

CONFLICT MANAGEMENT

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Conflict is the gadfly of thought. It stirs us to observation and memory. It instigates invention. It shocks us out of sheeplike passivity and sets us at noting and contriving. Conflict is a "sine qua non" of reflection and ingenuity

JOHN DEWEY

Conflict is as inevitable in a project environment as change seems to be. When project team members interact during the course of completing their tasks and responsibilities, there is always a potential for conflict. In fact, it is virtually impossible for people with diverse background skills and norms to work together; make decisions, and try to meet project goals and objectives without conflict.

Project managers must identify, analyze, and evaluate both positive and negative values of conflict and their effect on performance. They must learn how and when to stimulate conflict and how to use it to increase the performance of project team members. Conflict need not have destructive consequences. Attitudes and conflict management styles play an important role in determining whether such conflict will lead to destructive or mutually beneficial outcomes.(ref 1)

Views of Conflict

Over the years three distinct views have evolved about conflict in projects and organizations) The traditional view (dominant from the late nineteenth century until the mid-1940s) assumes that conflict is bad, always has a negative impact, and leads to declines in performance as the level of conflict increases. Conflict must therefore always be avoided. In this view conflict is closely associated with such terms as violence, destruction, and irrationality.

The response to conflict in the traditional view is to reduce, suppress, or eliminate it. The manager was responsible for freeing the project of any conflict, often using an authoritarian approach. Although that approach worked sometimes, it was not generally effective; when they are suppressed, the root causes cannot be identified, and the potentially positive aspects of conflict cannot emerge.

This traditional view of conflict is still widely held because industrial and business institutions that have a strong influence on our society concur with it. This negative view of conflict played a role in the development of labor unions. Violent or disruptive confrontations between workers and management led people to conclude that conflict was always detrimental and should therefore be avoided.

The behavioral or contemporary view, also known as the human relations view, emerged in the late 1940s and held sway through the 1970s. It argues that conflict is natural and inevitable in all organizations and that it may have either a positive or a negative effect, depending on how the conflict is handled. Performance may increase with conflict, but only up to a certain level, and then decline if conflict is allowed to increase further or is left unresolved. This approach advocates acceptance of conflict and rationalizes its existence. Because of the potential benefits from conflict, project managers should focus on managing it effectively rather than suppressing or eliminating it.

The newest perspective, the interactionist view assumes that conflict is necessary to increase performance. While the behavioral approach accepts conflict, the interactionist view encourages conflict based on the belief that a harmonious, peaceful, tranquil, too-cooperative project organization is likely to become static, apathetic, stagnant, and unable to respond to change and innovation. This approach encourages managers to maintain an appropriate level of conflict—enough to keep projects self-critical, viable, creative, and innovative.

Using these three views of conflict, the managerial actions to be taken can be decided by comparing the actual level of conflict (a) and desired levels of conflict (d)(ref 3). According to the traditional view, the desired level of conflict is always zero. If $a = 0$, do nothing, and if actual conflict rises above zero, it should be resolved. But the behavioral and interactionist views differ only in terms of the desired level of conflict, which could be equal to or above zero in the contemporary view and is always above zero in the interactionist view. If the desired level of conflict is above zero, then there are three possible outcomes depending on whether a is more than d or a is less than d. (See Table 22.1 for a summary of the three views of conflict, their effect on performance, and the recommended managerial actions.)

TABLE 22.1. A COMPARISON OF CONFLICT VIEWS.

	Traditional View	Contemporary View	Interactionist View
Main Points	Caused by troublemakers Bad Should be avoided Should be suppressed	Inevitable between humans Not always bad Natural result of change Can be managed	Results from commitment to goals Often beneficial Should be stimulated Should aim to foster creativity
Effect on Performance	Performance declines as the level of conflict increases	Performance mainly depends on how effectively the conflict is handled. Generally performance increases to a certain level as conflict level increases, then declines if conflict is allowed to increase further or left unresolved	Certain level of conflict is necessary to increase performance. Performance increases with conflict up to a certain level, then declines if conflict increases further or remains unresolved
Recommended Actions	Do nothing if $a = d$ Resolve conflict if $a > d$ (Where $d = 0$)	Do nothing if $a = d$ Resolve conflict if $a > d$ (Where $d \sim 0$)	Do nothing if $a = d$ Resolve conflict if $a > d$ Stimulate conflict if $a < d$ (Where $d > 0$)

Note: a = actual level of conflict among team members; d = desired level of conflict that team members are comfortable with.

When a is less than d , conflict management implies not only conflict resolution but also conflict stimulation. According to the behavioral and interactionist views, there is an optimal level of conflict that maximizes project and organizational performance. A project with no conflict whatsoever has little incentive for innovation, creativity, or change because its participants are comfortable with the status quo and are not concerned about improving their performance.

