

**INTERORGANIZATIONAL CONFLICT MANAGEMENT**

**A THESIS SUBMITTED  
IN PARTIAL FULFILLMENT  
OF THE REQUIREMENTS FOR THE DEGREE  
BACHELOR OF ARTS IN ORGANIZATIONAL COMMUNICATION**

**PRESENTED TO  
THE DEPARTMENT OF ARTS AND COMMUNICATION  
COLLEGE OF ARTS AND SCIENCES  
UNIVERSITY OF THE PHILIPPINES MANILA  
PADRE FAURA MANILA**

**ARLENE EMMANUELLE B. AGULTO**

**APRIL 2003**

## APPROVAL SHEET

This thesis, entitled, "Interorganizational Conflict Management", prepared by Arlene Emmanuelle B Agulto in partial fulfillment of the requirements for the Bachelor of Arts in Organizational Communication is approved.

  
Prof Alice B Adeva, Adviser

Date: April 11, 2003

Prof Ronald Henson, Panelist 1

Prof Emerson Sanchez, Panelist 2

  
Dr Pacita C Gavino, Chair

Department of Arts and Communication

  
Dr Marilou G Nicolas, Dean

College of Arts and Sciences

## ABSTRACT

The organizational niche is naturally a world of conflict. Whenever there are people working together, the inevitability of conflict arises. This happens for the simple reason that people will not always be in perfect agreement on all issues, goals, or perceptions. Individuals will always have varied ways of thinking which may then lead to unfavorable events.

This descriptive research paper aimed to find out concepts that relate to interorganizational conflict. The study attempted to illustrate the causes and effects of interorganizational conflict and how they are managed by the parties involved in the conflict situation. The paper mainly concentrated on general problem question: **How were the causes and effects of conflict between two organizations managed effectively?**

Specifically, the research probed to answer the following questions:

1. What caused the conflict between Company X and Company Y?
  - a. How did the conflict affect the two organizations?
  - b. What were the perceived feelings and thoughts caused by the conflict?
2. How did Company X and Company Y handle the conflict situation?
  - a. Who were the people involved in managing the conflict situation?
  - b. What strategies were used in managing the conflict between the two organizations?
  - c. How did the strategies help in managing the conflict?

The study employed the purposive sampling technique in selecting the sample population from Company X and Company Y. Interviews were used to select who were deemed to be significant for the study. The respondents were singled out according to a set criteria, namely: knowledge on the situation, affiliation with the company, and role played or involvement in the conflict situation.



With the use of focus group interviews, the research sought to determine the causes, effects, and strategies which were involved in the interorganizational conflict between Company X and Company Y. The focus group interview was the chief instrument in uncovering the particulars of the conflict situation. The open-ended nature of the questions helped in extracting pertinent information on how the conflict evolved and how the two companies plan to resolve the situation. To further supplement the study, the Thomas-Kilmann Instrument was employed to reveal which conflict management strategy the respondents preferred in settling the conflict.



Results revealed that the interorganizational conflict between Company X and Company Y was rooted from unsettled debts due to scarcity of financial resources.

Moreover, poor communication worsened the conflict situation as certain individuals refused to deal properly. The effects of the conflict have been generally negative as relations between the two organizations have turned sour. The people involved were primarily composed of two key individuals, from both organizations. However, a mediator was also involved in the conflict resolution process. According to the interviews, the respondents felt that the best way to resolve the situation was to find a middle ground. Furthermore, the Thomas-Kilmann Instrument (TKI) showed that compromise had the highest score. With the interviews and the Thomas-Kilmann Instrument, findings confirmed that the best style in managing this particular conflict situation would be through compromise. Although the conflict situation between Company X and Company Y has not been fully closed, the strategy of compromise has proven to be beneficial for the two organizations.

The study implied that interorganizational conflict can have different causes which in turn have varied effects. Moreover, the strategies to be used depend highly on how the matter will be taken by the two organizations. In this research, it was evident that because of the involvement of personal issues, it was rather difficult to manage the conflict. Since thoughts and feelings were concerned, appeal to the emotions was used to work out certain differences. This study showed that conflicting issues that concern family or relatives are rather difficult to settle. As the findings revealed, business concerns were inevitably mixed with personal matters.

# 😊❤ Acknowledgements ❤😊


 MY DEAREST MOM & DAD , thank you very much for all the support given. I am indebted for all my educational and formative years. For more than two decades, both of you have been doing a great job in rearing me as a functional, productive, sensible, independent, and God-fearing person. Thank you for all the financial, moral, and spiritual back-up that both of you have been giving not only in the course of my thesis, but for the life that I am in right now. Thank you very much for understanding me during the crucial times of my thesis. All your hard work will definitely pay off. Some day I will pay both of you back in one way or another 😊 I love you mom and dad 😊



 To my brother CHRISTIAN,  my sister MELIZA, thank you. My sleepless nights have become a burden to both of you as I have been hogging the computer all throughout my college years. Thanks for allowing me (like you had a choice) to use the computer day and night. Thank you too for lending your phones as I contacted my respondents. Meliza, thank you very much for helping me out during my defense 😊 Thanks for all your support! I wish you both luck when your time comes!!! If you need anything, I shall be around as well 😊 Love you both! 😊


♥ My dearest MIMO! ♥ Thank you for being such a wonderful friend and confidant. Thank you so much for helping me out with this thesis. Thank you for all the support you have given me all throughout my OrCom years 😊 You are indeed my best companion 😊 Thanks for making me laugh whenever you'd see me look so harassed and pressure. I pray and wish you all the best in life as well. May you do well in the medical field that you have chosen. I shall always be around to support you. I love you, no matter what 😊


♪ UP MANILA CHORALE ♪: Loida, Sheena, Precious, Kaye, Minette, Michelle, Nelli, Sexy Jes, Vina, Jaia-Jen, Ma'am Juliet, Mervin, Alsun, Chris, Greggy, Jonathan, Sir Beaver, Sir Emerson, Migs, Vhon, Bevs, Louie, Dyo, Ate Jean, Sir Danny, and trainees. Thank you so much for being a great part of my life. I would not have gone out of school sane if not for our shared passion for singing. You are all true and genuine people. I know you will be my lifetime friends. Thank you for all the support that you have all given me during the making and completion of this study. Goodluck to all of you! Grabe mahal na mahal ko talaga kayo 😊



💋 Anj, Eri, Chicho: my Orcom buddies! Phew! We're done!!! Finally! we made it! It's been a long time since I last saw you three. Nevertheless, thanks for being around. I wish you three luck as we are about to face a new chapter in our lives!!! The "real world" will be ready to meet us soon! I'm sure we will all be successful in whatever path we shall take 😊


 ORCOM people: Thanks for welcoming me 😊 Thank you all for being so nice and warm to me 😊 You know who you are 😊 Sorry I can't name pipol 'coz I might miss out on someone and I don't want to do that. Anyway, I just want to thank you for everything 😊 God bless you all 😊

 Rica, Roni, AB, Larissa and all my other friends: Although I haven't seen all of you for a long time, I would just like you to know that you've been a great part of my life. Thank you for all the laughter and moments shared 😊  Reginne Geotina, my dearest highschool friend, thank you very much for all your help. I hope you continue to do good in your chosen field. Goodluck to you and CORE! 😊


 Mr. and Mrs. Rivilla, your help has truly gone a long way. I thank you for all the time and effort in helping complete my thesis. Thank you very much for giving valuable advice. I am grateful for everything. You two are inspiring beings. I wish you both happiness and continued success! 😊


 PROF. ALICE B. ADEVA, *the greatest thesis adviser*. I sincerely thank you for your time and valuable scrutiny throughout the completion of this thesis. You really are one of the best professors that I admire so highly. May you continue to do well in your profession. Thank you for everything. You truly are one-of-a-kind 😊 I salute you Ma'am! 😊

 To my dear panelists, PROF. HENSON and PROF. EMERSON : Thank you very much for agreeing to be my panelists. Your suggestions and valuable comments have helped me in finishing this thesis. Thank you! Thank you! May you two continue to do good in one of the greatest jobs in the world!

 Professor Sarile, the mother of OrCom. Even though I was under you for one semester, it was you who made me have passion for the course. You really are one of my biggest inspirations in this field. Ma'am you certainly know how to make Orcom a worthwhile study. I do hope to come across you once again. Professor Sarile, thank you for being the mother of OrCom 😊

 Mang Romy, Ate Novs, and Ate Paula 😊 Thank you pos a lahat ng tulong ninyo 😊

 Mr. Bill Gates, thanx for creating one of the greatest inventions of mankind—Microsoft Word!!! I do not know how I could have done this thesis! Thanx!

 To the future readers of this thesis: I hope you would learn from this. Have perseverance and patience, you too will have your time.

To all of you mentioned here, and to those that I have failed to mention, I extend my deepest gratitude. I love you all!!!

*Above all, I thank the Lord God Almighty. Dearest Lord, amidst all my weaknesses and failures, You have constantly stood with and by me. You are my greatest inspiration. Thank you for all the blessings that you have so generously given. I humbly lift my life up to you. This chapter of my life is just about to end, and I know that You have planned out so many things for me in the very near future. I look forward to another episode of your palpable and magnificent magic. I can't wait to face the world. Thank you Lord. Thank You for providing me almost exactly what I need. You never fail to answer my prayers. I continue to be a faithful and functional being on this earth. Thank You dear Lord for everything. My heart, soul, and every bit of my character has been touched by You. Thank you po☺ Amen.♥+*

# TABLE OF CONTENTS

## **CHAPTER 1 INTRODUCTION**

Rationale.....	1
Statement of the Problem.....	6
Objectives of the Study.....	6
Significance of the Study.....	7
Scope and Limitations.....	8
Definition of Terms.....	9

## **CHAPTER 2 REVIEW OF RELATED LITERATURE**

Communication.....	10
Conflict Arena.....	11
Conflict Orientation.....	19
Conflict Management.....	21
Related Studies.....	31

## **CHAPTER 3 FRAMEWORK OF THE STUDY**

Theoretical Framework.....	40
Conceptual Framework.....	42
Operational Framework.....	46

## **CHAPTER 4 METHODOLOGY**

Research Design.....	47
Respondents.....	47

Sampling Procedure.....	47
Research Instrument.....	48
Data Gathering Procedure.....	49
Data Analysis.....	50

## **CHAPTER V RESULTS AND DISCUSSION**

Company Profile.....	51
Results.....	57
Results of Respondents.....	57
Summary of Interviews.....	83
Discussion.....	89

## **CHAPTER VI SUMMARY, CONCLUSIONS, RECOMMENDATIONS**

Summary of the Study.....	95
Summary of the Findings.....	96
Conclusions.....	98
Implications.....	98
Recommendations.....	99

## **BIBLIOGRAPHY**

## **APPENDIX**

*The harder the conflict, the more glorious the triumph.*

*What we obtain too cheap, we esteem too lightly;*

*it is dearness only that gives everything its value.*

*I love the man that can smile in trouble,*

*that can gather strength from distress and grow brave by reflection.*

*'Tis the business of little minds to shrink; but he whose heart is firm,*

*and whose conscience approves his conduct, will pursue his principles*

*unto death.*

*Thomas Paine (1737 - 1809)*

## CHAPTER I

### Introduction

#### Rationale

Are organizations really important? Emphatically---yes. Organizations are imperative to people. Everywhere, individuals seem to be part of a certain group. Even as children, people have already been members of an organization. From pre-school until the university years, hours have been spent in that organizational environment called school. Parents, just like the bulk of the adult population, go to their respective offices. They spend every waking moment seeing themselves getting ready for their jobs (March, 1958). There, they get work and interact with various personalities as they execute their own tasks.

Organizations are defined as a collection of people who work together and coordinate their actions to achieve a wide variety of goals (Jones, 1998). An organization undergoes the process of identifying and grouping the work to be done, defining and delegating responsibility and authority, and establishing relationships for the purpose of enabling people to work most effectively together in accomplishing their objectives (Allen, 1958). Hence, an efficient organization is one that makes the most productive use of its resources no matter what situation or condition it is in.

The organizational niche is naturally a world of conflict (Plunkett and Attner, 1986). Whenever there are people working together, the inevitability of conflict arises. Why is this so? This

is for the simple reason that people will not always be in perfect agreement on all issues, goals, or perceptions. Individuals will always have varied ways of thinking which may then lead to unfavorable events.

This study shall mainly focus on interorganizational conflict, a situation wherein two organizations experienced disputes with each other. Although theories and concepts claim that this type of conflict does exist, studies regarding the matter have been seemingly unavailable. Most studies merely deal with conflicts within the organization---whether it be individual versus another individual, or groups versus other groups. It is very rare that one can come across a research regarding disputes between two distinct and separate organizations. As such, the researcher hopes to brave this very risky and arduous endeavor of getting two organizations to disclose their conflict situation.

Since conflict is neither positive nor negative, organizations must know how to identify and counter the causes and effects of it in the most manageable and effective way. Conflict becomes helpful or functional when it is managed properly to meet the organization's goals. On the other hand, conflict induces adverse effects when the company does not know how to deal with such situations. Therefore, organizations must have enough knowledge on the various aspects of conflict.

According to Putnam and Poole (cited in Miller, 1999), conflict is the interaction of interdependent people who perceive opposition of

goals, aims, and values, and who see the other party as potentially interfering with the realization of these goals.

Conflict has become a term of many uses. Most generally, the term is applied to a breakdown in the standard mechanisms of decision-making so that an individual or group experiences difficulty in selecting an alternative action. Simply said, conflict occurs when an individual or group experiences a decision problem.

Basically, conflict arises between individuals, between groups in organizations, or between organizations. Meanwhile, the sources of their conflict may come from differences in goals, differences in perceptions and values, nature of work activities, shared sources, difference in role requirements, individual approaches, and the stage of organizational development (Plunkett and Attner, 1986).

Upon knowing the technical aspects of conflict, there is also a need to be informed of the advantages and disadvantages of conflict. The effects of conflict may be good (constructive), bad (destructive), or both. However, the result of conflict must also be evaluated from the organization's point of view (Koehler, 1976).

The destructive or bad effects of conflict are generally obvious as conflict in itself has a negative connotation (Gardiner, 1996). Conflict becomes a negative force in organizations when there is little or no toleration of conflict. Most often than not, it is not conflict that damages organizations and social systems. Rather, it is the fact that the structure, being rigid and inflexible, keeps the

conflict and its attendant hostilities bottled up (Hawkins and Preston, 1981). The main problems of conflict usually lead to job stress, dissatisfaction, turnovers, and other disturbances.

Conversely, the positive attributes of conflict should not be shunned or taken for granted. They may be subtle and faint, but the beneficial portion of conflict is essentially achievable and feasible.

It is imperative and crucial that communicators know the value and essence of conflict. This would allow them to know better how to deal with certain disparate encounters. This would also enable individuals and groups to sharpen their ability to recognize conflicts that would allow growth or stagnation, which would eventually lead them into finding apt solutions for the situation (Gardiner, 1996).

There are definitely some useful effects of conflict (Koehler 306). First of all, conflict energizes people. It allows people to change bad things into good things. This, then, makes people stronger and wiser (Koehler, 1976).

Second, functional or strategic conflict usually involves a search for a resolution of the underlying issue. In resolving the conflict, needed changes in the organizational system may be discovered and implemented (Koehler, 1976).

Third, conflict is a form of communication, and the resolution of conflict may open up new and lasting channels. Conflict may actually be an educational experience in that the participants may become more aware and more understanding of their opponents' functions and the problems with which they must cope (Koehler, 1976).

Sometimes conflict may even be encouraged. This is done to serve the objectives of the organization properly. This kind of conflict is defined as functional or strategic. On the other hand, there is a need to bring a particular conflict to some kind of end or resolution.

Having some familiarity on the sources and effects of conflict is essential to organizations so that strategies may manage them well. Conflict management maximizes the benefits and minimizes the dysfunctional consequences. It is absolutely crucial that tactics be developed in order to control the organizational climate. A realization must come into surface---conflict does not become an end nor should it bring the organization to its demise. Instead, strategies must be constructed to resolve potentially disruptive conflict situations. In the long run, when the causes and effects of conflict are identified, the stratagem may evolve and transform conflict as a beneficial dimension in improving organizational goals.

When facing a conflict situation, it is crucial and imperative for the persons involved, most especially the decision-making body to realistically evaluate the participants, the stakes, the setting, and themselves (Hawkins and Preston, 1981). They must be able to determine how important or grave the matter is to their interests, while keeping in mind that no single strategy works best in all situations. The goal of the organization should be to minimize the after effects and keep conflict manageable and productive.

This study hopes to delve on the causes, effects, persons involved, and strategies in combating interorganizational conflict.

### **Statement of the Problem**

The study attempted to illustrate the causes and effects of interorganizational conflict and how they were managed by the parties involved in the conflict situation. The paper mainly concentrated on general problem question: **How were the causes and effects of conflict between two organizations managed effectively?**

Specifically, the research probed to answer the following questions:

1. What caused the conflict between Company X and Company Y?
  - a. How did the conflict affect the two organizations?
  - b. What were the perceived feelings and thoughts caused by the conflict?
2. How did Company X and Company Y handle the conflict situation?
  - a. Who were the people involved in resolving the conflict situation?
  - b. What strategies were used in managing the conflict between the two organizations?
  - c. How did the strategies help in managing the conflict?

### **Objectives of the Study**

The primary objective of the study was to determine how the causes and effects of interorganizational conflict were managed effectively by the parties involved in the conflict situation. Meanwhile, the specific objectives of the study were:

1. To find out what caused conflict between Company X and Company Y.
  - a. To discover how conflict affected the two organizations.

- b. To identify the perceived feelings and thoughts that were caused by the conflict.
2. To determine how Company X and Company Y handled the conflict situation.
- a. To know who were involved in the conflict situation.
  - b. To know the strategies used in the conflict situation.
  - c. To know how the strategies helped in managing the conflict.

### **Significance of the Study**

Conflict management is a ubiquitous occurrence in almost all organizations. The pervasiveness of it has become so natural to companies that it is sometimes disregarded or overlooked. Almost anyone could be caught off guard when such condition comes into surface. As such, this study hopes to reveal relevant insights on how a state of conflict between two conflicting organizations can be managed.

