms in an industry to think of ways that can help them to retain their market share with positive return on their invested capital. This has resulted in the increase in number of cartels and mergers that require the parties involved to negotiate over a common market price in order to maintain their profit (Hames, 2011). In case of business negotiations, the one with more market power takes the final decisions related to the common agreement (say market price). For example, if there is a merger between a small firm and a big firm, the former has less bargaining power (Goffee and Scase, 2015). International trade has increased manifold following globalisation, which has increased the interdependence among the trading nations. This has an impact upon the political structure of the economy and international treaties shape the future of global trade involving a number of negotiations (UNCTAD, 2008).

Distributive and integrative are the two forms of negotiations commonly observed in business world by scholars (Vo, Padgham and Cavedon, 2007). If in a negotiation, one party wins at the cost of other party, then it is termed as distributive negotiation. On the other hand, Integrative negotiations are formed among parties or individuals who are interested in finding a solution that benefits all. They are of the opinion that by working together, they can reach better conclusion (Schramm and Morais, 2013). Such negotiations often result in formulation of long-term agreements that helps the parties involved to address more than one issues at a time (Caputo, 2012). Distributive negotiations do not involve stable relationship and may be one time agreement. The negotiating parties are not aware of the potential and resources held by them and sometimes offer various discounts and other added advantage to finalise a deal (FAO, 2008). Examples of distributive negotiations are those where buyer and seller meet only once to negotiate and purchase a product or service without any future commitment (Caputo, 2012).

According to Loo (2006), a new term was coined, namely street negotiation framework, which deals with resolving conflicts both at personal and professional life. If, there is a conflict related to opposite views between two individuals then street negotiation can help in dealing with it. Street negotiations involve help in formulating long-term objectives by selecting what is fair for both parties. It addresses emotions that can result in conflicts by cooperating with the parties involved. It does not believe in winning or losing, but prioritises effective communication.

### **3.0 The Description of Diagnostic Tools and Test Analysis**

#### **3.1 Big Five Personality Attributes**

Personality traits play an important role in deciding whether an individual is suitable enough to execute a particular task. For example, people with good communication skill are ideal for executing customer service jobs. The personality of an employee differentiates him or her from other workers. Scholars have identified five characteristic attributes, which can help an employer to find suitable candidates among total number of job applicants (Schermerhorn Jr, 2009). An individual having all five behavioural traits will find it easier to execute a specific task and build his or her career. Researchers have studied a large number of behavioural attributes and have come up concluding that a person possessing qualities like, extraversion, open to new experience, conscientiousness, agreeableness and neuroticism will be able to accomplish better than those who lack such characteristics.

##### **3.1.1 Test Analysis of Big Five Personality Traits**

When I took the Big Five personality Test online, where I had been evaluated based on the answers selected by me. Firstly, in terms of openness, I scored moderate reflecting that I am not very comfortable to abstract ideas, but I cannot be categorised as a conservative person either. The ability of a person to exercise abstinence from addiction while emphasizing on keeping things more organised is known as conscientiousness (King and Lawley, 2016). I was evaluated to be highly conscientious which states that I like to plan and organise my work and avoid jumping to conclusions. This ability will help me in pursuing long-term goals. The extraversion quotient was also high depicting my ease in communicating with others. I scored moderate in agreeableness that means I try to maintain a balance between my interests along with benefit of others. My low score in neuroticism reflects that I am optimistic to life and a firm believer in maintaining self-esteem.

#### **3.2 The Johari Window**

In the words of West and Turner (2008), Johari Window can be defined as a model that can help in understanding the potential of a person to himself or herself and others. According to Johari Window, an individual should try to move to the first window, which depicts others' awareness of his or her potentials placing him or her in a better position in terms of career growth.

### **3.2.1 Test Result Analysis**

In the online test, I had to select a maximum of six words, which describes my personality appropriately. Once the test was conducted, the chosen words appeared on the third window pane depicting that I am aware of certain qualities possessed by me but others are neither known to me nor to others. Hence, in order to move to the first pane, I have proved my worth to others through my work.