Conflict in Projects

Breakdown in communication is the overarching, most common, and most obvious source of conflict in projects. A lack of trust, respect, effective listening skills, and perceptual differences can lead to serious communication problems. Misinterpretation of a design drawing, a misunderstood change orders delays in delivery of critical components, and failure to execute instructions are all results of some type of communication breakdown. The communication skills of project managers are often put to the test by overlapping areas of responsibility, gray lines of authority, delegation problems, complex project organizational structures, and conflicts among participants. That is why communication is too important to be fully covered by administrative procedures alone. Project managers and their teams must also develop effective communication skills (especially listening skills) to resolve project conflicts. They must learn to create an atmosphere that encourages open communication in order to deal with conflict and gain team members' acceptance of and commitment to project goals.

In general, all potential conflict fits one of three categories, although a particular conflict situation may be based on two or more of the categories:

1. Goal-oriented conflicts are associated with end results, performance specifications and criteria, priorities, and objectives.
2. Administrative conflicts refer to the management structure and philosophy and are mainly based on definition of roles and reporting relationships and on responsibilities and authority for tasks, functions, and decisions.
3. Interpersonal conflicts result from differences in work ethics, styles, egos, and personalities of the participants.⁴

Project environments are particularly vulnerable to generating conflict. Thamhain and Wilemon have identified seven major sources of conflict in project management based on their research conducted in a private manufacturing company) Table 22.2 shows a comparison between the rankings of intensity of conflict, as suggested by Thamhain and Wilemon and by Posner, and Table 22.3 shows sources of conflict and recommended solutions.

TABLE 22.2. SOURCES OF CONFLICT AND THEIR RANKING BY CONFLICT INTENSITY.

Sources of Conflict	Conflict Intensity Ranking	
	Thamhain and Wilemon	Posner
Conflict over project priorities	2	3
Conflict over administration procedures	5	7
Conflict over technical opinions and performance trade-offs	4	5
Conflict over human resources	3	4
Conflict over cost and budget	7	2
Conflict over schedules	1	1
Personality conflict	6	6

Sources: Thamhain, W. I., & Wilemon, O. L. (1975). Conflict management in project life cycles. *Sloan Management Review*, 16(3), 31—50. Posner, 8. (1986). What's all the fighting about? Conflicts in project management. *IEEE Transactions on Engineering Management*, EM-33(4), 207—211.

The major difference in Posner's study, clear from Table 22.2, is the pattern of conflict over costs, changing from seventh to second place. Conflict over administrative procedures dropped from fifth to last position. Their differences can be explained by a variety of changes in circumstances and ways of managing business, programs, and projects. Differences over cost can be attributed to tough global competition. Also, a shift in government contract pricing strategy (from a more flexible cost-plus basis to more rigorous fixed-price approach) has increased emphasis on cost issues. The decreased intensity of conflict over procedures can be explained by wider acceptance of project management concepts, strategies, and techniques.⁶

Managing Conflict in Projects

Because of the significant impact that conflict can have on project success, managing it well is one of the most important skills a project manager must possess. An American Management Association study of middle- and top-level executives revealed that the average manager spends approximately 20 percent of his or her time dealing with conflict.⁷ The importance of conflict management is also reinforced by a research study of managers that analyzed twenty-five skills and personality factors to determine which, if any were related to managerial success. Of the twenty-five factors, the ability to handle conflict was most positively related to managerial success.⁹

TABLE 22.3. PROJECT CONFLICTS AND RECOMMENDED SOLUTIONS.

Sources of Conflict	Definitions	Suggested Solutions
Conflict over project priorities	Views of project participants differ over sequence of activities and tasks. Includes goals incompatibility and differences in long-term versus short-term perspectives.	Develop a master plan compatible with long-term strategies.
Conflict over administration procedures	Conflicts over managerial and administrative issues of how the project will be organized and managed.	Clarify roles, responsibilities, and reporting relationships at the beginning of the project.
Conflict over technical opinions and performance trade-offs	Disagreements over technical issues, performance specifications, and technical trade-offs.	Use peer review and steering committees to review specifications and design.
Conflict over human resources	Conflicts concerning staffing and allocation of project personnel and where to get them and how.	Develop a work breakdown structure and a corresponding responsibility matrix.

Conflict over cost and budget	Conflict over cost estimates from support areas regarding work breakdown structures and estimating techniques.	Develop overall budgets supported by detailed budget and cost estimates of subproject tasks and activities
Conflict over schedules	Disagreements about the timing, sequencing, and scheduling of project related tasks and information system to prepare and monitor project schedules.	Develop an overall schedule that integrates schedules for subprojects with staffing and other life constraints.
Personality conflict	Disagreements on interpersonal issues.	Emphasize team building and create an environment that emphasizes respect, diversity, and equality.

Project managers must not only be aware of various interpersonal conflict resolution modes and their strengths and weaknesses in order to choose an appropriate approach but must also manage conflict using some practical guidelines that involve preparing for the conflict, facing it, and then resolving it by developing win-win strategies. They must also recognize that it is sometimes good to stimulate conflict in order to encourage self-evaluation, creativity and innovation.