As mentioned earlier in the rationale, interorganizational conflict has not been accurately tackled in concrete conditions. The researcher has noticed that interorganizational conflicts seem to lack further studies. Indeed there are textual and theoretical reports on interorganizational conflict. However, as the researcher has noticed, tangible and actual cases have not yet been made available. The researcher reckons that the reason why interorganizational conflict has not been given too much attention on is due to the severity of the issue itself. For one, interorganizational conflict will definitely tap onto ethical concerns. Of course, it would be very hard for

organizations to disclose information especially when an outsider would want to know about their situation. It would be frightening for the organizations to divulge any kind of data as it could make circumstances worse. Hence, due to the gravity of the issue, the researcher hopes to defy and dare the unthinkable.

Moreover, the study may provide suitable answers for organizations that may experience equivalent situations. Since there has not been any overt and thorough study regarding the issue, companies may find the research advantageous to their conditions.

This research is especially important for organizational communication majors as the issue at hand shall be unquestionably and undoubtedly be encountered in the future. It would also be very good to know the nitty-gritty of interorganizational conflict management as it is indisputably existent.

### **Scope and Limitations**

The study primarily focused on two organizations, Company X and Company Y, which were implicated in a conflict situation. The causes, effects, and strategies used in the situation were the main concerns of the study.

The study relied on focus group interviews and questionnaires as its research instruments. As such, results were predominantly based on the personal views of the respondents rather than an objective kind of approach. The general orientation of the study would be based on subjective grounds. Moreover, some narrations may have lacked information due to external factors such as noise or mood of the

respondents. Therefore, the results of the study contain narrative reports of the respondents.

As it was mentioned earlier, the study will simply give a descriptive account on how the two organizations dealt with their conflict situation. Therefore, analysis of data will not contain any quantitative results except for the frequency tables and graphs of the conflict resolution mode preferred by the respondents.

#### **DEFINITION OF TERMS**

**Conflict-** conflict is the interaction of interdependent people who perceive opposition of goals, aims, and values, and who see the other party as potentially interfering with the realization of these goals (Putnam and Poole's in Miller, 1999).

**Management-** the process of planning, organizing, leading and controlling resources to achieve organizational goals effectively and efficiently (Hargie, Dickson, and Tourish, 1999).

**Effective Conflict Management-** being able to recognize conflict sources and dealing with it effectively (McShane and Von Glinow, 2000).

## CHAPTER II

### Review of Related Literature

The world of organizations inherently and inevitably imbibes the world of conflict. The constant existence of change essentially modifies the very makeup of organizations and the relationships within them, which essentially generates conflict. As such, conflict has become a natural outgrowth of organizational life.

#### COMMUNICATION

Communication forms the lifeline of an organization, conveying directions, expectations, processes, products, and attitudes (Beck 1999). People in organizations cannot not communicate. Even silence imparts the attitudes or viewpoints on certain matters. The fact is, communication is inherent to the functions of an organization making it an unavoidable factor. Despite the tremendous advances in communication and information technology, communication among individuals and organizations will always be a part of everyday life circumstances.

As it was noted in Klaus and Bass's *Interpersonal Communication in Organizations*: "Communication is a central phenomenon in organizations and is especially important for management. Certainly, as an activity it occupies a vast majority of a manager's time, and thus any increase in a manager's effectiveness or skill as a communicator should contribute directly or indirectly to improved organizational performance (cited in Hargie, 1999, p. 10)."

The role of communication in the study is said to be directly related to the major elements of conflict for it is actually the principal characteristic of conflict. It functions as the medium of conflict transmission and sometimes even the source of conflict. Therefore, as mentioned by Beck (1999), communication is a transactional process involving an exchange of ideas, information, feelings, attitudes, or impressions. It is a multilevel process involving distinct individuals, the organization, and the wider society.

As Putnam and Poole (cited in Miller, 1999) argue, communication constitutes the essence of conflict in that it undergrids the formation of opposing issues, frames perceptions of the felt conflict, translates emotions and perceptions into conflict behaviors, and sets the stage for future conflicts. Communication is definitely instrumental in every aspect of conflict, including conflict avoidance or suppression, the open expression of opposition, and the evolution of issues.

Hence, it can be said that through communication, conflict is instantiated, and through communication, conflict is dealt with in productive and constructive---sometimes even in unproductive and destructive ways.

### **CONFLICT ARENA**

Conflict is said to be a struggle over values and claims to scarce status, power, and resources in which the aims of the opponents

are to neutralize, injure or eliminate their rivals (Hawkins and Preston, 1981).

Meanwhile, Webster's Dictionary describes conflict as "a battle, contest of opposing forces, discord, antagonism existing between primitive desires and instincts and moral, religious, or ethical ideals." Conflict occurs when two or more people oppose one another because their needs, wants, goals or, values are different. Conflict is almost always accompanied by feelings of anger, frustration, hurt, anxiety, or fear.

While the definitions of conflict and general feelings regarding conflict tend to be negative, conflict itself does not need to be negative. It is the ability of the individual, group or organization to manage the situation in a way that it can influence the outcome of a conflict, how people feel about the way the conflict was handled, and how people feel about the other people who were involved in the conflict.

From these definitions, three points can encapsulate what conflict is. First, it is an interpersonal, behavioral event. Second, conflict has both social characteristics and implications. Lastly, it is very much deeply rooted in the nature of the interpersonal communication process particularly on the concept of perception (Hawkins and Preston, 1981).

Sometimes it is still difficult to know if one is actually experiencing a conflict situation. Hence, those involved must be able to identify certain characteristics of conflict in order to ascertain and verify that they are indeed experiencing conflict.

## Characteristics of Conflict

There are five defining characteristics that define a conflict situation: 1) two parties, 2) mutually exclusive goals, 3) behavior designed to defeat, 4) actions and counteraction, and 5) creation of an imbalance (Hawkins and Preston, 1981).

First of all, at least two parties (individuals or groups) are involved in a certain conflict situation. With two or more entities concerned, interaction as one of the basic elements of communication can be seen.

Another important characteristic of conflict is that mutually exclusive goals exist in fact or as perceived by the individuals or groups involved in the conflict situation. Mutual exclusivity indicates that one goal or value will ultimately dominate showing high degree of interdependence. The perception of difference by those involved is sufficient to bring about the possibility of conflict (Hawkins and Preston, 1981).

Behaviors that design to defeat, reduce or suppress the opponent, or to gain a mutually designated victory definitely characterize conflict situations. This aspect of conflict refers to the strategies adopted by individuals engaged in a conflict.

When different parties face each other with mutually opposing action and counteraction, a conflict situation can be very evident. This characteristic develops the view that conflict is engaged, managed, and temporarily removed only to subsequently emerge. As positions and perceptions change, counter-measures are adopted only to produce other countermeasures. While it is possible to examine a

conflict situation at an instance, conflict management cannot be established on static positions or perception. To a certain extent, the management of conflict itself requires a dynamic and evolving strategy.

Finally, conflict can be identified when a situation shows that each party attempts to create an imbalance in the conflict encounter. With this characteristic, conflict clearly demonstrates that opposing parties persistently attempt to secure and maintain their hold on to the favorable ground and to deny access to others (Hawkins and Preston, 1981).

In order for conflict to be managed, the manager must first play the role of analyst to determine the following facets: a) source of conflict; b) type of conflict; and, c) phase of conflict.

### **Sources of Conflict**

It has been often deemed that personality conflicts in which people have divergent personal values and dispositions cause conflict. Although personality differences do influence conflict, this often conceals the underlying sources of conflict behavior and perceptions. Instead, organizational research has identified six conditions that lead to conflicting situations, namely: 1) goal incompatibility, 2) differentiation, 3) task interdependence, 4) Scarce resources, 5) ambiguity, and 6) communication problems.

Goal incompatibility is a common source of conflict to the point that it has become central to most definitions of conflict. As the term implies, goal incompatibility happens when people or work units

have goals that interfere or get in the way with each other (McShane and Von Glinow, 2000). Goal incompatibility can vary significantly. Many organizational conflicts stem from contradictory ideas about the distribution of organizational resources. Financial rewards for goal accomplishment further ingrain the perceived conflict because employees are more motivated to pursue their own goals. In short, the basis of organizational conflict lies in the perception of incompatibility regarding a variety of organizational issues.

Differentiation occurs when people hold divergent beliefs and attitudes due to their unique backgrounds, experiences, or training (McShane and Von Glinow, 2000). Cultural differences may lead into differentiation. People from different cultural backgrounds may have trouble appreciating or tolerating each other's beliefs and values toward organizational decisions and events. Moreover, behaviors of people from different backgrounds are easily misinterpreted. Differentiation explains why conflict is a common problem between mergers and acquisitions. Employees in merged organizations often hold contradictory corporate values, so they tend to fight over the right way of doing things.

Conflict increases as task interdependence increases. Task interdependence exists when team members must share common inputs to their individual task, need to interact in the process of executing their work, or receive outcomes partly determined by the performance of others. Hence, the higher the level of task interdependence, the greater chance that each side will disrupt with the other side's goals.

Scarce resources generate conflict because scarcity motivates and prompts people to compete with other people who also need those resources to achieve their goals. Inadequate or insufficient supplies often trigger rivalries among parties. As such, whenever there is short of supply, conflict will naturally come about.

Ambiguity breeds conflict for the simple reason that uncertainty increases the risk that one party intends to interfere with the other party's objectives (McShane and Von Glinow, 2000). When vagueness is felt, doubts and worries will definitely crop up and generate conflict.

The most common root of conflict is due to communication problems. Conflict occurs most often when there is lack of opportunity or inability to communicate effectively. When two parties are deficient with their communication skills, stereotypes may be formed or established. Poor communication influences the perception of one party to another which may then create tension and other negative feelings (McShane and Von Glinow, 2000). Moreover, ineffective communication skills may even lead to lesser motivation. With limited communication, people may rely on putting labels on others which may eventually lead to further misunderstanding or worsened conflicting situations.

### **Types of Conflict**

Conflict can take place at varied levels. The types of conflict tell whether it involves individuals, groups, or organizations.

The first type is the interpersonal conflict. Interpersonal conflict is commonly seen between individual members of an organization because of their differing goals or values. This type is frequently perceived as goal incompatibility between two entities. Of course, there may be other reasons why individuals are caught in a skirmish. Interpersonal conflicts basically occur when a person just cannot comprehend or appreciate the other.

Group conflict can occur in two ways. Conflict in this type may either be intragroup or intergroup.

Intragroup is the type of group conflict which involves a bigger spectrum than the interpersonal level. This type comes up *within* a group, team, or department (Jones, 1998). For instance, members of a block may disagree with some of the other members as they try to vote a credible block head. This type then shows that people inside the same organization or unit seem to be in tension with one other.

Meanwhile, intergroup conflict occurs *between* other groups, teams, or departments (Jones, 1998). It considers aggregates of people within an organization as parties in the conflict (Miller, 1999). Sometimes this comes up whenever the heads or entities of a certain unit disagree with the ideas of the other head or entity. An example of this would be the difference of opinion between the departments of communication and science. They may argue that their respective sides should be given more emphasis than the other.

Finally, the last type of conflict is one that arises across organizations. Thus, this type speaks of the interorganizational conflict. This type implicates disputes between two or more

organizations. As Putnam and Poole (cited in Miller, 1999, p. 196) explained, "Conflict between organizations occurs primarily in the marketplace, where organizations attempt to carve out and maintain 'niches' or 'domains'". This level highlights the importance of the environment in which organizations are embedded. The roles of boundary-spanners, individuals on the edges of organizations, are emphasized on this level of conflict. This level shows diverse organizations involved in a certain kind of dispute. Therefore, this is when two or more companies go up against each other simply to get their respective goals stable. For instance, a certain fast-food restaurant may feel agitated towards another fast-food restaurant as it notices how their usual customers have gone to the other side. This type of conflict usually involves a large group of people who work and operate to achieve a common goal.

### **Phases of Conflict**

Individuals in organizations do not move suddenly from peaceful coexistence to conflict-ridden relationships. As Pondy (cited in Miller, 1999), suggested, "people move through phases as conflicts develop and subside". Pondy (1967) also suggested that there are five phases that characterize organizational conflict.

The first phase, latent phase, entails a situation in which the conditions are ripe for conflict because interdependence and possible incompatibility exist between the parties. This phase shows that the basis for conflict exists due to the interaction of groups in mutually dependent relationships in which incompatible goals are probable.

Perceived conflict, the second phase, happens when more than one party thinks or perceives that their condition is distinguished by incompatibility and interdependence.

It is likely to have latent conflict without perceived conflict. For example, two colleagues have opposing ideas, but this difference of opinion might not be a concern for either of them. Similarly, it is plausible to have perceived conflict without any latent conflict (Miller, 1999). This situation may exist if a manager and subordinate believed they had different standards about overtime but actually had the same values.

The third phase, felt conflict, involves parties that start to personalize perceived conflict by concentrating on the conflict issue and planning conflict management strategies. Thus, this phase simply shows that the persons involved begin to formulate tactics on how to deal with the situation and consider the results that would and would not be acceptable (Miller, 1999)

Meanwhile, conflict that is enacted through communication is called the manifest conflict. This third phase entails interactions that may involve cycles of escalation and de-escalation as various used strategies (Miller, 1999).

Finally, the last phase discussed by Pondy, emphasizes that a conflict episode has both short-term and long-term effects on the individuals, their relationship, and the organization (cited in Miller, 1999). This means that even subsequent to resolving the situation, conflict can change the nature of the individuals, their rapport, and their performance or operations within the organization.

## CONFLICT ORIENTATION

There are situations wherein people get in and out of conflicts either through a win-win or win-lose orientation. For effective conflict management, managers must learn how to apply different conflict management styles to different situations.

Some people enter conflict with a win-win orientation (McShane and Von Glinow, 2000). This is the perception that the parties will find a mutually beneficial solution to their disagreement. They believe that the resources are expandable than fixed if the parties work together to find a creative solution.

Meanwhile, other people end up with a win-lose orientation. This situation adopts the belief that the parties are drawing from a fixed pie (McShane and Von Glinow, 2000). Thus, the more one party receives and wins, the more the other party forfeits and loses. This situation leaves feelings of inequality towards certain groups.

Conflict tends to escalate when parties develop a win-lose orientation because they rely on power and politics to gain advantages. However, a win-lose orientation may occasionally be appropriate when the conflict really is over a fixed resource, but few organizational conflicts are due to perfectly opposing interests with fixed resources (McShane and Von Glinow, 2000). To varying degrees, the opposing groups can gain by believing that their positions are not perfectly contrasting and that creative solutions are possible. Adopting the win-win or win-lose orientation influences the way the parties involved approach the conflict which also includes actions towards the other person.

## **CONFLICT MANAGEMENT**

In this fast-changing and globalizing era, there is a need for managers to be updated, well informed, and properly equipped in order to function soundly in the organizations that they are in.

### **Types of Managers According to the Levels of Management**

Organizations have three levels of management: first-line managers, middle managers, and top managers.

First-line managers are found in all departments of an organization. They are the ones who are found at the base of the managerial hierarchy. First-line managers are also known as supervisors. They are responsible for the daily supervision and regulation of the nonmanagerial employees who actually perform the activities necessary to produce goods and services (Jones, 1998).

Middle managers are the ones who supervise the first-line managers. They have the responsibility to find the best way to organize human and other resources to achieve organizational goals (Jones, 1998). To boost efficiency, middle-managers try to find ways to help first-line managers and nonmanagerial employees improve the utilization of resources in order to reduce manufacturing costs so that their services are made better for the customers to enjoy. To increase effectiveness, middle-managers are responsible for evaluating. They do this in order to know whether the goals being pursued by the organization are appropriate or not. Very often, proposals and ideas that middle managers make to the top managers could radically hoist organizational performance. A major part of the middle manager's job is to work out and fine-tune skills and know-

hows, such as manufacturing or marketing expertise, that allow the organization to be efficient or effective (Jones, 1998).

On the other hand, top managers are responsible for the performance of all departments (Jones, 1998). They have cross-departmental responsibilities. Top managers establish and ascertain organizational goals. Examples would include knowing which goods and services the company should produce. The top managers are the ones who decide how the different departments should interact. They also monitor and observe how well middle managers in each department make the most of available resources to attain and accomplish organizational goals.

The relative significance and worth of planning, organizing, leading, and controlling--- the four managerial functions--- to any particular manager relies on the manager's position in the managerial hierarchy. The amount of time managers spend planning and organizing resources to maintain and improve organizational performance increases the higher they are in the hierarchy. Top managers dedicate most of their time to planning and organizing. These two functions are very crucial in determining an organization's long-term performance. The lower a manager's position is in the hierarchy, the more time he or she spends leading and controlling first-line managers or nonmanagerial employees (Jones, 1998).

Solving conflict can be an arduous task. The success of conflict resolution will primarily rely on how the parties involved would like to put an end to their predicament. It is all a matter of knowing when

to use specific strategies or techniques in countering certain conflict situations.

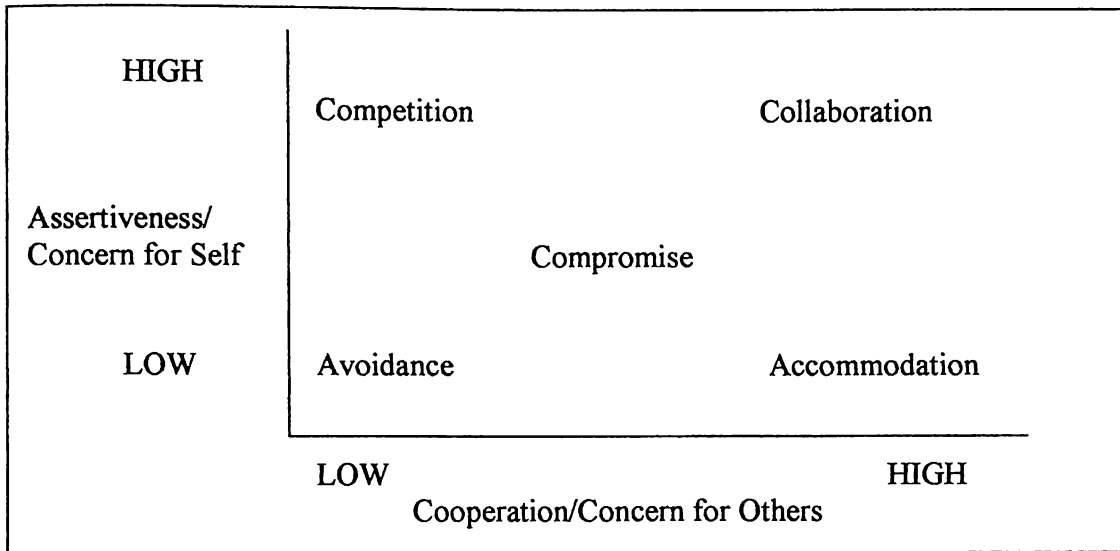
### **Conflict Management Styles**

Organizations and various groups struggle with conflict because they lack experience in dealing with it effectively. They often work with the assumption that conflict is not good. Therefore, it is bad. Many believe that openly expressing conflicting issues is a sign of a poorly performing company. Thus, conflict is more often times avoided.