### **3.3 Belbin Team Inventory**

This diagnostic tool helps in determining a job applicant's suitability to nine job roles as defined by Belbin. The nine job roles are coordinator, complete finisher, implementer, monitor evaluator, plants, resource investigator, sharper, specialists and team worker (Martin, 2011). It is possible that an individual is suitable for more than one job role as the nine roles share some amount of inter-dependability. In order to enhance the job role, an individual is required to put more effort in training and retaining his or her focus upon achieving the set target.

#### **3.3.1 Test Analysis**

The test results show that I am suitable for the role of a leader since I am organised and try to keep the members of the team together. I have the ability to communicate with others, which helps in avoiding conflicts by encouraging negotiation.

### **4.0 Development Plan**

It is very important for an organisation to provide enough opportunities so that employees can show their potential getting equal representation. A firm needs to divert its resources so that employee can engage in constructive conflict that can help in innovation and spur creativity. It will not only improve individual performance, but will also have a positive impact upon overall performance of the organisation.

A company can benefit substantially by organising open discussion platforms before the authorities take the final decision. These open forums can further analyse a particular idea from different angles. If there is any stale point then it gets identified and eliminated improving the entire strategy. Such opportunities of free discussion can help in improving the communication among employees while encouraging creativity among workers. It also helps in developing the knowledge base of the employees.



The advancement in technology can help in improving the efficiency level in the production system. In order to update the employees in context to acceptance of new and improved technology, training can be helpful. Training not only makes them aware of the new technology but also guides them to apply it at the right place so that an organisation receives maximum benefit out of it (Talbot, 2010). Each training should be characterised by a test at the end which will reflect how much an employee has learnt and how prepared he or she is for a particular job.

The art of negotiation requires few qualities like, emotional control, understanding and solving a particular problem and fluency in communication. If an employee is emotionally stable, then it puts him or her in a better position to negotiate. The assessment of an employee's potential reflects through The Big Five Personality test undertaken by employers. Problem solving requires rationality among employees so that they are able to observe each issue separately.

## **5.0 Conclusion**

Conflicts and negotiations are very important part of life; people have to undergo conflicts when they have to decide among a number of choices. In order to end the conflict, the individual has to come to a negotiation between his budget and choice from the restaurant menu. The terms negotiations and conflicts are very common in business world owing to which managers are required to develop new strategies and policies to deal with conflicts. In order to understand the capability of an individual employee three different diagnostic tools have been presented so that employers are able to understand their workers better. This provides the scope for employees to be more creative and learn to negotiate.

## 6.0 Reference List

123 Test, 2016. *Your Team Roles*. [online] Available at: < <https://www.123test.com/team-roles-test/index.php> > [Accessed 12 October 2016].

Caputo, A., 2012. Integrative agreements in multilateral negotiations: the case of Fiat and Chrysler. *International Journal of Business and Social Science*, 3(12), pp. 167-180.

Cross, D. and Shaw, M., 2014. Evaluating Conflict between Employees: Exploring the Costs to an Organization. *International Journal of Aviation, Aeronautics, and Aerospace*, 1(1), pp.1-24.

Djurica, M., Djurica, N. and Janicic, R., 2014. *Building Competitive Advantage Through Human Capital*. [PDF] Available at: < <http://cluteinstitute.com/conference-proceedings/2014MUPapers/Article%20391.pdf> > [Accessed 12 October 2016].

Dwyer, J., 2012. *Communication for Business and the Professions: Strategies and Skills*. Melbourne: Pearson Higher Education AU.

FAO, 2008. *Negotiation Theory and Practice A Review of the Literature*. [PDF] Available at: < [http://www.fao.org/docs/up/easypol/550/4-5\\_negotiation\\_background\\_paper\\_179en.pdf](http://www.fao.org/docs/up/easypol/550/4-5_negotiation_background_paper_179en.pdf) > [Accessed 12 October 2016].

Goffee, R. and Scase, R., 2015. *Corporate Realities (Routledge Revivals): The Dynamics of Large and Small Organisations*. London: Routledge.