Stimulating Conflict

The whole notion of stimulating conflict is difficult to accept because conflict traditionally has a negative connotation. There is evidence, however, that in some situations, an increase in conflict actually improves performance.⁹ Stimulating conflict is considered a proactive approach that requires up-front initiative aimed at minimizing the impact of potential negative conflict and avoiding costly patching-up operations later in the project life cycle. For example, certain policies regarding negotiating contracts and resolving disputes should be developed and agreed on at the beginning of the project. Generally management and project managers can stimulate conflict in the following ways.¹⁰

Accept conflict as desirable on certain occasions. Conflict may result as the project manager insists on developing sufficient front-end planning and a basic framework with clear project priorities, scope definition, and administrative procedures. To a degree, conflicts at the front end should be viewed positively since a project manager's opportunity to participate in setting the project's budget and schedule (including arguing for objectives that may cause conflict) is likely to decrease conflicts down the road.

Bring new individuals into an existing situation. Thoughtful questions and comments from newcomers or outsiders may provide a different, fresh perspective. They may encourage long-time team members to remove their blinders and think of new ways of doing things. For example, a project manager may bring in an outside expert to increase team effectiveness by introducing team partnering and a win-win conflict resolution strategy.

Restructure the project organization. The project organization structure may have to be changed to suit the circumstances. For example, freeform structure is good during planning to allow active participation and creative expression, whereas strong matrix forms work better during the execution and termination phases. New reporting relationships may create uncertainty, but they may also motivate project participants to discover innovative and creative ways to get work done.

Introduce programs designed to increase competition. A manager of projects may introduce competition to encourage task managers to accomplish their work packages ahead of schedule and under budget without compromising quality. Project managers must understand the difference between competition and conflict in order to get positive results. Competition may cause a conflict among task managers as they try to win against each other but overall organizational output will probably increase.

Introduce programmed conflict. Some project participants may be keen in pushing their ideas. Project managers should play devil's advocate and use dialectical inquiry to develop and clarify opposing points of view. These approaches are designed to program conflict into processes of planning, decision making, and risk analysis, and

thus make conflict legitimate and acceptable.”

Resolving Structural Conflicts

Structural conflict resolution techniques focus on the structural aspects of the project organization (such as procedures, personnel, resources, and reporting relationships) that may be causing the conflict. These techniques emphasize that certain structural features can cause conflict even if the project team members behave (as individuals) in a reasonable manner.²

Procedural changes mainly refer to changing work procedures to avoid conflict. For instance, a project manager or technical expert on the team may evaluate and select a vendor for a technical contract. The purchasing department may then follow traditional departmental procedures, causing delays that may lead to conflict. Such disputes can be avoided by involving the purchasing department in the process of evaluating bids for complex technical contracts and thereby ensuring purchasing’s cooperation and prompt service when needed to expedite the contract.

Personnel changes involve transferring individuals into or out of the project in order to resolve personality conflicts. For example, a personality conflict between two high-performing technical experts may be reducing overall project output. If one of the experts is transferred to another project, both people are then able to make a significant and positive contribution to their projects and to the organization as a whole.

Authority changes clarify or alter line of authority and responsibility to reduce conflict. Such situations usually arise in matrix structures, where functional managers may exert their authority over personnel who have been assigned to a specific project manager for the duration of the project. Clarifying or changing authority lines or reporting relationships in such circumstances will reduce typical structural conflicts between the project manager and the functional manager.

Layout changes rearrange work space to resolve conflict. This becomes essential when two project teams harass or disturb each other continually. It may be effective to build a physical separation between them to eliminate interaction.

Resource changes involve increasing resources so that the disputing parties can each have what they need. For example, a conflict may develop between two project managers (each handling a large but tight project) over the priorities for purchasing and accounting personnel. A manager of projects can resolve the conflicts by getting an authorization to hire separate accounting and purchasing personnel for each project so that both project managers get what they need.

Interpersonal Conflict Resolution Techniques

Interpersonal conflict resolution techniques are based on the recognition that the choice of a conflict management strategy depends on the intensity of the conflict and the relative importance people place on maintaining good relationships versus achieving goals. Like a leadership style, the specific method of resolving conflict also depends on a number of situational variables. The best approach will be the one that minimizes the obstacles to project completion and helps to develop cohesive and effective project teams.

Individuals attempt to manage interpersonal conflict in a variety of ways, depending on the relative importance and intensity of the conflict, the time pressure for resolving the conflict, the position taken by the players involved, and the motivation to resolve conflict on a long-term or a short-term basis.³

Conflict management possibilities also depend on the ratio of assertiveness to cooperation among the parties involved in the conflict, as well as on the type of conflict. Conflict resolution techniques range from the power-based steamroller approach to a more defensive, diplomatic, and tactical approach. Intermediate views suggest variations of avoidance, give-and-take negotiation, collaboration, and problem solving

Blake and Mouton presented five general techniques for resolving conflict:

withdrawing, smoothing, forcing, compromising, and collaborating/confronting/problem solving (also referred to as negotiating).⁴ Project managers must analyze the situation and select the appropriate mode for managing conflict within their project organizations in order to create a climate conducive to achieving a constructive outcome. (See Figure 22.1.)