A good way to start understanding conflict is by looking at its positive side--- that conflict can be defied or counteracted.

Theorists who study conflict use the basic structure of the Managerial Grid which has become a means of further exploring the styles and strategies that people use whenever involved in interpersonal conflict. The analysis of conflict styles was completely developed by Kenneth W. Thomas in 1976 (cited in Miller, 1999). Ralph Kilmann assisted him in finishing the pioneering model for dealing with conflict situations. In adapting the Managerial Grid for conflict situations, Thomas reconceptualized the two dimensions as concern for self and concern for others. Thomas then identified five conflict styles that would fall at various points on the conflict grid.

Fundamentally, the managerial grid analyzes the conflict styles that individuals may use. As depicted on the grid, each style is summarized as they fall on certain points on the conflict grid.



**Figure 1 Conflict Management Styles by Ralph Kilmann  
and Kenneth Thomas**

Primarily, Thomas and Kilmann described a person's behavior along two basic dimensions. First is assertiveness. This is the extent to which the individual attempts to satisfy his or her own concerns (Weaver, 1999). Second is cooperativeness. On the other hand, this is the extent to which the individual attempts to satisfy the other people's concerns. These two basic dimensions of behavior can be used to define five specific methods of dealing with conflicts.

First style is avoidance. This strategy shows little concern for one's own needs or another's. Conflict is not addressed in this strategy. Postponing or sidestepping issues would be examples of the avoiding style. This usually denotes unassertiveness or uncooperativeness. This approach is usually ineffective as it disregards personal pursuits and those of other people. The plan is

simply to forget, to the point of neglect, the issue at hand (Miller, 1999).

Another strategy is by accommodation. This involves accommodating other people's needs. Rather than looking at personal satisfaction, accommodation tries to please other people's concerns (Weaver, 1999). The element of self-sacrifice is often seen in this strategy. This may be in any form of selflessness such as generosity or charity. Obeying or fulfilling someone else's wishes is done in this mode. Persons who are accommodating often yield to the choice of the other. Like avoidance, accommodation is unassertive. However, it is more likely to be cooperative or geared towards having concern for others.

Another mode is competition. Competition tries to pursue one's goals and concerns at the expense of the other person. Competing could mean "standing up for your own rights". This is usually oriented with the "power mode" (Weaver, 1999). The competitive individual uses whatever means or power to attain the needed goals. Competition may be seen when one defends a position, which is believed to be correct. Unlike the two previous modes, competition is assertive but uncooperative.

Next is the compromising mode. This is considered to be the most ideal strategy as it is intermediate in both assertiveness and cooperativeness. The intention of this mode is to find a quick and mutually acceptable solution that partially satisfies both parties. Compromising is usually likened to being in the middle ground (Weaver, 1999). This style addresses issues and combats them fairly. Self-interests and other people's welfare are equally taken care of.

Compromise may be best when there is little hope for mutual gain through problem solving. This is because both parties get to be on equal footing and they become pressured by the time do they are left with no choice but to settle the dispute immediately. This sometimes means splitting differences, exchanging concessions, or seeking a quick middle-ground position. However, compromise rarely produces the best solution as some parties overlook options for mutual gain (McShane and Von Glinow, 2000).

Finally, collaboration is the mode in which both parties find total satisfaction in meeting their respective needs (Weaver, 1999). Assertiveness and cooperativeness are both met in this conflict response mode. This would have to entail finding issues that identify the underlying points of the contesting parties. They try to find creative ways and alternatives that can fully meet both their demands.

The collaborative style is actually the most preferred approach to conflict resolution. However, it is the most appropriate only under certain conditions. In particular, collaboration is at its best when parties do not have perfectly opposing interests and when they have enough trust and openness to share data and other information (McShane and Von Glinow, 2000). Collaboration is usually favored because organizational conflicts are rarely win-lose situations. There is usually some opportunity for mutual gain if the parties search for creative solutions.

Every person is capable of employing any of the five modes. No one can be characterized as having a single, firm or rigid style when dealing with conflict. However, any given individual is more at ease

with certain modes than the others. People are more often effective once they use the modes comfortable to their systems. These conflict response modes are usually a result of both personal predispositions and the requirements of specific situations (Weaver, 1999). Thus, it would be valuable to know the certain circumstances and state of the conflict whenever these modes would be considered.

### **Bargaining and Negotiation**

A second general strategy for dealing with organizational conflict is bargaining or negotiation. According to Putnam and Poole, "bargaining constitutes a unique form of conflict management in that participants negotiate mutually shared rule and then cooperate within these rules to gain a competitive advantage over the opponent" (cited in Miller, 1999).

There are several characteristics of bargaining. First, bargaining is a formal activity. This is when parties involved settle conflicts about scarce resources or policy disagreements. Formal bargaining is primarily indicated by a clear understanding of the rules of negotiation.

Another characteristic of bargaining is that it involves individuals who serve as representatives for the parties in the dispute. Moreover, bargaining is a strategy often used to settle intergroup or interorganizational conflicts.

An important distinction often made about bargaining is between distributive and integrative bargaining. Putnam and Poole have noted

that these two types differ in terms of goals, issues, communication processes, and outcomes.

Distributive bargaining basically aims to maximize individual gains and minimize its losses. The bargaining focuses on the limited resources that must be divided in the negotiation. Since bargainers work with a "fixed pot", the only probable results are win-lose solutions or compromises. Lastly, the bargainers are concerned with personal outcomes, communication is marked by withheld information, deception, and efforts to learn about the other party's position (Miller, 1999).

On the other hand, in integrative bargaining, conflicting parties try to maximize gains for both groups involved. The bargainer discusses issues that lead to more creative solutions. The results of such bargaining are usually solutions geared towards mutual benefits. Communication tends to be marked by open disclosure, careful listening, and multiple communication channels. According to Putnam and Poole (Miller, 1999), in its integrative form, bargaining can serve as an opportunity to identify problems, clarify misunderstandings, indicate needs and interests, and negotiate the meaning of organizational events.

Negotiator behaviors play an important role in resolving conflict. Four of the most significant behaviors are setting goals, gathering information, communicating effectively, and making concessions or arriving at an area of potential agreement (McShane and Von Glinow, 2000).

### **Third-Part Conflict Resolution**

When individuals, groups or organizations are unable to resolve disagreements with the opposing party on their own either through informal discussion or formal negotiations, a third-party is often called upon. Third party conflict resolution is any attempt by a relatively neutral person to help parties resolve their differences (McShane and Von Glinow, 2000). In the organizational context, third-party conflict resolution can range from formal labor arbitration to informal managerial interventions to resolve agreements among employees.

There are generally three types of third party dispute resolution activities: mediation, arbitration, and inquisition. These three can be classified according to their level of control over the process and control over the decision.

A mediator primarily attempts to help parties facilitate the dispute but holds no decision or power (Miller, 1999). Mediators have high control over the intervention process. Their primary purpose is to manage the process and context of interaction between the two parties. However the parties still make the final decision on how to resolve their differences (McShane and Von Glinow, 2000). Thus, mediators have little or no control over the conflict resolution instead they are only there to facilitate the process of arriving at a solution.

On the other hand, arbitrators make binding decisions based on the proposals and arguments of the parties involved. Consequently, arbitration has high control over the final decision (McShane and Von

Glinow, 2000). However, arbitrators have low process control because the process is largely determined by existing due process rules. Arbitration is commonly applied as the final stage of grievances by unionized employees.

Lastly, inquisitors control all discussion about the conflict. Like arbitrators, they have high decision control because they choose the form of conflict resolution (McShane and Von Glinow, 2000). However, they also have high process control because they choose which information to examine and finally decide on how the conflict resolution process shall be handled.

When choosing to resolve workplace disputes, people in positions of authority sometimes adopt a mediator role. At other times, they serve as arbitrators. However, research suggests managers usually take on the inquisitorial approach whereby they dominate the intervention process. The best and most appropriate third-party intervention actually depends on the situation. Whatever is deemed fitting for the organization's situation is what will help the disputing parties to emerge from the conflict situation.

## **Related Studies**

Studies have shown how conflict can have two functions. Either the organization views it as a burden or as a force that may bring the organization to greater heights. For whatever reason or cause a conflict situation come about, the organization must deal with it in ways most effective for its type of structure or existence.

Research done by Amason, Hochwarter, Thompson, and Harrison (1998) show that the use of teams has become "the solution" for many of the ills of the workplace. The study revealed that increasingly, leaders are waking up to the notion that broad participation in the decision process is necessary, not only for quality improvement, but also for the survival and growth of the organization.

The research specifically focused on two types of conflict--- conflict that improves team effectiveness, Cognitive conflict (C-type), and conflict that is detrimental to teams, Affective Conflict (A-type). On-site interviews were conducted from ten diverse organizations regarding their conflict management strategies. Results showed that the successful teams used conflict to their advantage to arouse discussion and stimulate creative thinking. Meanwhile, the less successful teams did a poor job of managing and resolving their differences as they saw conflict as a burden. Overall, the study revealed that conflict can improve teams especially with the preference of the C-type of conflict over the A-type of conflict.

This study is critical when the coordinated effects of key employees are essential to reaching organizational goals. When creative solutions are needed, teams are especially beneficial because

their diverse members can evaluate new and different ideas. The study showed that decisions over important issues can breed win or lose mentality, with "political gamesmanship" overpowering a view of what is best for the organization (Amason, Hochwarter, Thompson, and Harrison, 1998).

Moreover, the study stressed the importance of conflict as the central factor because it is a natural part of the process that makes team decision making effective. Simply said, effective teams manage conflict so that it makes positive contributions. Meanwhile, less effective teams avoid conflict and allow it to produce negative changes that may hamper the effectiveness of the organization.

Another related study entitled, "The Impact Of Perceptions Of Leadership Style, Use Of Power, and Conflict Management Style On Organizational Outcomes", by Richmond, Wagner, and McCroskey in 1983 gives a view on the mediational model. The general conclusion of the study implied that communication between supervisor and subordinates does not have an important impact. It was cited that two major concerns of most organizations in contemporary society are productivity and employee satisfaction. Substantial studies have shown and examined the role of communication as a factor that pushes the increase of productivity and satisfaction. There were three concerns in the study: leadership style, power, and the management of conflict.

The sample for this investigation involved voluntary participation of 96 units in five service-oriented, publicly-supported organizations. A mediational model of the relationship between the behaviors of supervisors and the productivity and satisfaction of

subordinates was the instrument employed. Results of the study indicated that supervisors should strive to get their subordinates to perceive them as using an employee-centered leadership style, avoiding use of coercive or reward power or exercising a dominant conflict management style, and using referent power and an active conflict management style. The general conclusion drawn from the study revealed that communication between supervisor and subordinates does have an important impact in productivity and employee satisfaction. However, conflict management requires a communicative choice regardless of the strategy chosen.

Furthermore, the study showed that attention must be directed not only toward different methods of managing conflict but also circumstances under which active and passive roles are to be preferred (Richmond, Wagner, and McCroskey, 1983). Such training should lead to more compatible perceptions among supervisors and subordinates and to further positive organizational outcomes.

The analytic nature of the study done by Tjosvold and Poon (1998) primarily examined how conflict over financial resources were managed in an organization that experienced considerable infusion of funds and an organization where budgets were being reduced. Scarcity has been found to underline the forming of useful interorganizational linkages. in times of scarcity, people seek more information and are more adaptive. The research suggests that conditions aside from the degree of scarcity affect the dynamics and outcomes of conflict. There study showed the need to examine conditions, in addition to scarcity, that affect the dynamics and outcomes of condlicts over financial

outcomes. The critical incident method was used to develop the interview schedule for 59 managers with budget responsibilities from both expanding and retrenching organizations regarding specific budget conflicts. The study used Deutsch's theory of cooperation and competition to analyze conflicts as managers develop and adjust both growing and shrinking budgets. Results showed support on the hypothesis that cooperative goals affect interaction and outcomes. Competitive goals were significantly related to the lack of self open-mindedness and to the lack of the other's open-mindedness. Cooperative and competitive goal interdependence were also found to correlate notably with feelings, confidence, relationship, progress, and effectiveness. The study essentially showed that conflicts managed in a cooperative context in which managers discuss their opposing views directly and productively, helped make budget systems work and leave the organization more united.

The study examined links between communication, organizational commitment, and perceived social support. Questionnaires were mailed to a random sample of 500 employees stratified by faculty and unclassified staff status. The findings supported those of Putti and associates in that employee perceptions regarding the top management-employee communication relationship, the quality of top management's communication, and superior-subordinate communication were strongly related to organizational commitment. Superior-subordinate communication proved to be an important factor as well. Perception regarding the employees' communication relationship with the top management had the strongest relationship of the variables studied

with both commitment and perceived support. Essentially, the study showed that perceived organizational support was influenced by the top management-employee communication relationship and the quality of co-worker's and top management's communication. Perceived support mediated the co-worked communication-commitment relationships.

The study essentially discussed the limitations of the unidimensional "cooperative-competitive" classification of interpersonal conflict-handling behavior and proposed a model which included two dimensions: a cooperative dimension and an assertiveness dimension. The research conducted two studies to investigate whether individuals use the two dimensions in understanding another's conflict-handling behavior. In Study I, 150 subjects engaged in a negotiation task. Each subject rated another's use of five conflict-handling modes and described the person on a semantic differential. As factor analysis of the semantic differential produced an evaluative factor and a dynamism factor. The index of cooperation was correlated with the evaluative factor only. In contrast, the index of assertiveness was correlated solely with the dynamism factor. In Study II, 65 subjects completed semantic differentials in response to hypothetical conflict-handling behavior of another. A factor analysis once more identified evaluative and dynamism factors. The mean ratings of the evaluative and dynamism factors for the five conflict-handling modes were consistent with the expectations based on the two-dimensional model. Therefore, the research showed that the two studies generated fairly consistent results supporting the two-dimensional model.

The study done by Renwick (1975) primarily investigated perceived issues of superior-subordinate conflict and effects of status differences on conflict management. Members of 36 superior-subordinate dyads representing ten organizational sub-units completed two questionnaires during regular office hours. The Employee Conflict Inventory (ECI), used to measure the perception and management of interpersonal conflict, was administered to each member of 36 superior-subordinate dyads. An independent sample of employees from the same sub-units completed Likert's Profile Organizational Characteristics (POC), which was used to assess organizational climate. Results from the ECI indicated that dyad members held similar perceptions concerning topics and sources of superior-subordinate conflict; technical and administrative issues were the most frequent topics, while differences in perception and knowledge were the primary reasons. Although perceptions of the other party's management of conflict were similar to the respondent's description of self, they differed significantly from the other's own self description. Generally, the study revealed that conflict management was related to status differences and attitudes toward conflict which corresponded to response styles in consultative organizational climates.

The study done by Miles and Perreault (1976) aimed to link the structure of a comprehensive model relating role conflict to its antecedents and consequences using the multivariate behavioral research methodology. Professional-level employees from nine governmental research and developmental organizations voluntarily completed a questionnaire regarding role conflict. Role conflict was

treated as a multivariate concept of various conflict types. Antecedents of role conflict included objective role requirements and characteristics of the role set. Consequences included job-related tension and satisfaction, perceived effectiveness, and attitudes toward role senders. Using a cluster analytic approach, five distinct conflict orientation groups were isolated. Results revealed an additive continuum composed of objective role conditions which stratified the five conflict orientations, highlighting the impact of simultaneous role requirements. Essentially, the study revealed that work-related outcomes show notable discrepancies for individuals in different conflict orientation groups.

The purpose of the study conducted by Bernardrin and Alvares (1975) examined the perceptions of forcing, compromise, and confrontation behavioral strategies of first-line supervisors in role conflict situations common to his position. It was hypothesized that discrepant ratings of leadership effectiveness from organizational levels above and below the first-line supervisory were a function of discrepant perceptions of critical supervisory behavior. Respondents of the study involved voluntary participation of 129 employees of a large Midwestern manufacturing company. A survey was employed to assess employee attitudes and description of four conflict situations followed by three behavioral conflict strategies. The participants were asked to rate each description on a seven-point scale from extremely ineffective to extremely effective conflict situations. Results showed that significant correlation between effectiveness ratings and resolution strategy discrepancies illustrates the crucial

nature of role conflict behavior for the first-line supervisor. Generally, findings illustrated the need to investigate the relationship of important behaviors elicited by a leader and perceptions of those behaviors from positions above and below him.

This descriptive study examined the relationships of conflict styles and supervisors' predictions of communicative strategies used in conflicts with their subordinates. The study mainly aimed to map conflict style-strategy relationships of professional staff members of two major southeastern universities who consented to participate in the study. Biological sex, conflict style, and supervisors' predictions of the communicative strategies were the variables considered in the study. The Ranheim Organizational Conflict Instrument (ROCI-II) was administered at different times to reduce problems of the "halo effect". Results showed that scores on some styles (integrating, compromising, and avoiding) predicted initial communicative strategies, but not follow-up strategies with non-compliant subordinates. Moreover, difficult style-strategy relationships were consistently preferred for the use of coercive strategies with noncompliant subordinates. Overall results indicated that the lengthy tradition of focusing on conflict styles in isolation of communicative strategies should be revised in fundamental ways.