Hames, D.S., 2011. *Negotiation: Closing deals, settling disputes, and making team decisions*. London: SAGE Publications.

Kevan, 2016. *The Johari Window Test*. [online] Available at: < <http://kevan.org/johari> > [Accessed 12 October 2016].

King, D. and Lawley, S., 2016. *Organizational behaviour*. Oxford: Oxford University Press.

Loo, T.J., 2006. *Street Negotiation: How to Resolve Any Conflict Anytime*. Louisiana: Tristan Loo.

Martin, N., 2011. *Project politics: a systematic approach to managing complex relationships*. Farnham: Gower Publishing, Ltd..

Omisore, B. O. and Abiodun, A. R., 2014. Organizational Conflicts: Causes, Effects and Remedies. *International Journal of Academic Research in Economics and Management Sciences*, 3(6), pp. 118-137.

O'Rourke, J. and Collins, S., 2008. *Module 3: Managing Conflict and Workplace Relationships*. Boston: Cengage Learning.

Schermerhorn Jr, J.R., 2009. *Exploring management*. New York: John Wiley & Sons.

Schramm, F. and Morais, D.C., 2013. A bilateral and multi-issue negotiation framework to support a supply chain of construction industry. *Pesquisa Operacional*, 33(3), pp.491-512.

Shargh, F.S., Soufi, M. and Dadashi, M.A., 2013. Conflict Management and Negotiation. *International Research Journal of Applied and Basic Sciences*, 5(5), pp. 538-543.

Singh, B.D., 2008. *Managing Conflict and negotiation*. New Delhi: Excel Books India.

Talbot, J., 2010. *Training in organisations: a cost-benefit analysis*. Farnham: Gower Publishing, Ltd..

Truity, 2016. *The Big Five Personality Test*. [online] Available at: <<http://www.truity.com/test/big-five-personality-test>> [Accessed 12 October 2016].

UNCTAD, 2008. *Globalization for Development: The International Trade Perspective*. [PDF] Available at: < [http://unctad.org/en/docs/ditc20071\\_en.pdf](http://unctad.org/en/docs/ditc20071_en.pdf) > [Accessed 12 October 2016].

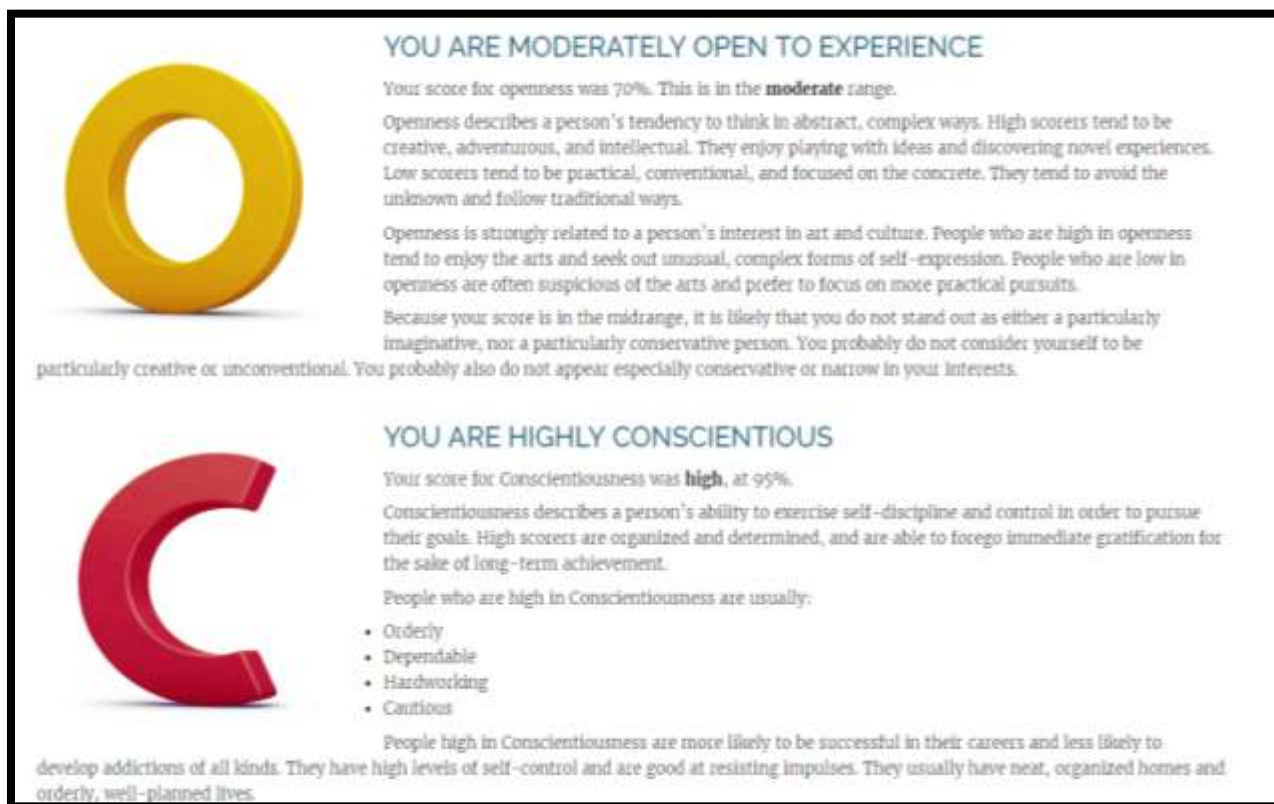
Vo, Q.B., Padgham, L. and Cavedon, L., 2007. Negotiating flexible agreements by combining distributive and integrative negotiation. *Intelligent Decision Technologies*, 1(1-2), pp.33-47.