**FIGURE 22.1. CHOOSING THE BEST
CONFLICT RESOLUTION MODE.**

High	Use Force: When you are sure that you are right. When an emergency situation exists (Do or die) When stakes are high and issues are important When you are stronger: never start a battle you can't win To gain status or demonstrate position power When the acceptance is unimportant		Use Collaboration (Confrontation) When you both get at least what you want and maybe more. To reduce overall project costs To gain commitment and create a common power base When there is enough time and skills are complementary When you want to preclude later use of other methods To maintain future relationships When there is mutual trust, respect and confidence
Concern for Oneself		Use Compromise • For temporary solutions to • For backup if collaboration fails When you can't win or don't have enough time • when others are as strong as you are • To maintain your relationship with your opponent • When you're not sure you are right • When you get nothing if don't When goals are moderately high	
	Use Avoidance (Withdrawal): • When you can't win or the stakes are low • When the stakes are high, but you aren't ready yet • To gain status or demonstrate position power • To gain time • To discourage your opponent • To maintain neutrality or reputation • When you think the problem will go away by itself		Use Accommodation (Smoothing): • To reach an overreaching goal. • To create obligation for a trade-off at a later date • When stakes are low and liability is limited • To maintain harmony, peace, and goodwill • When any solution will be adequate • When you'll lose anyway • To gain time
Low	Low	Concern for the Other	High

Source: Verma, V. K. (1996). *Human resource skills for the project manager*. Upper Darby, PA: Project Management Institute, p. 122.

Withdrawing involves avoiding, denying, giving up, pulling out, or retreating and as such constitutes a refusal to deal with the conflict by ignoring it as much as possible. This style is appropriate when a cooling-off period is needed to gain better understanding of the conflict situation and also when the other party is both unassertive and uncooperative. Withdrawal, a passive, stopgap way of handling conflict, generally fails to solve the problem. Therefore, this style should not be used if the conflict deals with an issue that is of immediate concern or is important to the successful completion of the project.

Smoothing, or accommodating, is an appeasing approach of emphasizing areas of agreement while avoiding points of disagreement. It is appropriate to keep harmony and avoid outwardly conflictive situations. It works when the issues are more important than the personal positions and aspirations of the parties involved. Since smoothing tends to keep peace only in the short term, it fails to provide a permanent long-term solution to the undying conflict. Getserally conflict reappears again in another form.

Both smoothing and withdrawing incline toward ignoring or delaying tactics, which do not resolve conflict but will temporarily slow down the situation. Project managers must remember that if the conflict is not handled and resolved in a timely manner, it will likely lead to more severe and intense conflict in the future.

Forcing implies the use of position power and dominance to resolve the conflict. It involves imposing one viewpoint at the expense of another and is characterized by a win-lose outcome in which one party overwhelms the other. Forcing is used when there is no common ground on which to bargain or negotiate and when both parties are uncooperative and strong-willed. Project managers may use it when time is of the essence, an issue is vital to the well-being of the project, and they believe they are right based on the information available. Under such circumstances, project managers take the risk and simply dictate the action in order to move things forward. This approach is appropriate when quick decisions are required or when unpopular issues such as budget cuts, fast-tracking, or staff cutbacks are essential in a project.

Forcing usually takes less time than compromise and negotiation, but it leaves hard feelings because people dislike having others' views imposed on them. Conflict resolved by force may develop again and haunt the enforcer at a later date. Although forcing definitely resolves the conflict quickly, it should be used only as a last resort.

Compromising is primarily bargaining: receiving something in exchange for something else. It involves considering various issues, bargaining, using trade-off negotiations, and searching for solutions that bring some degree of satisfaction to both parties. Neither party wins, but both get some satisfaction out of the situation. Both may temporarily feel hurt because they had to give up something that was important to them, but compromising usually provides acceptable solutions. A definitive resolution to the conflict is achieved when a compromise is reached and accepted as a just solution by both parties. The only

problem with compromising in a project situation is that sometimes important aspects of the project might be compromised in order to achieve short-term objectives (an example is compromising on safety issues to reduce costs).

Collaborating is an effective technique to manage conflict when a project situation is too important to be compromised. It involves incorporating multiple ideas and viewpoints from people with different perspectives. It offers a good opportunity to learn from others. Active collaboration by both parties in contributing to the resolution makes it easier to get their consensus and commitment. Collaboration is not very effective when more than a few players are involved and their viewpoints are mutually exclusive.

Confronting or problem solving implies a direct confrontation, with disagreement addressed directly. Conflict is treated as a problem for which both parties are interested in finding a mutually acceptable solution. This approach requires a give-and-take attitude between the parties, meaning that both are somewhat assertive and somewhat cooperative. It involves pinpointing the issue and resolving it objectively by defining the problem, gathering necessary information, generating and analyzing alternatives, and selecting the best alternative under the circumstances. Confrontation requires open dialogue between participants, who must be mature, understanding, and technically and managerially competent.

In most cases, confronting or problem solving may take longer than other techniques, but they provide final solutions by ultimately resolving the undying problems. Table 22.4 summarizes these six interpersonal conflict resolution techniques.

Finding the Best Conflict Resolution Approach

Since each conflict situation is unique and dynamic, it is difficult to recommend the best conflict resolution approach. Choice of approach depends on these factors:

- Type and relative importance of conflict
- Time pressure
- Position of the players involved
- relative emphasis on goals versus relationships

Forcing, smoothing, and withdrawing techniques are generally not effective in resolving conflicts because they fail to deal with the real cause of the conflict. They may be appropriate when it is important to create a period of peace and harmony while the parties think about their next move.