The research done by Yoro (2002) aimed to know the conflict management strategies used by Central Bank of the Philippines (CBP) between management and associations. This quantitative case study solely delved on 30 members under the Treasury Department of the Bangko Sentral ng Pilipinas Employee Association, Inc. Each member was

given a questionnaire that probed on the communication approaches of managers. Out of the 30 questionnaires distributed, 29 were returned. Findings showed that employee-supervisor relationship was highly rated at 86.2%, which suggested a "team" organizational structure. Moreover, results indicated that employees were very much satisfied with the constructive way their supervisors dealt with conflict situations. In totality, the study showed that CBP handled Employee Associations the "ideal way" as Richard Daft proposed.

Through these studies, it can be inferred that not much tangible information regarding interorganizational conflict has been made available. A lot of research seems to delve on intraorganizational conflict or intragroup conflict. If not, most studies looked into superior-subordinate kinds of conflict. As it has been observed by the researcher not much data has explored the nature and other concepts involved in interorganizational conflict.

For these reasons, the researcher undertook the endeavor of studying the variables used in these studies.

## CHAPTER III

## Framework of the Study

## Theoretical Framework

The research was based on the two models regarding the process of conflict management.

The first model illustrates how conflict comes about. The diagram shows that conflict can arise from six varied reasons. McShane and Von Glinow (2000) pointed out that conflict may be caused by differentiation, task interdependence, scarcity of resources, ambiguity, communication problems, and goal incompatibility.

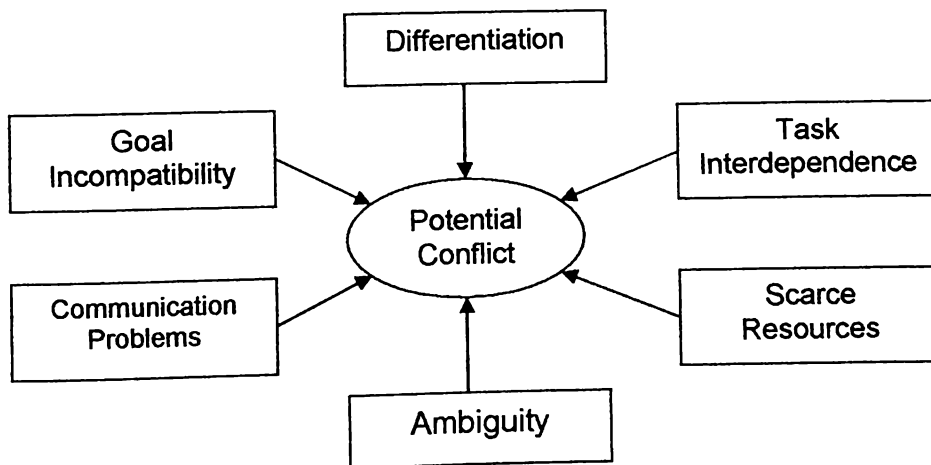


Figure 2 Sources of Conflict in Organizations (McShane and Von Glinow, 2000, p.405)

Meanwhile, Figure 3 shows several means on how conflict can be resolved. Thomas and Kilmann (cited in Miller, 1999) suggested that there are five ways in managing conflict namely: competition, collaboration, compromise, accommodation, and avoidance. The model also shows which solution can prove to be beneficial for the self or for the others.

The Thomas-Kilmann Conflict Mode Instrument is designed to assess an individual's behavior in conflict situations. Conflict situations are circumstances in which the concerns of two people appear to be incompatible. In such situations, we can describe a person's behavior along two basic dimensions: 1) Assertiveness - the extent to which the individual attempts to satisfy his/her own concern, and 2) Cooperativeness - the extent to which the individual attempts to satisfy other's concerns. These two basic dimensions can be used to define the five specific methods of dealing with conflicts. These five 'conflict-handling' modes are shown (figure 3), where Competing refers to '*forcing*'; Collaborating to '*problem-solving*'; Compromising to '*sharing*'; Avoiding to '*withdrawal*'; and Accommodating to '*smoothing*'.

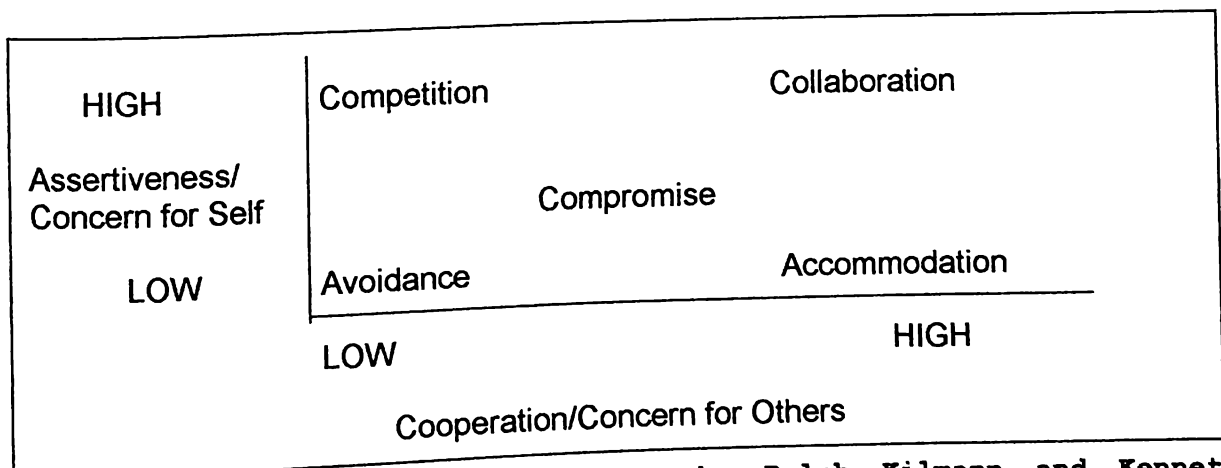


Figure 3 Conflict Management Styles by Ralph Kilmann and Kenneth Thomas (Miller, 1999, p.199)

## Conceptual Framework

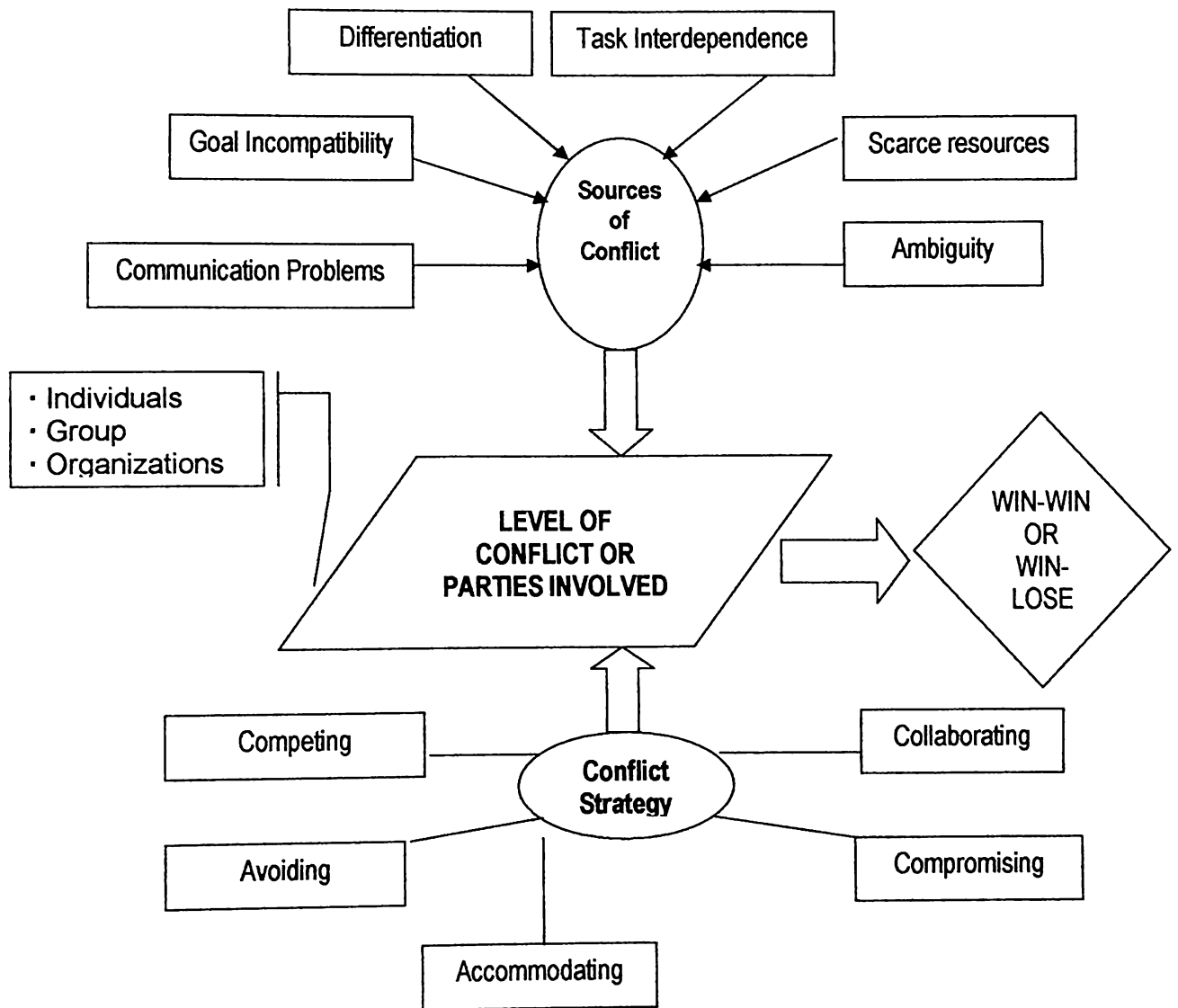
To show how the process of conflict comes about and how it is solved, basic concepts from various studies have been merged. The combination of the various aspects of conflict and management shall be fused in one model. Moreover, several concepts were added to further supplement and unify the process of conflict management.

The first portion of the model was adapted from the McShane and Von Glinow model of the sources of conflict. This part shows how conflict begins whether it sprouted out from differentiation, task interdependence, scarcity of resources, ambiguity, communication problems, or goal incompatibility.

After identifying the causes of conflict, the diagram shows the parties involved and the orientation it is in. This section was added by the researcher to link the first model to the second one. The parties involved shows whether individuals, groups, or organizations are concerned with the situation.

Meanwhile, conflict can either be situation in a win-win or a win lose orientation. Knowing what orientation the parties are involved in shows how they could combat or resolve the issues on hand.

Finally, the diagram shows how conflict can be managed. As seen, there are five ways in resolving conflict. It is all a matter of knowing which method is apt for the situation.



**Figure 4 Conflict Management**

### **Conceptual Variables**

This model shows the process of conflict--- its causes and effects, and what conflict strategies were used by company and company in the interorganizational conflict that the two parties are involved in. First, the source of conflict must be defined. The organization, especially those, must know how, when, and why the conflict came about. This would enable the organization to give some time to dwell on the conflict which will then be countered upon further investigation is done. Then, the parties involved must also be identified so that apt measures may be given.

When the persons involved have fully acknowledged and recognized the conflict, the undesirable effects of it would be indicated. Choosing from the conflict management styles suggested by Thomas and Kilmann's study, the best-suited style should be administered to lessen the blows of conflict.

**Sources.** This framework shows that conflict basically arises whenever the following circumstances are present in the organization: differentiation, task interdependence, ambiguity, scarce resources, goal incompatibility, and communication problems. When these factors are identified, it is imperative that the manager seeks to counter the critical effects of conflict. Moreover, the manager must see conflict as a force that could improve the situation of the company rather than see conflict as a problem to be disregarded.

As soon as the source of conflict is identified, the manager should take the role in combating the escalation of conflict. Hence,

the model shows that any of the following strategies may be used to offset the conflict: competing, collaborating, compromising, avoiding, and accommodating.

**Parties Involved/Levels of conflict.** The parties involved must also be identified. Disputes could occur among the following factions: individual, group, or organizational. Knowing the ones involved in the situation would allow the manager to assess the intensity of the conflict.

**Conflict Management Strategies.** The skill of conflict management is to apply the right style for the situation. In other words, there is a need to recognize the contingency approach to conflict management.

**Orientation.** There are some situations wherein conflict is in a win-win or win-lose orientation. Either of the two, the parties involved must know how to adapt and come out of such conditions.

## Operational Framework

The operational framework shall determine how the theoretical and conceptual variables can be infused with the study at hand.

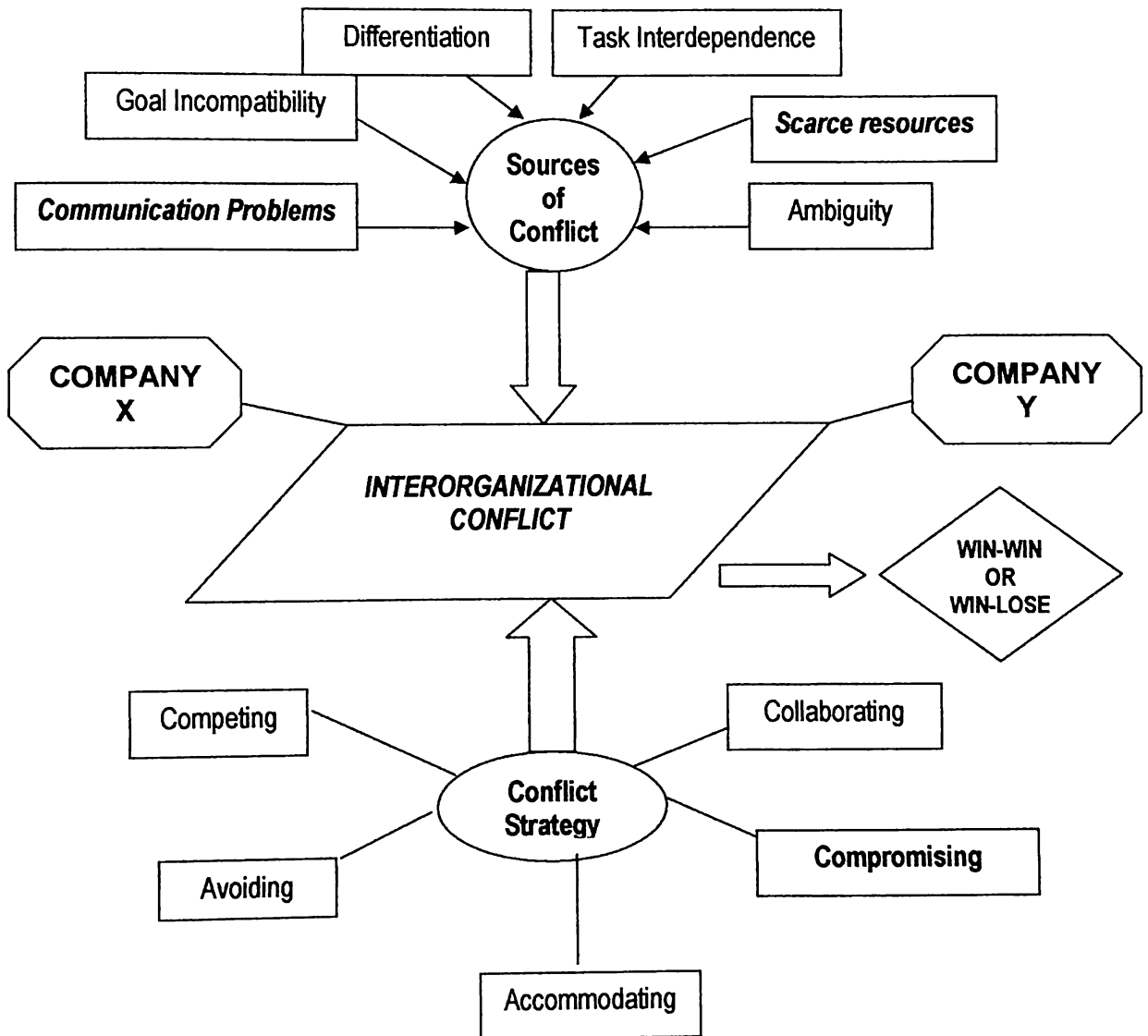


Figure 5 Conflict Management

## CHAPTER IV

### Methodology

#### Research Design

The study was a descriptive type of research. This design aimed to give a picture regarding the effective conflict management strategies between Company X and Company Y upon determining the causes and effects of the conflict. The research attempted to determine how interorganizational conflict was managed and who were the people involved. Moreover, this sought to determine which management style was most suitable for the conflict situation according to their preferred conflict management mode.

#### Respondents

The study dealt with two different organizations, Company X and Company Y, which experienced conflict with one another. Four to five members from each organization which were deemed to have relevant insights regarding the situation were chosen as respondents for the study.

#### Sampling Procedures

The study employed the purposive sampling technique in selecting the sample of managers from Company X and Company Y. However, since it was rather unsuitable to simply get a list of names, an interview preceded the whole sampling procedure. With the help of the scheduled

interviews, the researcher got to know who fitted the criteria in determining the apt respondents.

The respondents of the study were chosen with the following criteria in mind:

- a. The subject must be affiliated with the company's decision making-body.
- b. The subject must have good knowledge on the issues involved in the conflict.
- c. The subject must have played a role during the conflict management process and the conflict situation itself.

Hence, it was important that all the chosen individuals had notable roles with regard to the interorganizational conflict.

### **Research Instruments**

The research instruments utilized were scheduled interviews, focus group interviews, and questionnaires in the form of the Thomas-Kilmann Instrument (TKI).

The scheduled interview was used to primarily get acquainted with the respondents. Moreover, it served as a tool in selecting the appropriate respondents for the study. Questions regarding their personal information such as age, position in the company, and tenure with the company were asked.

The focus group interview is an interview that ideally involves a group of eight to twelve persons who are brought together to discuss a certain topic (Emory and Cooper, 1991). In this case, five people represented Company X, while four individuals represented Company Y.