West, R. and Turner, L.H., 2008. *Understanding interpersonal communication: Making choices in changing times*. Boston: Cengage Learning.

Zartman, I.W. and Faure, G.O., 2005. *Escalation and negotiation in international conflicts*. Cambridge University Press.

## 7.0 Appendix

**Figure 1: Test Result 1 of the Big Five Personality Traits**



(Source: Truity, 2016)

**Figure 2: Test Result 3 of the Big Five Personality Traits**



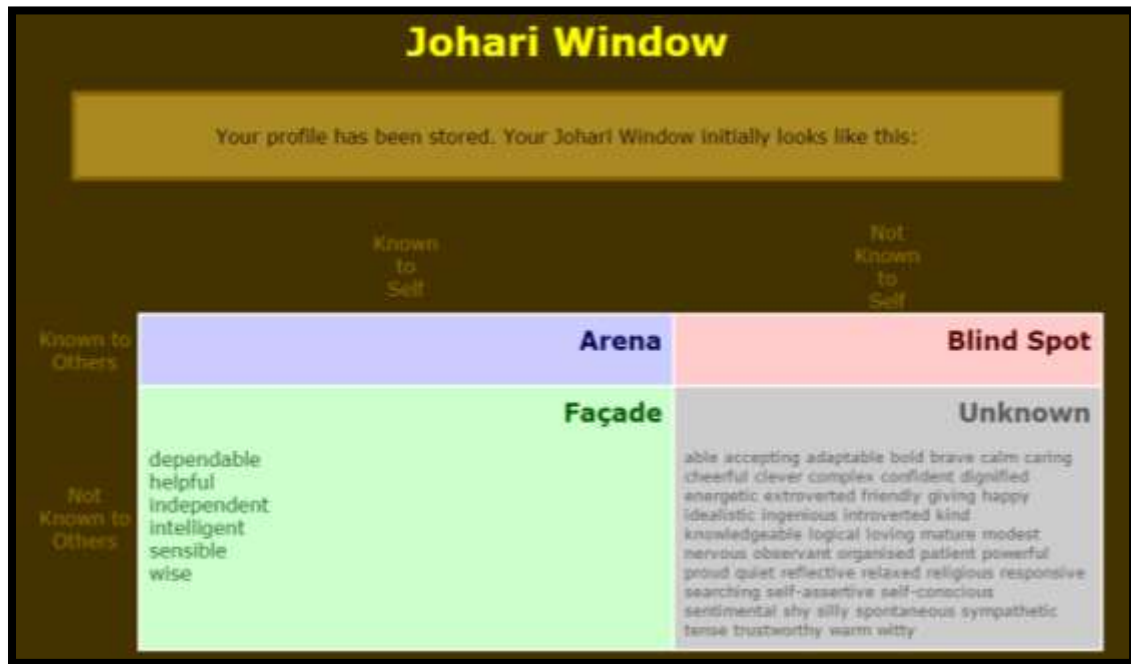
(Source: Truity, 2016)