TABLE 22.4. CONFLICT MANAGEMENT STYLE.

Style	Description	Effect
Withdrawing/avoiding	Retreats from an actual or potential conflict situation	Does not solve the problem
Smoothing /accommodating	Emphasizes areas of agreement rather than areas of difference	Provides only short-term solution
Compromising	Searches for and bargains for solutions that bring some degree of satisfaction to all parties	Provides definitive resolution
Forcing	Pushes one's viewpoint at the expense of others; offers only win-lose situations	Hard feelings may come back in other forms
Collaborating	Incorporates multiple viewpoints and insights from differing perspectives; leads to consensus and commitment	Provides long-term resolution
Confronting/problem solving	Treats conflict as a problem to be solved by examining alternatives; requires give-and-take attitude and open dialogue	Provides ultimate resolution

Techniques involving compromise are usually used in labor-management disputes, but they have some potential problems. For example, in compromising, each party gives up something, and neither gets exactly what it wants. Consequently, both parties may be unhappy with the final decision.

Under some circumstances, the best solution for managing project conflicts is the confronting/problem solving, or negotiation, mode. Since project management involves solving problems as the project progresses through its life cycle, this type of conflict management is very practical. This approach aims for a win-win strategy, which is best for both the project and the parties involved. Project managers should acquire proper training in the procedures, nuances, and skills of professional negotiation. It is important to bear in mind, however, that negotiation and confrontation take time. They simply cannot be managed in a cursory or rapid manner but instead require a significant commitment from the project manager in terms of time and willingness to allow all parties to air their grievances.

Conflicts are managed effectively if they are resolved on a permanent basis. The relationship between the desire for achieving goals and the desire for maintaining good long-term relationships has a significant impact on the choice of a conflict resolution style.

Strategies for Managing Conflict in a Project

Identification, analysis, and evaluation before taking action are the keys to effective management of conflict. Project managers must use practical strategies that involve following three steps: preparing for conflict, facing conflict, and then resolving conflict. Also essential are interpersonal skills, including effective communication, negotiation, and appreciation of cultural differences.⁵

Preparing for Conflict

Realistic project managers know that conflict is a normal—and in some cases necessary—part of working in groups and teams. The art of preparing for conflict thus involves both expecting that it will occur and having a plan for handling it.

Expecting Conflict. The sources of conflict (schedules, priorities, human resources, technical issues, administration, personality, and cost) will vary with the phases of the project. Moreover, the focus of conflict will vary with the attributes of the team and the project goals. With an experienced team, the focus of conflict is within the team itself. If the project goals are vague and loosely defined, the focus of the conflict will likely be between the team and upper management or between the project team and the client, or both. The project manager should analyze the reasons or sources of conflict and how they vary with the phases of the project cycle before taking any action.

Planning Ahead to Handle Conflict. After analyzing the sources, intensity, and focus of conflict, project managers should plan how to deal with conflict. One of the planning tools is to develop a framework within which to view conflicts objectively. Conflicts that arise as the project teams progress through stages of team development come from each person's need to answer questions that establish his or her position clearly:¹⁶

- Am I in or out? In this type of conflict, people are likely to ask themselves whether they belong to the team. They raise issues that are unimportant in themselves just to break the ice and initiate communication.
- Where do I stand? (Am I up or down?) Are people at the top or at the bottom of a hierarchy? How will the group make decisions? How much responsibility does each team member have? How much authority, influence, and control does each individual on the project team have?
- Am I near or far? This question raises the issues of openness and affection. Team members must decide how close they want to get to each other without feeling stuck with them. Emotions and perceptions may express themselves positively (openly expressed positive feelings and warmth) or negatively (open hostility and jealousy).

A second tool is to analyze the key players in the situation. This analysis should consider the whole project and identify the key players and their personalities. Who are the people or groups contributing to the conflict? Project managers should analyze their personalities, interpersonal habits, values, and convictions. This knowledge will help create a cooperative and accommodating atmosphere. All key players should be willing to accept resolution of the conflict; otherwise it will continue or become even more intense and ultimately reduce project performance. Open communication should be encouraged to help individuals involved in the conflict situation be more objective and prepared to deal with the situation. In planning ahead, the project manager answers the question: "Is the conflict primarily related to goals, authority, or personalities or some combination of these?" Conflicts should be defined in objective terms, with a minimum of personal biases and opinions.

A final planning tool is to prepare for stress management. Conflict can cause stress that varies in intensity, and if it is not managed in a timely manner; it can cause severe physiological and psychological problems.

Facing the Conflict

Although conflict is one of the things most of us dislike intensely, it is inevitable. Most often when we try to avoid conflict, it will nevertheless seek us out. Some people wrongly hope that conflict will go away if it is ignored. In fact, conflict ignored is more likely to get worse, which can significantly reduce project performance. The best way to reduce conflict is to confront it. To face conflict effectively, project managers have several strategies to draw on."