The interview basically had a list of specific points that was considered to be relevant for the research study. Basically, this type of interview allows the researcher to facilitate the coverage of the discussion itself. To guide the respondents, an outline was prepared to set off the discussion proper. Moreover, the focus group interview was useful in elaborating certain points made by the respondents. This type of interview also provided a relaxed environment wherein the respondents were able to open up and talk about topics with ease.

The type of questions asked were open-ended to allow the researcher to elicit specific information regarding the conflict situation and how it was managed. It also sought to determine which causes, effects, and strategies were included. The open-ended nature of the questions provided the researcher to extensively gather the different facets and relevant particulars of the conflict situation.

In addition, the Thomas-Kilmann Instrument (TKI) was employed to further substantiate data more specifically which conflict management mode the respondents preferred. Participants were asked to select responses from 30 pairs of statements. As a result, the instrument would show which of the five conflict-handling styles the respondents favored most.

#### **Data Gathering Procedure**

The study was accomplished in three phases. The first phase primarily consisted of gathering essential data. The related literature and related studies were collected from the University of the Philippines Diliman Main Library and the University of the Philippines Manila CAS library. Likewise, gathering information

regarding Company X and Company Y was included in this phase. Additional information were also downloaded from the internet specifically the Thomas-Kilmann Instrument and its scoring sheet.

The second phase involved the interviews and actual data gathering from the respondents. This was concerned with the focus group interview itself and the accomplishment of the Thomas-Kilmann Instrument. With these instruments, the respondents were able to narrate their thoughts, opinions, and feelings. During this phase follow-up interviews were done on the phone in the event that the researcher had questions or clarifications. Moreover, documents regarding the nature and structure of the two companies were given by the mediator.

The third phase entailed the compilation of all the gathered data. Interviews were transcribed, the tests were tallied and graphed, and the documents given were filed.

### **Data Analysis**

The study primarily used qualitative analysis in interpreting the responses of the participants with regard to conflict management. This basically concerned preparing a narrative report of the statements made by the respondents.

On the other hand, the Thomas-Kilmann Instrument (TKI) revealed which conflict management style was most fitting and preferred by the respondents. To get which style was highly favored, the Thomas-Kilmann Instrument (TKI) was interpreted by tallying and getting the frequency of the conflict modes. Furthermore bar graphs were made to represent the data gathered.

## CHAPTER V

### Results and Discussion

#### Company Profile

Due to the request of the respondents, the company's name, and respondents' names shall be kept confidential. Hence, codes shall be used to conceal their identities.

#### Company X

The humble beginnings of Company X started right after the First World War, when in 1919, a well-known haciennero established a small sugar factory in Ormoc, Leyte, with a capacity of 250 tons daily. However, just as it was finished, came the economic crisis of 1920-21, when the price of sugar turned rock bottom. Because of this the sugar factory was not able to operate. In 1935, there was an excess of sugar in the United States that the US government ordered all canes in the Commonwealth to be burned. After this, another wealthy man, Don C bought the company. Under the control of Don C, the sugar company rose once again. Within his term, he was able to introduce new methods in sugar production, planting, use of better sugarcane varieties, application of fertilizers, and cultivation.

Company X was basically a sugar milling company. The organization was responsible for the manufacturing of sugar in and around Ormoc. The products of Company X were usually for export but they also sold in the local markets. Unfortunately, due to financial problems which were caused by numerous debts, the company has already stopped its

operations. Since the year 2000, Company X has not reverted to its usual functions.

### ***Organizational Structure of Company X***

Company X is basically a family business which was handed down from one generation to the other. All of the constituents in the company are primarily headed and led by members and relatives of the family. The organizational configuration of Company X is basically hierarchical in nature.

The Board of Directors from time to time prescribe the powers and duties and for the compensation of the officers, agents and employees of the company in the management of its property and affairs where such powers and duties are not prescribed by the by-laws.

The head or the chief executive officer of the company is the president. The duty of the president is to have general supervision of the business, affairs and property of the company, and over its several officers and employees. Aside from being the chief executive officer of the company, he is also a member of the Board of Directors.

The vice-president performs the same duties as the Board of Directors. However, he is tasked to focus more on administrative affairs. Moreover, the vice-president shares the position with the president in making the final say on financial matters.

The corporate secretary is in charge of keeping the minutes of all meetings. The position is primarily tasked in protecting the dealings of the company and other pertinent information regarding the organization itself.

The treasurer is in charge of the funds, securities, receipts, and disbursements of the company. He is the one who basically handles all incoming and outgoing financial transactions.

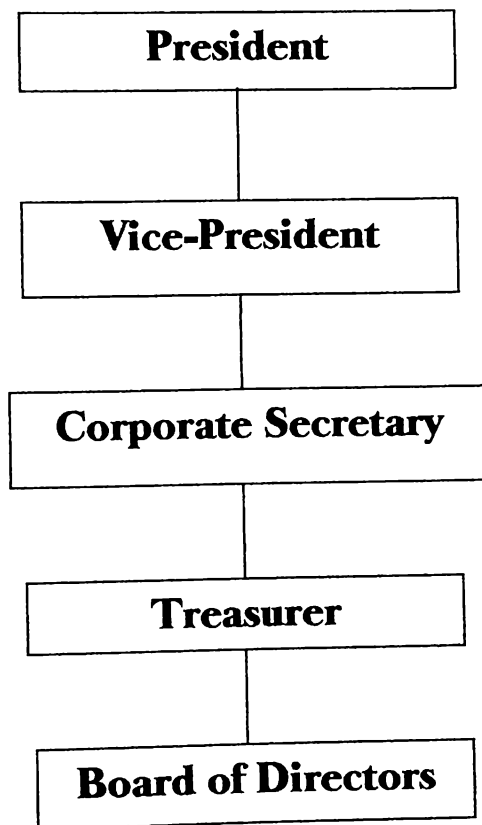


Figure 6 Organizational Structure of Company X

**Company Y**

Company Y made its debut in Philippine radio in 1963. Its first station, originally served only as a promotional venue for Company Y's own recording company. At that time, Company Y also represented and held the local licenses to produce for and market top foreign music labels from a peak of over one hundred major international recording companies. Then, the station played the latest and widest variety of popular music, and was consistently no.1 in surveys, contributing significantly in popularizing radio as a prime entertainment medium in Manila.

With its steadily increasing listenership, Company Y eventually opened its station ID to commercial advertising. For enhanced broadcast quality, the station moved from to the FM band in 1991 and became known. The Network also became the first CNN radio affiliate during this period.

From this time, the Network underwent several changes in management, as well as programming, with the end result in 1994. In 1997, Company Y realized its plans for expansion with the establishment of stations in two key provincial cities.

**Organizational Structure of Company Y**

According to the corporate lawyer, who is also the mediator of the conflict situation, the structure and functions of Company Y are basically similar to that of Company X. In addition, there are stockholders in Company Y.

The ownership of the corporation is vested in the stockholders, who provide the funds for tolls, equipment, and facilities. Since the stockholders cannot solely run the enterprise, selected group of individuals, the Board of Directors, exercise trusteeship and act for them in the direction of the company's affairs.

The Board of Directors fundamentally concerns itself with review and decision upon matters of major importance to the company's success. The Board is responsible and authorized for deciding long-term objectives, policies, projects, and budgets that apply to the company as a whole. Furthermore, it approves the over-all company organization and has control through review of over-all financial and operating results.

The Board Chairman normally acts to give leadership to the Board and its activities. He presides at meetings of the Board and acts to facilitate and expedite its deliberations. The Chairman can be of great assistance to the president by advising him and working with him to develop plans and proposals for presentation to the Board.

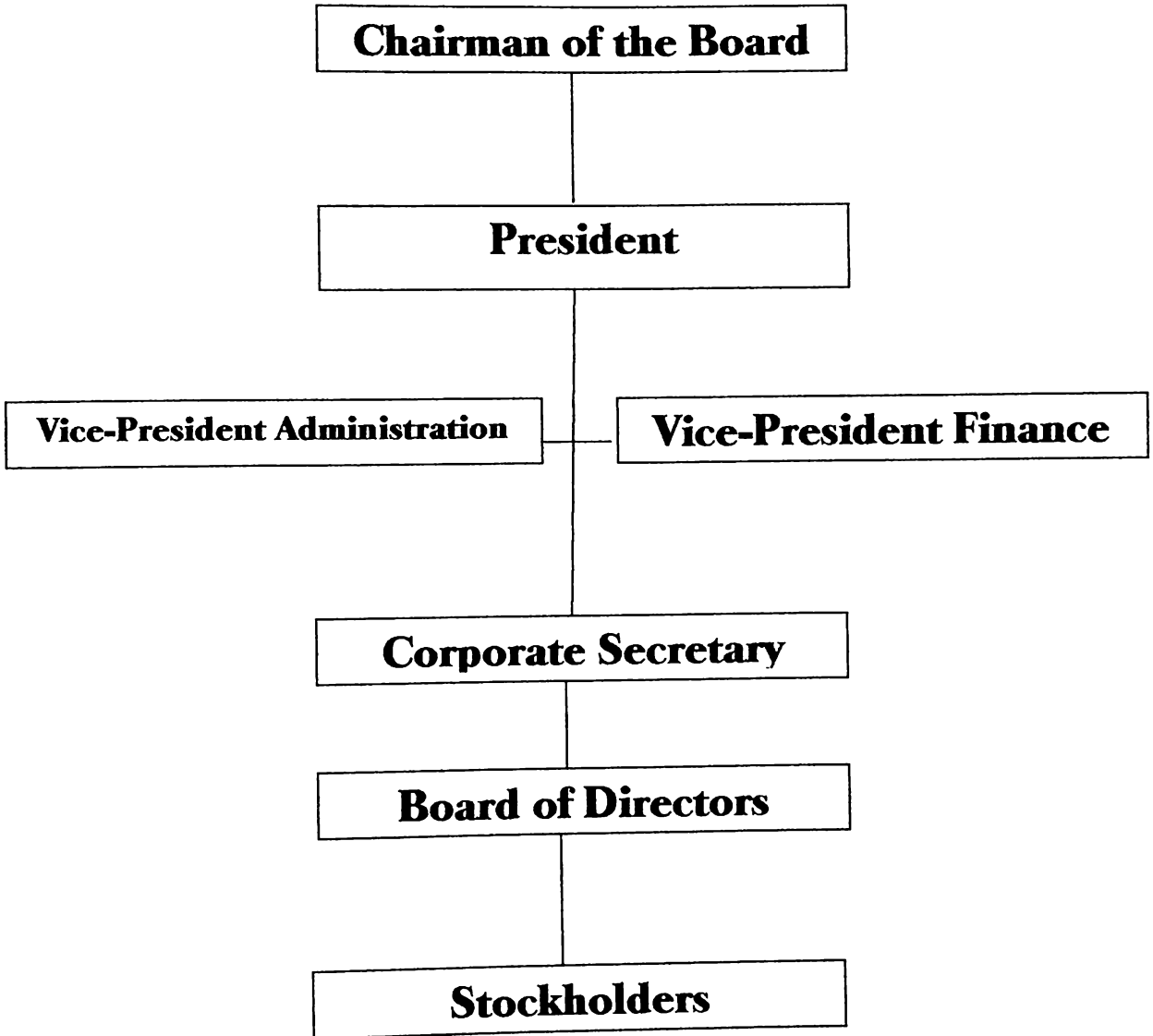


Figure 7 Organizational Structure of Company Y

## Results

Scheduled interviews were planned by researcher. The first meeting was with the corporate lawyer who was also the mediator of the case. Since he was the chief contact person, an initial appointment was made with the researcher. This helped the researcher know who to interview. According to the mediator, all officers from both sides would serve as suitable respondents for the study. Initially, the researcher intended to have separate interviews with all the officers. However, due to availability and demands of work, not all the officers were accessible for such a type of interview. As such, the focus group interview was employed. This was also requested by the respondents themselves as it was more comfortable and favorable to their schedules.

According to the main contact person, there were basically five people who were directly involved --- the vice-president for finance and legal counsel of Company Y and the acting vice-president and legal counsel of Company X. With this, the researcher pleaded to interview those individuals who were specifically concerned with the conflict situation. Luckily, the researcher was given the chance to interview two of the four: the acting vice-president of Company X and the vice-president for finance of Company Y.

The first meeting was with Company X. Five members of the organization were present in the scheduled interview. The persons involved were as follow: the acting vice-president or the corporate secretary, the legal counsel, treasurer, and two of the Board of

Directors. In addition to the five officers of Company X, the mediator was also present.

After the meeting, the researcher requested to interview the acting vice-president. This separate interview was done to obtain the point of view of the one involved in the conflict management and negotiation process.

A few weeks after the focus group interview with Company X, Company Y was finally available. There, four people were present: the vice-president for finance, Company Y's legal counsel, the vice-president for administration, and the corporate secretary. Once more, the mediator was also present in the meeting.

Likewise, the researcher considered it important to have a separate interview with the vice-president for finance of Company Y. The researcher felt that it was imperative to get a separate interview since the vice-president for finance was the one directly linked with the conflict situation and she is the one who is also involved in the conflict negotiation process.

A moderately scheduled interview was employed. This meant that an outline of questions had already been furnished prior to the interview date. This type of interview also allowed the researcher to probe deeper as it may be regarded necessary. The interviews were primarily composed in a nondirective manner wherein the questions raised were open-ended by nature. This was done to expand the range of answers presented by the respondents. Open-ended questions also enabled the respondents to expound and clarify certain issues when needed.

**RESPONDENT A**

Respondent A is 48 years old. She is the vice-president of Company Y who was directly involved in the conflict situation. She was the one who loaned the money to the two individuals from Company X. She is the one who represents Company Y in the conflict management process.

The researcher posed twelve questions and below are the important points of the interview.

**Definition of Conflict**

The knowledge of the respondent regarding conflict was considered to be important. This portion shows how Respondent A views conflict per se.

According to Respondent A, "When you talk about conflict, it's a situation wherein you have some kind of dispute or discord with another person, company, or what have you". She mentioned that conflict usually happens when two parties have an agreement but is eventually broken in the end. In a broader sense, to her, conflict involves a clash and disagreement between two parties. She also elucidated that other companies consider conflict as a form of competition. For instance, Company Y could fight over listenership or ratings with another station. It could also be a conflict with a guest or artist who cannot be accommodated during a show's hour.

Respondent A believed that conflict was rather evident in their situation. As for their situation with Company X, according to her, conditions were simply not met. As she mentioned during the interview,

"We agreed on something, but they broke it. When you say something you better guarantee the other person that you will compel correspondingly". In her opinion, conflict was a simple violation or breach of trust. Once a person pledges to do or say something, it should be adhered to as they should be.

### **Causes of Conflict**

The primary source of conflict was simply caused by unpaid due. According to Respondent A, "It all began with money. Of course we all know that money can really devastate relationships, and I never thought it would happen to me until it really did".

In essence, the cause of conflict was an unsettled debt. The president and vice-president of Company X purportedly borrowed two million pesos from Company Y's account through Respondent A. Regrettably there was no written contract between the involved parties. All transactions that were made were purely verbal.

When it was time to pay the dues, Company X had nothing to give. To make matters worse, Respondent A was given bad checks. Every time she would have the checks encashed, the banks would tell her that it was void. Naturally, she felt deceived. She was very much distraught.

The more distressing reason was that the trust and assurance she was promised of was broken. According to her, "Siempre, my full trust was there. Unfortunately, that was thwarted. It just goes to show that you certainly cannot trust anybody. It's sad but it's the painful truth. So to answer your question, the conflict was caused by money. The money was lent. But they didn't pay."

## Effects of Conflict

According to Respondent A there was nothing positive at all with the conflict situation, all the effects were negative.

The amount of money that was borrowed was not all that big. However, to lose that much was still a big deal to Company X. The money could have been put on more sensible investments. As Respondent A said, "Financially, it was such a burden. Of course, the company just can't let go of that amount. We also have dues and other responsibilities to attend to. We just cannot allow the matter to go out of hand. Of course the aspect of losing the money was a big issue".

Although the financial conditions of Company Y received the unfavorable effects, Respondent A's emotions were more affected. Feelings of being deceived and betrayed were mentioned by Respondent A. As she said, "The sad part of the whole situation was that they let me down. I trusted in them so much, tapos napahiya ako lang ako. Can you imagine, I went through all the trouble of "hiding" that issue from my associates because I knew they were capable of paying me back. But I was let down".

Since the transactions were secretly done, Respondent A's constituents were shocked upon discovering that a certain amount of money was lost. Naturally, the other officers and members of Company Y were disappointed with Respondent A. Consequently, Respondent A felt so humiliated and at the same time furious with the whole situation. She felt like she was let down by the two people she dealt with. Although she was regretful of lending the money without the consent of

the other officers, she was more remorseful that she had trusted the president and vice-president of Company X.

Company Y thought of taking the case to the courts but they did not want the situation to get any uglier than it already was. Respondent A said that more than the squandered amount, it was the relationship within Company Y and the relationship with Company X that was affected severely. For one, Respondent A's associates got disappointed with her. Respondent A accepted her own faults and eventually she was understood and forgiven by her associates.

Conversely, Company Y's relationship with Company X curdled because of the conflict situation. Before, Company Y and Company X were in good terms since some people from Company Y and Company X were related through marriage. However, since the onset of the conflict, interactions between Company X and Company Y slowly turned unpleasant. As Respondent A said, "More than being angry, its just heartbreaking to slowly have some ill-feelings towards them. Parang familya narin sila. But of course, we are in a business and we must move accordingly. Otherwise, we might be dragged to our demise. That cannot happen".

Therefore, Company Y had to keep headstrong regarding the matter. As for Respondent A's personal feelings, naturally she felt really bad. She gave her full trust but it was swayed and bent. She believed that she had gotten over the angry stage.

Tben again, she had to be staunch with her decision. She said that Company X should pay an amount of fourteen million. Since Company X had already stopped its operations, the only option they had was to

offer a land worth eight million. Respondent A said that Company Y would accept the land. However, Company X should still pay for the balance worth six million. Respondent A said that Company X had been complaining that the fourteen million was overrated. On the other hand, Respondent A said that they had basis for that amount. However, Respondent A said, "Everything is transitory. We still have to investigate certain matters. I also want this over and done with. We have to be cautious and prudent with decisions."