Figure 3: Test Result 2 of the Big Five Personality Traits



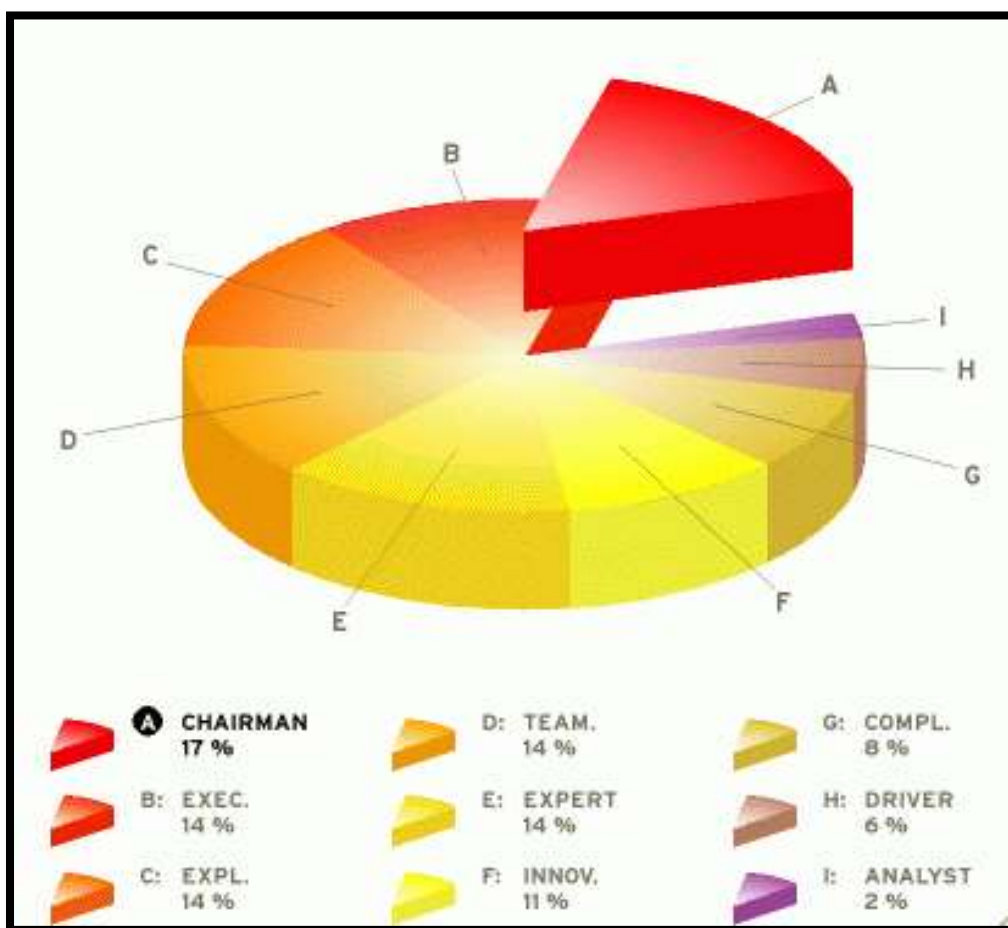
(Source: Truity, 2016)

Figure 4: Test Results for Johari Window Analysis



(Source: Kevan, 2016)



**Figure 5: Belbin Team Inventory Test Results**

(Source: 123 Test, 2016)