Serve as a Lightning Rod. Hill compared managers of successful projects with those of projects that failed and found that the managers of successful projects did the following:¹⁸

- Personally absorbed aggression
- Communicated and listened effectively
- Counseled their teams to maximize their output
- Encouraged openness, emotional expression, and new ideas
- Sewed as role models in planning, delegating, and so forth
- Minimized potential conflict whenever possible
- Stimulated conflict to foster creativity and innovation

The project managers Thamhain and Wilemon surveyed felt that personality conflicts were often disguised as conflicts over other issues, such as technical issues and staffing – These disguises will persist if project managers deal only with facts, and not the feelings themselves. Positive feelings, if expressed, can increase project performance. Even negative feelings, if expressed constructively, may help clarify confusion or remove a bottleneck in a project. To “name without blame,” project managers must express feelings as feelings, not as facts. They must accept responsibility for their own feelings and avoid judging people based on feelings and impressions alone.

Surface the Real Issues. Conflicts that remain below the surface can have negative impacts on a project in many ways, such as distorted or withheld information, slipped schedules, unplanned absences from project meetings, lack of initiative to solve problems, or not working together as a real team²⁰

A successful conflict manager should handle these burning issues gently but firmly. Surfacing the real issues can be accomplished by getting all the background information associated with the conflict. This process may uncover important aspects of the project that will lead to serious consequences and even project failure if they are not identified immediately. To surface the real issues, project managers may do the following:²¹

- *Treat the surface issue as “real” two or three times.* Project managers should make every effort to address complaints or issues regardless of how trivial they may seem. They should encourage project personnel to bring the conflict into the open by themselves. However, if this fails, the project manager should approach the person and urge him or her to discuss the conflict in the open with the aim of resolving it as soon as possible.
- *Make the conflict visible to other parties involved.* Project managers can do this by using effective communication techniques and planning and organizing aids such as responsibility matrices, which are quite effective in resolving conflicts over administrative aspects of project management such as procedures, task breakdowns, and assignments of responsibility and authority. Project managers may choose to prepare a responsibility matrix for each phase of the project life cycle.
- *Give ample support.* Block described the importance of support in a work relationship.²² Most people want to feel secure and worthwhile and receive encouragement, recognition, and praise. Unfortunately, some project managers confuse support with agreement and, consequently in a conflict (disagreement) situation, they withhold support when it is needed the most.

Resolving the Conflict

Due to the dynamic and sometimes unpredictable nature of projects, a substantial amount of management time is dedicated to resolving conflicts. In some cases, disagreements can be handled by a straightforward decision; in other situations, a combination of time and skills is required. The project manager, the project team, and all other stakeholders involved in a conflict situation must work together to achieve a win-win situation for everyone.

Effective conflict management requires an extensive effort at the front end. Good conflict managers size up possible clashes before contacting the parties, and then they work out appropriate actions to resolve potential problems.²³

Look for Win-Win Alternatives. Of the interpersonal conflict resolution styles, confronting (negotiating and problem solving) is the most effective approach because it starts with an understanding by both parties that they must search for solutions that satisfy everyone. Project managers must create a cooperative and assertive environment to achieve win-win solutions. These guidelines may be useful:

- *Do the doable.* Project managers must be able to evaluate the situation and spend their efforts and energy in doing only whatever is really possible. “It’s no use in trying to teach ducks to sing; it will only frustrate you and confuse the ducks!”
- *Build on earlier market analyses.* Using the strategy of only doing the doable, project managers should build on earlier analyses of situations to give some insight into the conditions that would meet the other party’s criteria for a win-win solution.
- *Use the assertive model.* Build on the strengths of all parties while minimizing their weaknesses. Building mutual understanding and trust will help in reaching a win-win solution.
- *Look at things right side up.* It is a mistake to assume that the person is the problem and therefore start attacking the person instead of the problem.
- *Avoid catastrophizing.* It leads to lower team morale and confidence, increased frustration, and possibly project failure. Some of the common catastrophizing remarks that describe inconvenience, difficulty, or frustration are: “This is going to be a disaster.” “We will never get this done on time.” “This project is driving me crazy.” “I can’t stand the project structure.” Instead of catastrophizing, encourage project participants to be positive, and suggest solutions that are manageable and helpful.
- *Picture things going well.* Visualize and imagine positive results. It is difficult to move onto something better without knowing what “better” is. To develop a clear picture of “better” the project manager should picture things going as he or she wants them to, enlist the support of others and try to get their commitment, and deal with obstacles positively (using a problem-solving approach).²⁴
- *Identify priorities and verbalize them.* Priorities rank highly as a source of conflict throughout the project life cycle. Sometimes people compromise so much in a conflict that no one wins, and everyone is dissatisfied. Successful project managers evaluate the priorities up front and identify the “must haves” and “nice to haves.” While resolving conflicts, he or she may compromise on “nice to haves” in order of importance. Project managers can rank priorities by asking which features

would contribute most to project success and which features would contribute the least.