#### **People Involved in the Conflict Management Process**

The legal counsels should have been Respondent A, and the president and vice-president of Company X. However, since the two (the president and the vice-president of Company X) have passed already representatives were assigned.

However, according to Respondent A since the negotiations can still be worked out between the involved parties, the court case has not been pushed through yet. Hence, the people directly concerned would be Respondent A and the legal counsel of Company Y, and the acting vice-president of Company X and the legal counsel of Company X.

#### **Role in the Conflict Management Process**

Respondent A's role was basically to represent Company Y. She was concerned with the bargaining and negotiation with the Company X. When meetings transpired, she and Company Y's legal counsel had to be present since she had the grasp on the whole situation. Her specific role was to let Company X know what their terms were.

**Proposed Solution**

Respondent A proposed that she wanted to push for the 14 million pesos. She believed that the land was not enough to pay the debts and the damages that were caused. For Respondent A, losing the money was not a joke. If she were asked what should be done, Company X should just agree to their terms since they were the ones who were misled. According to Respondent A, they would still accept the land. However, the remaining six million should still be answered for.

She also added that there were still chances of simply accepting the land. As mentioned by Respondent A, "We understand their situation but they must also look at our side as well. Then again, as I've said, everything is transitory. We have yet to look into things. Anything can happen. You'll never know, we might change our minds. We might just accept their offer. But we really have to investigate that land before any decision is made. We're working on it"

**Duration of the Conflict Management Process**

The conflict management process has been going on for almost six long years. As a matter of fact it's still ongoing. According to Respondent A, the conflict could not have been extended had Company X agreed to their terms. Besides, Company Y was the one who felt more offended. As such, Respondent Y hopes that Company X would agree to their terms so that everything would be put to an end.

### **Preferred Conflict Management Style**

When asked which of the five conflict management modes Respondent A would prefer, she chose compromise and collaboration. However, she believes that the conditions should be set by Company Y. She feels that they were the aggrieved party and that Company X should adjust to their terms. However, Respondent A understands that Company X is having problems of their own. Hence, Company Y is trying to find ways on how to solve the problem. According to Respondent A, "We know their situation. So we still have to find ways on how this can be solved. We fully understand that (Company X) is buried with so many problems. Then again we cannot remain as victims. Something has to be done. I know they can find ways. That is why we haven't really resorted in bringing this case to the courts. We have to put our feet down. Everything is still being investigated upon."

### **Effects of Preferred Conflict Management Strategy**

According to Respondent A compromise and collaboration would really help. As a matter of fact, she believes that so far, through the process of compromise, situations have gotten lighter.

Moreover, according to the Thomas-Kilmann Instrument (TKI), it showed that Respondent A preferred to use compromise in resolving the situation. Below is a table that shows the tallied number of responses upon answering the Thomas-Kilmann Instrument.

### **Thomas-Kilmann Instrument (TKI) Results of Respondent A**

The Thomas-Kilmann Instrument showed that Respondent A had high preference to compromise as a strategy in resolving the conflict situation. It also showed that the second ideal mode for her was through competition. Meanwhile, accommodation was her least preferred mode.

The instrument substantiated the fact that Respondent A would like to solve the conflict situation through a compromise. Although negotiations have been done, Respondent A still has reservations. As she said in the interview, "I believe that having a middle ground will really set things straight... We have to meet halfway. Otherwise, wala talaga. Pero sa ngayon, pinag iisipan pa talaga ang lahat. Kailangan rin mag imbistiga eh".

### **RESPONDENT B**

Respondent B is the 55 year-old acting vice-president of Company X. In essence, he represents the late vice-president and the vice-president. Hence, he has become the chief spokesperson for Company X.

Basically, the questions to Respondent B were the same as Respondent A's. Below are the salient points that the researcher deemed to be significant for this part of the research.

### **Definition of Conflict**

According to Respondent B, conflict involves having disagreements. He believes that their situation with Company X is exactly what conflict is. For him, conflict is usually caused by lack

of communication. However, as he said, "In our case money was the root of all this evil so to speak".

### **Causes of Conflict**

Respondent B reiterated that the cause of their conflict with Company X was money. Basically the whole problem came about when their late president and vice-president borrowed money from Company Y. The problem was, the president of Company X and the vice-president of Company X did not inform them that transactions were being made at that time. So, everyone in Company X was shocked when all of a sudden they were being threatened to be sued in court. All of sudden demands were being made by Company Y. Thus, they were all shocked. When their late president explained the situation, it all got clear to them that the conflict began with unsettled debts. Naturally, all the officers had to be involved since the money was put in the account of Company X.

### **Effects of Conflict**

Respondent B also felt that there were no positive effects of the conflict. He said that the situation brought more problems than they could handle. The negative effects for Company X were very much evident. First of all, the mere fact that they got tangled up with the skirmish was negative in itself. Rather than having time to fix their company, they still have to attend to added burden. Moreover, because of the whole conflict situation, people within their organization have had several arguments already. According to Respondent B, "this has

been too much of an added burden to already grave matters. Positive? I would say none. This has brought us more problems than we can handle. I can say that this has been all too negative for us."

#### **People Involved in the Conflict Resolution Process**

As mentioned by Respondent B, ideally he and his other constituents should not have been caught up in the situation. However, since their company is a corporation, whatever snags the other person has, the rest get hooked as well. However, the ones who are actually concerned are the vice-president of Company Y, Company Y's legal counsel, Respondent B, Company X's legal counsel, and the corporate lawyer who is involved in the mediation.

#### **Proposed Solution**

When asked how Respondent B would want the problem to be managed, he simply wanted Company Y to hear them out. He felt that the other party has not understood their situation. He believed that Company X has not listened to them well. Respondent B narrated that they have been doing their best to make amends with Company X. He said if it is business that Company Y wants, they should just stick in that context. For him, Company Y has gotten personal with the whole matter. He suggested that the other party simply detach themselves from personal feelings and simply stick to the technicalities and bounds of the debt itself. Respondent B mentioned that Company Y should not let personal grudges or resentment affect the whole matter. Respondent B said, "It's bad enough as it is, let's not make it worse. Our company has

fallen already and that should be clear to them and that we cannot generate enough money to pay that two million much more the fourteen million. Take the land or leave empty-handed. That's the best and only way we can solve it. Meet us halfway as well".

#### **Duration of Conflict Management Process**

Respondent B said that the whole process of managing and negotiating has been going on for six years already. According, stubbornness has been the reason why the whole situation has been prolonged. He also added that pride and greed may have also been a factor in prolonging the whole situation. As Respondent B said, "Sorry to say but their demands are way over the top. It is exaggeration at its finest". With this, he felt that nothing can be solved if Company Y continues to insist that Company X pay 14 million when they really have nothing to extract from.

#### **Preferred Conflict Management Style**

Respondent B said that they have already gone through one of the conflict management modes which was avoidance. There was a time when both parties kept away from each other and did not have any communication whatsoever. He said, "It would have been better if they weren't actually related to us or if they weren't good friends. But they are. Actually that should have been our edge. But they also took advantage of that". He felt that Company Y must have felt that since Company X was related to them in one way or another, Company X would "bow down" to Company Y's demands.

Conversely, Respondent B said that if they had money they could have easily paid and avoided the whole situation. However, the problem was, Company Y really had no funds. Respondent B said that Company Y should comprehend that.

Therefore, he said that compromise would be best for both sides. Company Y should simply see that Company X has nothing else to offer and the land would be the best way in settling the matter. According to Respondent B, "We're buried neck deep and we have no other options. I think this land has met them half way already. That is enough to pay off the two million. It is enough to pay off the interest as well". Respondent B cannot seem to understand why Company Y is prolonging the mess when they have already proposed a solution. He suggested that Company Y look deep into their situation. He could not understand why Company Y cannot seem to comprehend that Company X has no funds. They already know that Company X was closed. According to Respondent B, the land is the best and only thing they could offer so Company Y should simply settle with that.

### **Effects of Preferred Conflict Strategy**

Respondent B believed that with compromise, everything can be put to an end. If Company Y accept Company X's offer, matters would be concluded. He said that if they just met half way then the whole situation would not persist any longer. He said that lengthening the whole matter would only build up more hurt, damage and of course financial setbacks. Respondent B said that, "Compromise is the key". Personal qualms and issues should be set aside so that everyone could

get on with their lives. If it is the money that Company Y wants, Company X recommends the land worth more than they need.

### **Thomas-Kilmann Instrument (TKI) Results of Respondent B**

The Thomas-Killmann Instrument showed that Respondent B had high preference to compromise as a strategy in managing the conflict situation. It also showed that the second ideal mode for him was through avoidance. Meanwhile, accommodation was also his least preferred mode.

The instrument substantiated the fact that Respondent B indeed preferred compromise more than any other mode. However, he also mentioned that they had already undergone avoidance and they have gone past that. Moreover, as respondent B put it, "Compromise would be our best shot in this. They should see that we have nothing else to offer and that the land is our best way in settling this matter".

### **RESPONDENT C**

Respondent C is 31 year-old lawyer. He is the mediator of the whole situation. Since his mom works for Company Y and his dad for Company X, he felt that it was his obligation to intercede with the case.

Again, some of the questions that were asked to the two other respondents were used to interview Respondent C. However, and additional input on how he views the whole conflict situation was added. Below were the important responses deemed relevant for this part of the study.

**Definition of Conflict**

According to Respondent C, the conflict between Company X and Company Y is the perfect example of conflict. He said, the two organizations have been saturated and drenched with the situation that they can actually embody conflict itself. Conflict for him is when two parties cannot seem to meet their terms. In this case, Respondent C believed that both companies cannot seem to settle their differences.

As Respondent C said, "Well, look at it this way. When money is involved, you will definitely experience a lot of problems. True enough, problems are very much evident in this case. For one, they can't seem to agree on anything. When two groups are fighting over something, I guarantee you, that is conflict."

**Causes of Conflict**

Respondent C restated that money was indeed the beginning and source of conflict. Since Company X had no means of paying Company Y, a lot of heated arguments came about. The case basically worsened when Company Y refused to accept the proposal of Company X.

**Effects of the Conflict**

The whole conflict situation between Company X and Company Y had many negative effects. However, according to Respondent C, he said that there is actually a positive side with regard to the whole situation. Certainly, it was obvious that the conflict damaged relationships and that bickering and blames have been interchanged and swapped. But, as Respondent C said, "the best part about this is that both parties

learned to be more diplomatic with their negotiations. They've somehow separated business with relations".

Although the muddled personal relationships cannot be ruled out, whenever they would have meetings, the representatives would set aside their personal differences. Respondent C supposed that hurt and pain have been a great part in the issue but that has been unavoidable and expected. However, according to Respondent C, they are doing their best to get things fixed. He said that it may have been taking quite some time but he remains positive. Besides, Respondent C feels that the whole matter has subsided gradually.

#### **People Involved in the Conflict Management Process**

According to Respondent C, "supposedly it should only involve the vice-president for finance of Company Y, the president and vice-president of Company X. However, since the president and the vice-president have passed away, things have gotten complicated. Naturally amendments were made with regard to the company make-up of Company X. Hence, representations have been made by the acting vice-president (who was the corporate secretary before) and the legal counsel of Company X.

On the other hand, Respondent C got involved because he felt that he had the responsibility to take charge and mediate the whole situation.

#### **Preferred Solution**

Respondent C said that the best way that the whole matter could be countered is through compromise. Both parties should agree on one

point. He said that "I believe that Company Y should simply accept the proposal of Company X". He also mentioned that he has been trying to let Company Y realize that Company X really does not have enough resources so they should just accept the land. Respondent C would really want to put an end to the whole situation. He said that a lot of damage has been done already and he does not want to prolong matters anymore.

### **Third Person's Point of View On the Conflict Situation**

Respondent C said that compromise is definitely the best way in solving the conflict. However, with Respondent C's role as a mediator he would hope to finally convince both parties to meet halfway. He said that so far he has been quite successful in getting them to speak with one another. Before, no one would talk to anyone. If they did talk, the topic of conversation would solely be about the conflict itself

According to Respondent C, "I really know that laying out all their cards would help decide on what the middle ground would be. Prolonging this would only hamper all future relations and plans."

### **Thomas-Kilmann Instrument (TKI) Results of Respondent C**

The Thomas-Kilmann Instrument revealed that Respondent C also had high preference to compromise as a strategy in managing the conflict situation. It also showed that the second ideal mode for him was through avoidance. Meanwhile, competition was his least liked mode.

Member of Company X	Conflict Management Mode				
	COMPETING (f)	COLLABORATING (f)	COMPROMISING (f)	AVOIDING (f)	ACCOMMODATING (f)
Mediator	3	1	11	9	6

**Table 1 Frequency of Preferred Conflict Management Mode of Respondent C**

The Thomas-Kilmann Instrument substantiated the fact that Respondent C was more inclined into managing the conflict through the mode of compromise. According to him, "Compromise is the only way especially in this scenario. You can never go wrong once you let both sides present their cases and then let the middle ground win."

#### **Interview With Company X**

The first general meeting was with Company X. There, five of their officers sat down with the researcher. Those present were the corporate secretary, corporate lawyer, treasurer, and two of the board of directors. The set-up was sort of like a panel discussion, wherein the researcher would ask questions and whoever wanted to speak would speak.

The cause of the interorganizational conflict was collectively agreed upon that money was the cause of all their troubles. However, on a wider perspective, it was poor communication which resulted into a worse scenario. If the key person who made the transactions had told their respective companies, then the nuisance of trying to grasp the whole situation would not be felt by the uninformed members.

However, even though the other oblivious members have been aggravated by the situation, they would still answer to the problems that were brought about by neglect. Naturally, the company is a family corporation and they would still have to stick together no matter what happens.

According to the interviewees, the effects of the situation have been terrible. It was always emphasized that their relationship with Company Y had been tainted so badly. Gone were the days when the members of the two companies would simply just talk about life. Since the beginning of the issue, Company Y became rather hostile to some members of the Company X family. Of course, Company X refused to let the matter go out of hand. Rather than fight head to head, it was agreed upon that Company X acquire the part of understanding their adversaries. Besides, it was on Company X's side that created the problems.

However, it was contested that Company Y should also give some leeway to Company X. What they could not understand was the fact that Company Y has been forcing the issue of getting the exaggerated amount of 14 million when they knew very well that Company X was already dead broke. As it was reiterated by two of the board of directors, "it is like pouncing and stomping on a dead body, alam na nga na walang pera pagpipilitan pa yung 14 million".

Although Company X has no means of paying their debts, it was mentioned that they are doing their best in trying to resolve the amount. As such, Company X is hoping that Company Y simply accept the eight million worth of land. However, one said that "it must be greed

that is pushing them to ask for more". Another mentioned, "What I cannot understand is that we are technically family. Although I acknowledge the fact that business is business, they should understand that we have nothing else to offer them".

In general, it was affirmed that the effects of the conflict situation have been bad. Company X did not see anything good that the circumstances have brought them--- relationships have been mangled and messed up. Feelings of distress, anger, and disappointment have been declared by the members of Company X.

The corporate lawyer, being the mediator mentioned that, "Perhaps the only good thing that came about this is the fact that people have learned to become business-like".

When the researcher asked the interviewees how they would hope to manage the issue, compromise was their top answer. The Thomas-Kilmann Instrument also revealed that compromise was the highest scored response. Moreover, it was emphasized by the respondents from Company X that Company Y should simply accept what Company X is offering otherwise nothing else will offset the debt. It was mentioned that the cards have been laid out in the open and that a halfway should be met otherwise nothing can be arrived at.

When Company X was asked of the possibility of being sued, the acting vice-president said, "We're not afraid. We are sure that their case will not be considered legal". For one, there was no contract so the case may not be accepted in court. There were no records of the transaction that may prove some illegalities of their dealings. Second, the amount being demanded by Company Y would be questionable

in court. Hence, Company X is confident that Company Y would have no sufficient defense. As such, Company X has been resolute and staunch in paying the debts through a land worth eight million pesos.

#### **Results of the Thomas-Kilmann Instrument Administered to Company X**

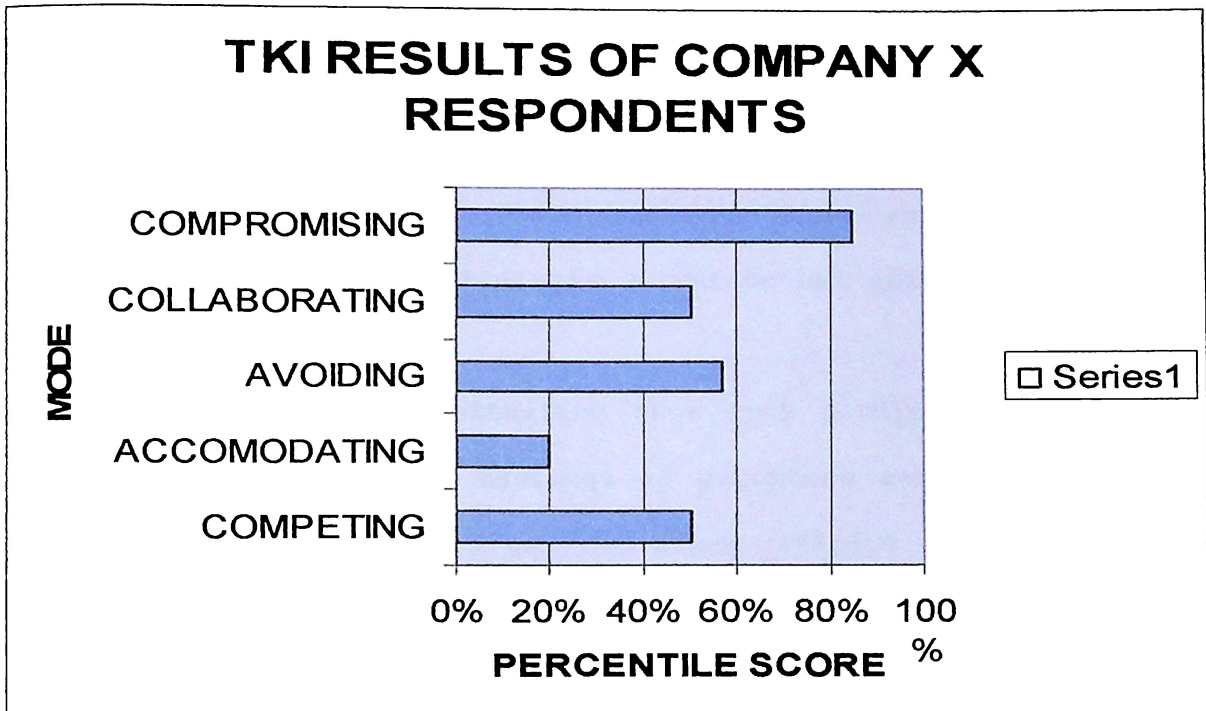
The Thomas-Kilmaan Instrument revealed that all the representative of Company X preferred compromise as the most appropriate mode in resolving the situation.

