

## Conflict Management in Organizations – The Role of Alternative Dispute Resolution

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### Abstract

*The current paper addresses the issue of conflict management in organizations and in particular the emerging role of alternative dispute resolution or ADR.*

*In the content of the article we review the theoretical background on conflict, and then discuss the particularities of organizational conflict.*

*We introduce the concept of ADR, which has its origins in the United States and describes a series of practices used in conflict management resolution, practices that can be used as an alternative to conventional ones. Also, through the analysis of the literature we identified differences between the conventional approach and ADR practices.*

*The main finding in this article refers to the fact that ADR practices enable the actors taking part in the conflict to not feel restricted in terms of the direction to follow to resolve the dispute, as happens in the case of conventional linear practices.*

**Key words:** conflict management, organizational management, alternative dispute resolution.

**J.E.L. classification:** M10

### 1. Introduction

The conflict has been permanently present in any social context: at individual, group, organizational, interstate level (Rubin, 1994, p.33). It has often been associated with violence, aggression, fighting, which can easily lead to feelings of fear, anxiety, threats regarding a certain order of things.

We can think of two meanings of the term conflict. The first derives from the Latin word "conflictus" which refers to battle, direct conflict, even armed, the second refers to the meeting of opposing feelings or interests that differ, conflicts of interest, quarrels, disagreements, domination of a person, struggle for power (Pastor P. et al, 2007, p.13).

In the organizational context, the conflict would be ideal to appear in the form of approaching a problem and not the direct involvement of the actors in the organization. The types of conflict that can occur in any organization include: ambiguities in defining responsibilities, conflict of interest, lack of resources, lack of interpersonal relationships at work.

At the organizational level, it is important that the attention be focused on the causes of conflicts with the aim of improving labor relations, but also performance. In the organizational context, conflict can occur both at the interpersonal level and at the group level (Winardi, M.A., 2021, p.1).

In this paper we aimed to identify the alternative methods of conflict management (ADR) with applicability in organizations and to analyze them by referring to the study of literature in the field.

### 2. Theoretical background

Throughout evolution, man has constantly learned about conflict in various ways: obtaining food, conquering territories, leading states, interindividual relations, and family relations. The use of the ability to manage human conflicts is based on transgenerational heritage, but also on adaptation to the environment, being known that "humans learn better how to interact with minimal cost" (Bartos, O. et al, 2002, p.1).

The strong wave of social conflict has made its presence even more stronger in recent centuries, taking into account the intense changes brought by industrialization, the ability of states to efficiently manage their resources, population growth, Bartos et al (2002, p. 2) mentions that one of the causes of the increase in the number of conflicts is the pressure of the population, taking into consideration the increase of individual needs.

However, despite the fact that the manifestation of conflicts has intensified, the movement to manage them has acquired new valences.

Conflict develops in a social structure and can be defined as "purposeful struggles between collective actors who use social power to defeat or remove opponents and to gain status, power, resources and other scarce values" (Himes, JS, 2008, p. 14)

The specialized literature mentions a series of causes / elements of the conflict type behavior:

*Table no. 1 Causes of conflict behavior*

<b>Author</b>	<b>Potential causes of conflict behavior</b>
Bartos. O.J. et al (2002, p.10)	<ul style="list-style-type: none"> <li>• Incompatible goals;</li> <li>• Solidarity;</li> <li>• Organization;</li> <li>• Mobilization;</li> <li>• Hostility;</li> <li>• Resources.</li> </ul>
Turner S.P. et al (1983)	<ul style="list-style-type: none"> <li>• Struggle for power</li> <li>• Organizational demands</li> <li>• Self-esteem</li> </ul>
Thakore D. (2013, p. 10)	<ul style="list-style-type: none"> <li>• Role conflict;</li> <li>• Structural conflict;</li> <li>• Resource conflict.</li> </ul>

*Source:* Bartos, (2002, p.10), Turner, (1983), Thakore, (2013, p.10).

When thinking about the conflict that may arise at the organizational level, it is important to consider the need to analyze the problem, not the people. The types of conflict that can occur in any organization include: ambiguities in defining responsibilities, conflict of interest, lack of resources, lack of interpersonal relationships at work.

When it is not clear who is responsible for a particular aspect of a project or task, a conflict can occur. Difficulties related to the division of tasks arise when decisions are taken that do not take into account the level of responsibility. To prevent this, it is absolutely necessary that the roles and responsibilities of all actors are clearly specified and accepted by all those involved, before the start of the project.

Understanding how personal interests and goals fit into the structure of the organization will alleviate the conflict of interest. When an individual's personal goals are at odds with the organization's goals, the individual may be tempted to fight for his or her personal goals, creating a conflict situation that will hinder the success of the activity.

Both within the organization and at the individual level, conflicts are inevitable. Naturally, these facilitate the appearance of some actions, of some measures that can be taken:

- Avoidance - action that consists in preventing a conflict from becoming public;
- Negotiation - voluntary process by which the parties reach an agreement by consensus;
- Mediation - action that consists in appealing to third parties to facilitate the negotiation process;
- Arbitration - action consisting in presenting the conflict to third parties to make a decision;
- Legal approach - action that consists in presenting the conflict before a judge or before an administrative authority that takes a decision that must be imposed.