Cut Your Losses When Necessary. Sometimes a project may have gotten too deep in the hole, which leads to conflicts. Should the project be continued, or should someone review the situation, try to estimate the bottom line to completion, and then make a rational decision on whether to abandon the project? The project manager should avoid making such decisions based on ego and emotion. Cutting losses can actually yield a savings that can be used for other business opportunities.

In most cases, only senior management or the project director or sponsor is authorized to cancel projects. However, sometimes the project manager may have the authority. Nevertheless, in all cases, the persons with such authority should cut losses and resolve such situations by using the following guidelines:²⁵

Keep a mental file of things that do not fit the overall purpose of the project. It is easy to see what you expect to see instead of what is real. Project participants may say one thing but act differently. Project managers must watch out for the degree of real commitment and interest in doing certain parts of a project. When words and behavior do not match, behavior should be believed more—even if it is the words you want to believe.

Project managers should pay attention to the nonverbal components of communication in interacting with team members because actual behavior more closely correlates with the nonverbal component than with the verbal component of communications. For example, a team member may passively resist a project manager's particular suggestion by not showing enthusiasm for it but may not say anything directly against it. Ignoring this nonverbal component will likely lead the project manager to overlook the consequences of this passive resistance—and that is the beginning of a hidden sink hole. (Not all sink holes are hidden, of course; some of them are right out in the open.) But the behavior may be so difficult and complex to measure that project managers may simply not believe their eyes or ears and thereby misjudge the situation completely.

Foliate the rule of two (or three). Successful project managers cut their losses before costs skyrocket. They may not be able to recognize the inconsistency right away, but they should confront the situation and address it directly if it occurs a second or third time. For example, always choosing the lowest bidder may lead to problems with schedule and cost overruns.

Establish a system for cutting back investment of money, time, effort, and ego. This follows the common management principle, "Plan your work, and work your plan." When something goes wrong in the project, people may go through the stages

grief: denial, anger, bargaining, depression, stress, and—hopefully—acceptance. Project managers who become emotionally upset over losses on their projects are vulnerable to losing their self-esteem.

People who have planned ahead to handle their losses are better off because they can turn to their written plans and take necessary action accordingly. Although it may be difficult to implement the actions, at least the difficult step of deciding what to do was done when they could think more clearly. To cut losses before it is too late, the project manager's plan should answer the following questions:²⁶

- How much money should be invested before expecting some return?
- How much time should be allowed before following another course of action?
- How much energy and ego should be invested before being satisfied that the best shot has been given? (This limits the spillover into personal life as well as the effect on other projects.)

Formulate Conflict Management Strategies. Conflict can be resolved or kept under control by using a proactive approach that anticipates conflict and its impact. When using this approach, it is important to understand the project manager's relationship with other project stakeholders with whom the manager usually interacts throughout the project life cycle—for example, senior management, functional and other managers, clients, and team members.

Project managers must establish good understanding, trust, and rapport with all the stakeholders with whom they interact to minimize the probability of conflict. The ideas for managing conflicts with major project stakeholders are summarized as follows:²⁷

Minimizing conflict with senior management involves knowing their requirements. Project managers should put themselves in their boss's shoes and be sympathetic to the challenges, problems, and pressures of senior managers. It also helps to analyze the boss's thinking patterns and to act in ways that are consistent with that pattern (analytically or intuitively, for example). Similarly, it pays to listen and look for verbal and nonverbal components of the boss's message, just as a project manager might do with team members. At the same time, it is important to take solutions as well as problems to the boss and explore alternatives and make recommendations. That makes the boss's job easier.

It is wise to keep the boss informed of progress and plans. That way he or she can act as a mentor, and the project manager can get better support. Consulting the boss on policy procedures, and criteria will help clarify management philosophy and establish boundaries related to administrative issues (since the project manager may need them to protect himself or herself). Above all, it is advisable to avoid steamrolling the boss; being patient and allowing time for thinking and evaluation will lead to better relationships and results.

Minimizing conflict with project team members means knowing them well and developing rapport and trust. Project managers can begin by discovering team members' personal and professional goals and matching tasks to those goals. That kind of matching is a key to motivation. Being clear about expectations about what is wanted, as well as why and when it is needed, ensures that communication is successful. It is also important to define control parameters through clear performance appraisals and discussions of forms and reports, and to clarify the frequency and intensity of controls with team members. Control should be based on facts, not on opinions.

Successful project managers also develop a tolerance for failure. Everyone makes mistakes; the key is to use mistakes as opportunities for training and improvement—and future success. Postmortem strategy sessions can be particularly useful for learning lessons that can be applied in the future.

Positive feedback, as well as timely praise and recognition, is central to minimizing conflict with project team members. Positive feedback demonstrates the project manager's confidence in the team. If someone has made a mistake, it is appropriate to point it out objectively and balance it with positive feedback. Similarly, appropriate and timely recognition and praise can do wonders to create positive reinforcement and motivate team members to maximize their performance.

minimizing conflict with a project managers peers involves respect. As with relationships with senior management, it is important to understand peers' point of view, as well as their personal and professional goals. The best project managers look for ways to support peers' objectives and find areas of mutual interest rather than conflict. Operating in this way establishes a cooperative atmosphere, where everyone realizes that they need each other to succeed. Cultivating informal communication channels can also create many advantages. Whereas formal combinations may be slow and cold, informal communications increase comfort level and understanding, which are important in solving problems. Doing favors for each other without expecting any immediate return, having lunch together, developing social encounters, and talking dally about matters outside work can increase respect and rapport and decrease conflict.