Member of Company X	Conflict Management Mode				
	COMPETING (f)	COLLABORATING (f)	COMPROMISING (f)	AVOIDING (f)	ACCOMMODATING (f)
Acting VP	8	5	11	5	1
Legal Counsel	8	5	11	5	1
Treasurer	6	7	10	6	2
Board of Director #1	6	5	9	6	4
Board of Director #2	6	7	11	3	3

**Table 2 Frequency of Preferred Conflict Management Mode of Company X**

#### **Bar Graph of the Thoma-Kilmann Results of Company X Respondents**

Based on the tallied number of times the respondents chose a particular mode, compromise was the most favored mode. The graph below shows that compromise had a percentile score of 85%. Consequently, the average score of compromise was 10.2. This meant the conflict mode compromise was the most selected mode of Company X. Next in line was competition. Meanwhile, the least preferred mode accommodation.



#### Interview with Company Y

A separate interview date was set with Company Y. Four key people were also present in the meeting: the vice-president for finance, the vice-president for administration, the corporate secretary, and the legal counsel. Since the corporate lawyer of Company X was the mediator, he was also present. The set-up was also similar to that of the arrangement with Company X. It was sort of like a panel discussion, wherein the researcher would ask questions and whoever wanted to speak would speak.

The cause of the conflict was perceived to be as unpaid debts. However, on a larger perspective, Company Y as a whole sees the source as lack of proper communication. If the vice-president of finance had told the board and Company Y's other constituents, then

the matter could have been dealt with more properly. Since the vice-president felt that there would not be any problems with regard to payment, it was an initial feeling that the loan would be answered immediately by Company X. Unfortunately, those responsible for the debts have passed away. Hence, the situation has gotten ugly for their part.

The effects of the situation have been nothing but negative on their part. For one, their feelings of deception were very much felt. It was unclear to the board and the other officers why the matter was kept under the table. They could not understand why it was left unseen and why it was kept that way. In the defense of the vice-president for finance, she mentioned that the issue was kept mum because she has full trust on Company X. She thought that they would have no problems in paying their debts. The vice-president for finance also added that it was "family" so she felt that there was no need to through all the lengthy paper work. Moreover, she admits and takes in all the blame for all the shortcomings that she had caused.

Nevertheless, Company Y has been solid in their decision that 14 million pesos be paid. This amount was arrived upon reasons of lapsed time, interest, and financial damages caused by the debt. Through the Thomas-Kilmann Instrument, the vice-president revealed that she as more on the accommodation side. This meant that a win-lose situation would be arrived. Naturally, the favorable situation would be on their side.

Company Y has also expressed that they would file a case in court if Company X would not agree to their conditions.

### Results of the Thomas-Kilmann Instrument Administered to Company Y

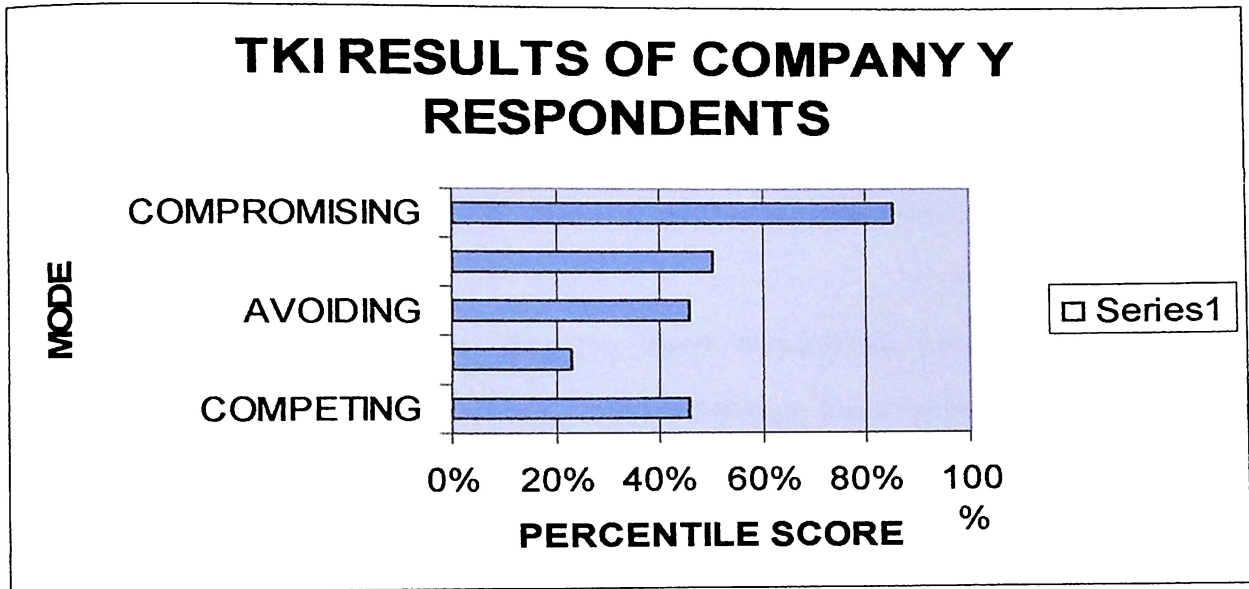
The Thomas-Kilmann Instrument revealed that the preferred conflict mode of the four respondents of Company Y was also compromise. The second favored mode was collaboration.

Member of Company X	Conflict Management Mode				
	COMPETING (f)	COLLABORATING (f)	COMPROMISING (f)	AVOIDING (f)	ACCOMMODATING (f)
Acting VP	8	5	11	5	1
Legal Counsel	8	5	11	5	1
Treasurer	6	7	10	6	2
Board of Director #1	6	5	9	6	4

**Table 3 Frequency of Preferred Conflict Management Mode of Company Y**

### Bar Graph of the Thomas-Kilmann Results of Company X Respondents

Based on the tallied number of times the respondents chose a particular mode, compromise was also the most preferred mode. The graph below shows that compromise had a percentile score of 85.40%. As a result, the average score of compromise was 10.25. This meant that the conflict mode compromise was the most selected mode of Company X. Next in line was competition. Meanwhile, the least preferred mode accommodation.



#### Synthesis

Fundamentally, it was apparent that the two parties acknowledged the same cause of the interorganizational conflict.

According to Mr. Mediator, the conflict began when the president and vice-president of Company X, requested the vice-president for finance of Company Y, to loan an amount of 2 million. The money borrowed would then be used as an additional infusion of capital to Company X. Since the vice-president for finance of Company Y was married to the vice-president of Company X, it was not much of a tug and pull situation. Although Company X and Company Y are separate and distinct corporations, the two organizations have become connected merely due to the fact that the vice-presidents of the two companies were married. Unfortunately, the three people who transacted the business did not inform the other members of their respective companies as they felt it was not such a big deal.

It was November 11, 1996 when Company X borrowed two million pesos from Company Y. Unfortunately, as mentioned earlier the people involved with the transaction did not inform their own constituents. Hence, come the due date of the payment, which was January 11, 1997, situations turned sour.

Company X was buried with so many financial problems. They had debts here and there. Therefore, they did not have enough funds to pay their debts. As such, since the president and vice-president of Company X felt that the debt would not be rushed because of their relation with the vice-president for finance of Company Y, the loan was slowly being disregarded. However, when the the vice-president of Company Y realized that Company X had not kept to their pledge, she quickly demanded that the payment be given as soon as possible or else Company Y would be questioning her. Company X did comply to pay. However, to make matters worse, while Company X was trying to find ways on paying their dues, they stalled Company Y by issuing post-dated bad checks. This meant that all the checks that were given bounced on the dates of retrieval. When Company Y found out about this, naturally, their board of directors was shocked and dismayed. Consequently, this situation caused blazing fire from a simple flame --- the onset of the interorganizational conflict between Company X and Company Y.

From the 1997 due date until the present time, the debts of Company X have not yet been paid. As ill fate may have it, the two people who borrowed the money passed away. Year 2000, the same year

that Company X broke down, the president died. On May 2002, the vice-president was a victim to a senseless killing by a crazed addict.

Hence, the conflict even got bigger when the two respective companies realized that those responsible for the debts would not be accountable for the amount overdue that was left behind. But of course, despite the situation, Company Y still had to attend to their lost money.

As soon as Company X finally got to settle their organizational make-up, transactions commenced once again. This time, the corporate lawyer of Company X represented the deceased president and the company as a whole. Meanwhile, the corporate secretary had to imbibe two roles---- being the corporate secretary and the vice-president. However, since there was also a board of directors, they also sufficed the absence of the late vice-president.

Since the vice-president of Company Y is accountable for the loaned money, she was tasked to deal with Company X. Of course, she could not do this alone, so the legal counsel of Company Y also assists whenever meetings would commence. Since the problem already reached the upper strata and the rest of the members of Company Y, it was a general decision to put a 20% interest on the debts of Company X. To date, the two million peso debt has increased to a staggering 14 million pesos. This amount was specified and set by Company Y for reasons of lapsed time, interest, and liabilities caused by the debt.

On the other hand, according to the Company Y, the increase was overestimated to the point of being unreasonable. Company X complained that 14 million pesos was way over the top even if the interest was

already included. Company X argued that Company Y charged them more than they should have.

Although the corporate lawyer was under Company X, he served as the mediator. Since he is directly connected to both companies (due to blood relation--- his mom is in Company X, his dad in Company Y), he had unbiased views on the situation. As a matter of fact he was left with the burden of making both parties happy.

The corporate lawyer then proposed that the amount be paid via land property. This land is actually owned by Company Z--- another company wherein the vice-president was also a part of. It was suggested, that since the company is bankrupt, the eight million worth of land would be enough to compensate for everything.

Unfortunately, Company Y was not content with the offer. Company Y agreed to accept the eight million worth land with the condition that Company X would still have to pay the remaining six million. Company Y believes that Company X caused them trouble when they issued the bad checks. To add insult to injury, the debts even exceeded the due date. Hence, Company Y was strong with their demand that the 14 million amount be paid by Company X for grievances that have been caused.

In contrast, Company X did not approve of such dealing. The members of Company X were surprised and heated upon knowing that Company Y still would not accept their proposal. The defense of Company X was that the eight million worth land is actually more than enough to pay off the amount overdue. Hence, the demands of Company Y cannot be met.

Ideally, the persons resolving the conflict should be the president, vice-president, and legal counsel of Company X and the vice-president and legal counsel of Company Y. However, since the president and vice-president of Company X have died, adjustments have been made within the officers. Hence, representatives were assigned. The corporate secretary would take the place of the vice-president. Meanwhile, the corporate lawyer would represent the president.

Hence, the people who are directly involved would be the vice-president for finance and the legal counsel of Company Y, and the acting vice-president and the legal counsel of Company X. Meanwhile, the corporate lawyer would be the mediator of the situation.

Attempts of solving the case have been more than too many. However, since a mutual decision has not been made, the case is still on going. From 1997 until the present time, no final outcome has been done.

Presently, the case is in limbo. Although Company Y is threatening to bring the case to the courts, Company X is not worried because the transaction had no contract at all. Therefore, it would not be viable or recognized in court. Since the dealings were mostly done verbally, bringing it to legal proceedings would not result into anything. As such, according to the mediator, he suggests that Company Y simply accept the land so that everyone could go on with their lives. Unfortunately, Company Y has been stubborn and headstrong with their decision.

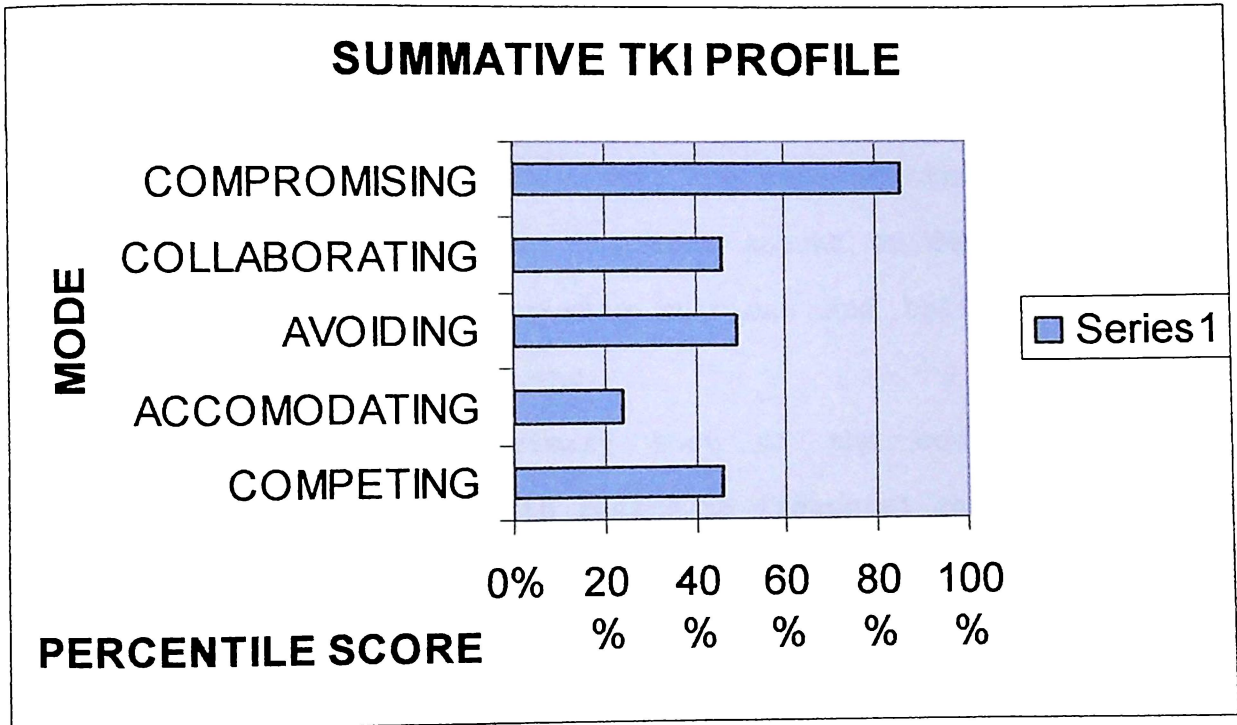
As a whole, both parties want to settle the issue immediately. According to the Thomas-Kilmann Instruments, results have shown that

the general attitude towards the conflict situation is on the compromise side. Findings have also revealed that concerned parties from Company X and Company Y plan to have a sit down meeting and finally get to resolve the issue.

The effects of the conflict between Company X and Company Y have been generally negative. Both parties saw no positive outcome of the situation. Feelings of distress, anger, and deceit were mentioned. Moreover, the relationship between the two companies turned sour when the conflict began.

On the other hand, the mediator felt that there was also a good side that can be seen. For him, the fact that both parties have sort of become business-like was an advantage so that matters could be settled appropriately. However, since personal feelings could not be ruled out, the situation was also tainted with an emotional side. However, the mediator continues to be positive that the two organizations would agree at a compromise. He believes that the process of compromise has already been helping out especially regarding the communication problems that the two parties had before.

Summary of the Thomas-Kilamann Instrument (TKI) Results of the Two Organizations



This bar graph shows that compromise indeed had the highest percentile score. This means that the ten respondents preferred to solve the situation through a compromise. A percentile score of 91.70% and an average of 11 revealed that the two organizations preferred the same mode--- compromise.

According to the Thomas-Kilmann Instrument, if compromise had the highest scores, it would mean that the mode they chose was intermediate in both assertiveness and cooperativeness. The objective of compromise is to find some expedient, mutually acceptable solution which partially satisfies both parties. Compromising gives up more than competing but less than accommodating. Likewise, it addresses an issue more directly than avoiding, but doesn't explore it in as much depth

as collaborating. Compromising might mean splitting the difference, exchanging concessions, or seeking a quick middle-ground position.

### **Discussion**

Based on the interviews, the primary cause of the conflict was constantly being reiterated as money. The cause of the whole conflict situation was due to the fact that the amount of debt has not been paid and that there were opposing opinions and beliefs on how the situation should be put to an end.

In a nutshell the primary root of the conflict was from irreconcilable differences with regard to financial concerns. However, the situation escalated when Company Y was not willing to be content with the eight million worth of land. Since Company X is bankrupt and all their accounts have been frozen, they cannot give in to the 14 million that Company Y has been demanding. In theory this situation could be closely correlated as scarcity of resources and communication problems.

Primarily, the root of the problem was caused by scarcity of resources---lack of monetary back-up. Since Company X has been financially inept to the point of being penniless, the sum that is being asked of them cannot be met. Moreover, the two parties have opposing beliefs. Company Y has been firm in their decision that 14 million must be paid or else situations would have to be brought to the courts. On the other hand, Company X believes that Company Y is simply imposing such a huge amount for the simple fact that they just want more money--- as the OSCO representative put it, greed.

Furthermore, the problem may be primarily due to poor communication. The two parties just could not seem to settle on anything because there have been times that Company Y would simply disregard Company X. In effect, Company X has also become aloof to the other. Moreover, the cause of the conflict was due to the fact that the parties were not communicating properly. The mere fact that the three initial involved individuals did not inform their respective companies instigated the problem.

This dilemma has widely affected the two concerned parties. Aside from the fact that Company Y should be properly paid, the relationship of the two parties have turned sour. Even though the two companies are different and separate, the people behind their respective organizations used to be in good rapport with one another. However, since the onset of the debt, according to the interviewees, bickering and fights have been apparent between the two companies. Hence, feelings of anger and distress were very much apparent.