Coercion - an action consisting in making threats or resorting to force to impose a decision, According to Thakore D. (2013, p 8-9) there are a number of forms in which conflict can occur in the organizational framework:

- Interpersonal conflict – can arise based on individual differences;

- Intrapersonal conflict – is internal to the individual, a conflict between two incompatible tendencies;
- Intergroup conflict – a conflict between teams/groups;
- Intragroup conflict – a conflict inside a team or a group;
- Interorganizational conflict – conflict between two or more organizations.

Alternative dispute resolution or ADR is a term that has its origins in the United States and describes a series of practices used in conflict management, practices that can be useful as an alternative to lawsuits or appeals to government control institutions. The main differentiation between ADR and the conventional approach is that the emphasis is on solving the problem, rather than on establishing the "winner", but also on the involvement of employees in the design and monitoring of procedures.

The term ADR has also been used to describe the innovation that has characterized group conflict management, so new terms have emerged such as "assisted negotiations", "fact finding", "interest-based bargaining" and mediation-arbitration.

ADR is concerned with resolving individual and group conflicts. In the context of the emergence of innovative ADR practices, conflict management in organizations has undergone profound changes lately in terms of increasing the number of experts, but also of companies specializing in consulting.

According to some researchers in the field (Roche, et.al., 2014, p.2), the development of ADR practices in resolving conflicts in organizations has as sources: increasing employee rights, declining unions, reducing the incidence of organizational conflict, high legal costs, high levels of competitiveness.

Within the organizational framework, we identified a series of ADR practices used in individual and collective conflicts, practices that are summarized in the table below, in contrast to the conventional approach (Roche et. Al., 2012, p. 449).

*Table no. 2 Non-judicial workplace conflict resolution practices*

	<b>Conventional</b>	<b>Alternative dispute resolution</b>
Individual disputes	<ul style="list-style-type: none"> <li>- Multi-step grievance &amp; disciplinary procedures with provision for outside arbitration (grievances) following an impasse;</li> <li>- Resort to Employment Tribunals &amp; litigation in courts</li> </ul>	<ul style="list-style-type: none"> <li>- Open-door policies</li> <li>- 'Speak-up' &amp; related systems</li> <li>- External and internal mediators</li> <li>- Review panels of managers or peers</li> <li>- Arbitration ADR-led conflict management systems</li> </ul>
Collective disputes	<ul style="list-style-type: none"> <li>- Multi-step disputes and grievances procedures, usually with provision for external conciliation and arbitration or adjudication following an impasse</li> </ul>	<ul style="list-style-type: none"> <li>- 'Assisted bargaining/mediation within procedure to avoid impasse</li> <li>- 'Brainstorming' &amp; related techniques</li> <li>- 'Interest-based bargaining' with facilitation</li> <li>- Fact-finding</li> <li>- Arbitration, 'mini-trials' &amp; 'med-arb'</li> <li>- Intensive communications surrounding change management</li> <li>- ADR-led conflict management systems</li> </ul>

*Source: Roche et al, (2012, p 449)*

Next we will focus on two of the most common types of ADR, namely mediation and arbitration.

Mediation has a central pillar role in the "win-win" dynamics, which can easily be used both to increase productivity in the organization, but also to motivate and support employees. Mediation stands out as a method that aims to create a relational dynamic in the organization, based on mutual respect. The intrinsic value of this approach consists in the fact that in the context of conflict resolution is based on relationships created at the workplace, but also on the involvement of employees. Mediation also offers new working tools for the management of all levels, in order to

improve communication and negotiation. Among the qualities of a mediator we mention: active listening, synthesis, relationship building, facilitation, impartiality, problem solving, conflict management (Doherty et al., 2008, p.8).

On the other hand, arbitration is an adjudication process in which the parties to the dispute choose a person designated to make a decision on the matter. Arbitration is distinct from mediation in that the latter appeals to a neutral, neutral third party who facilitates negotiation but does not make a final decision (Menkel-Meadow, 2001, p. 949).

### 3. Research methodology

In the elaboration of the paper we opted for an in-depth analysis on the concept of conflict in the organization and ADR. The research methodology in the case of our article focused on studying the resources consisting of books and articles in the field. We opted for bibliographic research in order to analyze a relatively new concept, more precisely ADR and to highlight its applicability in the organizational environment.

### 4. Findings

An important involvement of ADR in the life of the organization refers to the direct involvement of middle managers in a proactive manner and increasing the degree of responsibility in managing conflicts in the organization, all these aspects being done after that, previously, specialized training was provided.

It is also important to mention that an effective conflict management system at the organizational level needs to consider interconnected practices in several areas (legal, economic, psychological). Thus, it is desired to prioritize the use of specific ADR methods that focus on meeting the needs of the actors involved (by identifying the real causes underlying the conflict), rather than on a classical dichotomous approach (evaluation of rules, norms, social customs).

Hence an important advantage of ADR practices, namely that the actors taking part in the conflict are not restricted in the direction to be followed to resolve the dispute, as is the case with conventional linear practices.

### 5. Conclusions

Conflict at the organizational level can wear many masks, which entails the emergence of new approaches, this being the case of ADR. It is essential to consider that they are being used more and more often as an alternative to the linear, classic and rigid version of conflict management.

A limitation in the use of ADR refers to the area in which it is used: it is preferred to use ADR in individual conflicts, while in conflicts involving a large number of people one opts for the classical approach. Longitudinal research into the effectiveness of these methods has been conducted in the U.S. and revealed that an integrated conflict management system can have good results (Rowe et al, 2014, p.2), an aspect that invites and encourages a more thorough research in this field.

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