It is also wise to give advance notice when help is needed. Peers may have their own constraints, so project managers will need to justify their requests in terms of project goals and objectives and reciprocate by being accommodating about peers' requirements.

Minimizing conflict with client and users involves many of the same element that apply to other participants in a project The key to working with clients is effective communication and prompt response to their needs and requests. It helps to be supportive of the client's representatives, supplying them with necessary data and information so that they will also be inclined to help with issues that crop up throughout the project. By the same token, maintaining close contact with the client and avoiding communication gaps ensures against clients' becoming demanding—and even unreasonable—in response to too little attention and information. It is important to make sure that contacts with clients mirror their organizational structure; directors should be in touch with directors, managers with managers, engineers with engineers, and so on.

Clients, like everyone else, hate surprises—unless they come in the form of good news. Effective project managers do not let problems build up. They tell clients what the problems are and what is being done to solve them.

Informal relationships fostered through lunches, dinners, and sporting and social events allow everyone to develop a better understanding and a stronger interpersonal sense of each other. Formal relationships need attention too. Regular project status meetings can be used to summarize progress; provide forecasts concerning completion, future problems, and potential needs; and turn everyone's attention to getting the information each party needs and solving problems in a proactive manner.

Use effective negotiation to resolve conflict. Negotiation is a fact of life in project environments where matrix structures necessitate that responsibility and authority are shared. Negotiation is the process of bargaining and reaching an agreement with project stakeholders concerning the transfer of resources, the generation of information, and the accomplishment of tasks. It is a persuasive process and is one of the' most important skills needed to resolve conflicts and manage projects successfully

The two common methods of negotiation are soft and hard. Soft negotiators are friendly and make concessions readily to avoid conflict and the risk of spoiling future relationships. Hard negotiators, in contrast, take strong positions and try to win, even at the cost of relationships. A third type of negotiation, called principled negotiation, emphasizes deciding and resolving issues based on merits rather than on positions.²⁸ It results in joint problem solving and often leads to a win-win situation.

Principled negotiation involves understanding the positions, issues, and interests of both parties:

- *Positions:* one party's (usually self-serving) solution to the problem.
- *Issues:* the elements or subject matter of the dispute that need to be negotiated in order to reach agreement.
- *Interest:* factors that motivate the parties to reach their respective positions and the underlying foundation for their positions. These include desires and concerns. Each party's position is intended to meet his or her interests.

Principled negotiation is based on committing to negotiate for mutual gain and to resolve conflicts, separating people from problems and issues, focusing on interests rather than on positions, generating options for mutual agreement and gain, and basing results on objective criteria. The conflict intensity decreases as we move from "positions," which corresponds to Stage 1 (highest conflict intensity) to "options for agreements," which corresponds to Stage 4 (lowest conflict intensity) (see Figure 22.2).

Appreciate cultural differences. In addition to their differences in skills and expertise, project teams may have cultural differences that may significantly influence the project's success, especially in managing joint ventures and international projects. Hofstede describes culture simply as a kind of "mental software": the "collective programming of the mind which distinguishes the members of one group of people from another."²

Cultural diversity among team members poses challenges in terms of communication and negotiation and may lead to conflicts. Project managers must appreciate major elements of culture (which include material culture, language, aesthetics, education, religious beliefs and attitudes, social organizations, and political life), what they mean in different cultures, and how they affect the project. There are six critical dimensions of cultural differences:

1. Power distance (how a particular culture deals with inequality)
2. Individualism versus collectivism (the role of the individual versus that of the group)
3. Masculinity-femininity (gender domination patterns)
4. Uncertainty avoidance (tolerance for ambiguity or uncertainty in the workplace)
5. Time horizon (long- or short-term orientation)
6. Attitude toward life (value system with respect to desire for material things)

Project participants must be aware of potential cultural differences and demonstrate respect for different cultures of their

coworkers. Any failure to show respect and to appreciate culture differences may lead to serious conflicts. Project managers must evaluate the implications of cultural differences and resolve conflicts among team members. They must capitalize on the cultural diversity of project participants by encouraging them to accept others' cultural differences and foster the group's human synergy as well as overall performance by anticipating and resolving conflicts.

Conclusion

Conflict can be healthy if it is managed effectively. Conflict management requires a combination of analytical and human skills. Every project participant should learn to resolve project conflicts effectively. Good conflict managers work at the source of conflict. To resolve it permanently, they must address the cause of the conflict and not just the symptoms of it. They size up possible clashes before "contact" is actually made and then prepare their action plans to handle potential trouble. They should concentrate on building an atmosphere designed to reduce destructive conflict and deal with routine frictions and minor differences before they become unmanageable. The key to resolving conflict with a positive outcome includes looking for a win-win situation, cutting losses when necessary, formulating proactive conflict management strategies, using effective negotiation and communication, and appreciating cultural differences among project stakeholders.

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