In theory, the persons involved in conflict situations, most especially interorganizational conflict should be the decision making body. This was proved to be true as most of the representatives from both organizations have sent their respective officers. In this case top managers have been evident in the conflict resolution. The top managers are the ones responsible for the performance of all departments (Jones, 1998). They have cross-departmental responsibilities. Top managers get to establish and ascertain organizational goals. Examples include knowing which goods and services the company should produce. The top managers decide how the

different departments should interact. They also monitor and observe how well middle managers in each department make the most of available resources to attain and accomplish organizational goals. Additionally, for this scenario, a mediator has gotten involved.

According to studies, a mediator primarily attempts to help parties facilitate the dispute but holds no decision or power (Miller, 1999). Mediators have high control over the intervention process. Their primary purpose is to manage the process and context of interaction between the two parties. However the parties still make the final decision on how to resolve their differences (McShane and Von Glinow, 2000). Thus, mediators have little or no control over the conflict resolution instead they are only there to facilitate the process of arriving at a solution.

The conflict situation was managed by having the representatives lay their issues bluntly. However, since the two could seem to agree on anything, the mediator has presented to fix the case. Since he is connected to both organizations, he has been advising Company Y to simply accept the proposal of Company X. However, Company Y has not been pleased with the suggestion of Company S. So, nothing has been finalized yet. Mr. mediator hoped that Company Y would agree to the offer of Company X so that everything would be put to rest. He believed that it was the best and only offer that Company X can give. Hence, Company Y should not have any demands anymore. Besides, according to Mr. Mediator, they are "family" and people should just get along with each other.

Through mediation, with the presence of the corporate lawyer, the strategy of compromise has already been applied in the conflict situation. His task was purely to listen and to find a middle ground in solving the issue. He was the one who talked to both parties so that a middle-ground may be set. As a matter of fact, he was already able to let both parties know that the best way to solve the problem would be for Company Y to accept the land of Company X. Although Company Y has been firm with their terms, negotiations have been done to persuade Company Y into agreeing with the proposed middle ground. As a result, according to the mediator, Company Y already considered the offer. However, Company Y just felt the need to examine if the land really is clean.

So far, the mediator believed that compromise worked well with the situation. As he saw it, the process of being able to talk out things and loosening the unyielding views of the closed-minded proved that compromise was indeed the most effective in managing the conflict.

The Thomas-Kilmann Instrument showed that the best and most apt strategy was compromise. This was considered to be the most ideal strategy as it was intermediate in both assertiveness and cooperativeness. The intention of the mode is to find a quick and mutually acceptable solution that partially satisfies both parties. Compromising is usually likened to being in the middle ground (Weaver, 1999).

The research done by Amason, Hochwarter, Thompson, and Harrison showed that the successful teams used conflict to their advantage to

arouse discussion and stimulate creative thinking. Meanwhile, the less successful teams did a poor job of managing their differences as they saw conflict as a burden. In relation to the study done by Amason and his associates, the current research has shown that the interorganizational conflict between Company X and Company Y have been more on the A-type of Conflict. This means that the conflict situation has been deemed as disadvantageous to both parties. However, there have been signs that the situation would want to gear towards the C-type of Conflict. As mentioned by the Mr. Mediator, he believes that the conflict does have a positive effect if you look at it closely. As he said, "discussions regarding the conflict have been business-like which has made the parties involved a little bit more objective."

In a nutshell, managing the interorganizational conflict between Company X and Company Y was generally slow. Although the process had been rather extensive, the conflict mode compromise proved to be beneficial for the two corporations. So far, the discussions and meetings have gradually been geared towards managing the whole conflict situation. There were previous events wherein the two parties were not in contact with each other. Ever since the mediator intercepted, the method of compromise has been progressively beneficial to both companies. It can be said that compromise has been, to a certain extent, effective and helpful in managing the interorganizational conflict between Company X and Company Y.

### **Limitations of the Research**

Due to time constraints of the respondents, there were only five major interviews done. The first was a focus group interview with five officers of Company X. It was then followed by a separate interview with the acting vice-president of Company X. The third focus group interview was done with the members Company Y. The fourth interview was solely done with the vice-president for finance of Company Y. However, in the event that the researcher had questions, phone interviews were employed.

The primary source of information was the mediator, the corporate lawyer. He was the one who substantiated and assisted in giving out the information needed. He was also the primary contact person. Hence, he was the one who provided the basic and essential information of the two concerned parties. He also documents regarding the organizational structure and make-up of the two organizations.

This research was fundamentally bound to the interviews done with the respondents. Moreover, the instrument for gathering data which was through a focus group interview may have limited some individuals into answering the questions.

## CHAPTER VI

### Summary, Conclusions, and Recommendations

#### Summary of the Study

This study mainly focused on interorganizational conflict between Company X and Company Y. This research delved on the causes, effects, people involved, and the conflict management strategies of the situation.

The primary objective of the study was to determine how the causes and effects of interorganizational conflict were managed effectively by the parties involved in the conflict situation. Meanwhile, the specific objectives of the study were:

1. To find out what caused conflict between Company X and Company Y.
  - a. To discover how conflict affected the two organizations.
  - b. To identify the perceived feelings and thoughts that were caused by the conflict.
2. To determine how Company X and Company Y handled the conflict situation.
  - a. To know who were involved in the conflict situation.
  - b. To know the strategies used in the conflict situation.
  - c. To know how the strategies helped in managing the conflict.

Results revealed that the interorganizational conflict between Company X and Company Y was rooted from unsettled debts due to scarcity of financial resources. Moreover, poor communication made the conflict much worse as certain individuals refused to deal properly.

The effects of the conflict have been generally negative as relations between the two organizations have turned sour. There were basically four people who were directly involved in resolving the conflict. All of them were from rank and file. Moreover, they are the ones who have immediate access and knowledge to the conflict situation at hand. The presence of a mediator was also added in the picture to facilitate over the dealings between the two concerned organizations. Findings pointed out that compromise was the most preferred mode for the situation. From the interviews done, it was evident that the two companies agreed in one matter--- that a middle ground must be met. Furthermore, the results of the Thomas-Kilmann Instrument showed that compromise was indeed the most selected mode in resolving the conflict.

### **Summary of the Findings**

Findings have revealed that the conflict was caused by unpaid debts. Moreover, the conflict evolved when there were communication problems between the two parties. Since there were times when Company Y was aloof with Company X, there was a period wherein no contacts were being made which eventually led to the duration of the problem.

The causes of the conflict have gravely affected the two aspects of the parties involved. First, both companies experienced financial setbacks. Company X was shut own in year 2000 due to loss of funding. Meanwhile, Company Y lost two million since Company X had to means of paying them back. Secondly, feelings and emotions were hurt in the course of the conflict situation. Feelings of deceit and

disappointment were felt by the representative of Company Y. Conversely, Company X also felt bad as they could not comprehend why Company Y insisted that they pay 14 million when it was apparent that Company X was bankrupt. Hence, according to the respondents, there were no positive effects whatsoever that the conflict situation produced.

On the other hand, the mediator felt that there was also a constructive effect that the conflict brought the two organizations. He said that because of the situation, the parties have learned to be more business-like. For him, that was a good sign because that could help in managing the conflict. Although there have been personal

Findings have shown that compromise has been rather effective in managing the conflict between Company X and Company Y. Although the process has been gradual and time-consuming, results were still seen as Company Y at the very least considered to agree with the proposal of Company X.

### **Conclusions**

The study identified that the best way in countering this type of situation is through compromise. Once the companies have finally agreed on a middle ground, it would definitely help in putting an end to the issue. Although the conflict situation still persists, the conflict mode of compromise has slowly eradicated certain issues. The most evident proof that the middle-ground helped was the fact that communication tensions and disputes have been reduced.

The research problems posed earlier were answered via scheduled focus group interviews and a questionnaire called the Thomas-Kilmann Instrument. The interviews were basically open-ended to obtain detailed responses from the interviewees. On the other hand, the Thomas-Kilmann Instrument aided in finding out which conflict management strategy the parties involved would want to have. Based on the findings, the following conclusions have been drawn to answer the research problems:

1. The causes of the interorganizational conflict between Company and Company Y have been identified as scarcity of financial resources and poor communication. Results have revealed that due to the lack of monetary back-up, Company X was unable to pay Company Y. Conversely, the lack and deficient communication skills of the original parties involved have caused the situation to crop into a larger scale.
2. According to the results, the effects of the interorganizational conflict between Company X and Company Y have been negative. The most affected element of the whole situation was the relationship of the two companies. Previous to the situation, both companies were in good terms. However, since damages and altercations have been done, the relationship between Company X and Company Y have become sour and bitter. Results have shown, according to the mediator, the only positive effect that the situation brought about was a business-like treatment to the situation. Rather than having some personal grudges with the issue, the context has been

purely business. However, it cannot be denied that the two parties have hurt their relationships with one another. Hence, the negative consequences of the conflict situation seem to outweigh the positive effects.

3. The people involved in the conflict situation were primarily composed of three people. However, in settling the conflict, five people have been apparent in the case. Moreover, a mediator was incorporated in the situation in order to facilitate discussions and hopefully urge the two parties to make final arrangements. Compromise through mediation was fundamentally the strategy in resolving the situation. Moreover, as the Thomas-Kilmann Instrument revealed, the most apt strategy was also compromise.

Results have shown that so far the strategy of compromise through mediation has been slowly working. As such compromise was rather effective in the sense that communication problems were addressed. There were times before when the two parties declined to convene. Ever since the mediator helped in the process of compromise, results have slowly turned situations around. Although Company Y has been definite with their side, they have already thought about accepting the land.

### **Implications**

The study implied that for this case, the most effective way in managing this particular conflict situation is through compromise. Since the dispute was between relatives, it was best that a middle ground be set. The fact that feelings were involved in the situation,

it was rather difficult to convince people what to do. Hence, an appeal to the emotions and the intellect were made use of in order to properly negotiate. Since Company Y needed to be swayed by affirming their emotions, the study showed that by doing so, the aggrieved party may concede. However, in this case, no final decisions have been made. The simple fact that Company Y already agreed to consider the land was proof that the mode of compromise was working for them even if it took so long to convince them.

This study also showed that despite the fact that the two companies had good relationships before, one mistake can actually turn matters around. As it was apparent, former good relations were muddled due to the simple fact that money was not resolved in the soonest possible time. Moreover, it can be seen that lack of communication can definitely bring about bigger problems.

Interorganizational conflict management certainly has a lot of nitty-gritty. Hence, to avoid a situation like this, it is best that companies learn how to communicate well. In addition, loans or other kinds of transaction must be put in its proper context. This means that aside from having verbal agreements, it is necessary that documentation be employed in the course of interorganizational interactions. Therefore, to avoid problems of this kind, it is best that proper communication be kept in mind.

### **Recommendations**

Through the course of the study, the researcher discovered an organization that actually exemplifies the research study which is

conflict management. The company is called CORE Group or CONflict RESolution Group. The organization actually gets involved in different types of conflict. However, their main thrust is to help work out conflict situations through mediation. Hence, the researcher strongly recommends that future studies be conducted with the efficiency of their tactic in resolving conflict situations. It would be very interesting to know that the group has actually successfully disentangled 1,800 cases out of 2,000 conflict situations.

For this case, questions regarding the efficiency of their method may be asked. Moreover, mediation as a relatively new method of resolving conflict can be focused on. Questions regarding the whole process of undergoing mediation can be probed on.

Another interesting case that the researcher would recommend is the ABS-CBN-GMA rivalry. These two networks have always been evidently outshining each other. Now that there has been a more apparent reason for the two companies to be in conflict with each other, future researchers may want to delve on the effects of their conflict to the viewers. However, the researcher would recommend that future researchers be wary as this particular case may involve legal proceedings.

The researcher would suggest that future researchers try to employ diary accounts as it may help in drawing out more detailed records most especially concerning perceptions and feelings of the parties involved. It would also be advantageous if observation be conducted to verify if the narrations are felt in normal operations of the organizations.

## BIBLIOGRAPHY

- Beck, Charles E. (1999). **Managerial Communication: Bridging Theory and Practice**. USA: Prentice Hall, Inc.
- Emory, William and Donald R. Cooper. (1991). **Business Research Methods**. USA: Richard D. Irwin Inc.
- Gardiner, Gareth S. (1996). **Twenty-first Century Manager: Meeting the Challenges and Opportunities of the New Corporate Age**. USA: Peterson's/Paresetter Books.
- Gibson, James R., John M. Ivancevich, and James H. Donnelly Jr. (1994). **Organization: Behavior, Structure, Process (8<sup>th</sup> ed.)**. USA: Richard D. Irwin, Inc.
- Goldhaber, Gerald M. (1990). **Organizational Communication**. USA: W.M.C Brown Publishers.
- Gordon, Judith R. (1987). **A Diagnostic Approach to Organizational Behavior**. Boston: Allyn and Bacon, Inc.
- Hargie, Owen, David Dickson, and Dennis Tourish. (1999). **Communication in Management**. England: Gowen Publishing Limited.
- Hawkins, Brian L. and Paul Preston. (1981). **Managerial Communication**. Santa Monica, California: Goodyear Publishing Company, Inc.
- Jones, Gareth R., Jennifer M. George, and Charles W.L. Hill. **Contemporary Management**. USA: Irwin McGraw-Hill Companies, Inc., 1998
- Kohler, Jerry W., Karl W.E. Anatol, and Ronald Applbaum. (1976). **Organizational Communication Behavioral Perspectives**. USA: Holt, Rinehart and Winston.
- March, James G. and Herbert A. Simon. (1958). **Organizations**. USA: John Wiley and Sons, Inc.
- Miller, Katherine. (1999). **Organizational Communication (2<sup>nd</sup> ed.)**. USA: Wadsworth Publishing Company.
- McShane, Steven L. and M.A. Von Glinow. (2000). **Organizational Behavior**. USA: The McGraw-Hill Companies, Inc.

Plunkett, Warren R. and Raymond F. Attner. (1986). **Introduction to Management (2<sup>nd</sup> ed.)**. California: Kent Publishing Company

Weaver, Richard G. and John D. Farrell. (1999).  
**Managers as Facilitators**. USA: Berre,  
Koehler Publishers Inc.

## JOURNALS

Allen, Myria Watkins. (1992). "Communication and Organizational Commitment: Perceived Organizational Support As A Mediating Factor." Communication Quarterly. Vol. 40, Issue No. 4, pp. 357-367.

Amason, Allen C., Hochwarter, Wayne A., Thompson, Kenneth R., Harrison, Allison W. (1998). "Conflict: An Important Dimension in Successful Management Teams." Organizational Dynamics. Vol. 5, Issue No. 2, pp. 20-33.

Bernadrin, John H., And Alvares, Kenneth M. (1975). "The Effects of Organizational Level On Perceptions of Role Conflict Resolution Strategy." Organizational Behavior And Human Performance. Vol. 14, Issue NO. 1, Pp. 1-8.

Conrad, Charles. (1991). "Communication In Conflict: Style-Strategy Relationships." Communication Monographs. Vol. 58, Issue# 4, pp 135-151.

Farmer, Steven M. And Roth, Jonelle. (1998). "Conflict-Handling Behavior In Work Groups: Effects of Group Structure, Decision Processes, And Time." Small Group Research. Vol. 29, Issue No. 6, Pp. 669-713.

Lovelace, Kay, Shapiro, Debra L., And Weingart, Laurie R. (2001). "Maximizing Cross-Functional New Product Team's Innovativeness and Constraint Adherence: A Conflict Communication Perspective." Academy of Management Journal. Vol. 44, Issue No. 4, Pp-779-793.

Miles, Robert H., and Perreault, William D. Jr. (1976). "Organizational Role Conflict: Its Antecedents and Consequences." Organizational Behavior and Human Performance. Vol. 17, Issue No. 20, pp. 19-41.

Ray, Eileen Berlin. (1991). The Relationship Among Communication Network Roles, Job Stress, and Burnout In Educational Organizations." Communication Quarterly. Vol. 39, Issue No. 1, pp 91-102.

Renwick, Patricia A. (1975). "Perception and Management of Superior-Subordinate Conflict." Organizational Behavior And Human Performance. Vol. 10, Issue No. 7, pp 444-454.

Richmond, Virginia P., Wagner, John P., Mccroskey, James C. (1983). "The Impact of Perceptions of Leadership Style, Use of Power, and Conflict Management Style on Organizational Outcomes." Communication Quarterly Winter. Vol. 31, Issue No. 1, Pp. 27-37.

Ruble, Thomas L. And Thomas, Kenneth W. (1976). " Support Of A Two-Dimensional Model Of Conflict Behavior." Organizational Behavior And Human Performance. Vol. 16, Issue No. 9, Pp. 143-155.

Tjosvold, Dean and Poon, Margaret. (1998). "Dealing With Scarce Resources: Open-Minded Interaction For Resolving Budget Conflicts." Group and Organizational Management. Vol. 23, Issue No. 3, pp.237-255

Yoro, Benjamin Joseph M. (2002). "The Conflict Management Strategies of Central Bank of the Philippines in Handling Employee Associations: A Case Study."

#### **INTERNET**

<http://www.geocities.com/Athens/Forum/1650/qconflict.html>

<http://www.crossover.com.ph/about.html>

# **APPENDIX**

# TRANSCRIPT OF INTERVIEWS

## **RESPONDENT A**

1. How would you define conflict? How can you say that your organization is experiencing conflict?

A: Well, when you talk about conflict per se, I would say that it's simply a situation wherein you have some kind of dispute or discord with another person, company or what have you. This happens when you've laid out certain conditions but they were not met. When you say conflict, in a broader sense, that would involve a clashing of two parties. This is when you realize that you are having some kind of disagreement with another party. Maybe for other companies that would also mean competing for something else. For instance, our company could fight over listenership or ratings or what have you with another company. Or we could have conflict with guests if we cannot accommodate them. It varies in many levels. As for [Company Y], our situation, I think it's pretty evident that we are indeed having some sort of conflict. Of course in this situation, we are talking about unmet terms. Apparently conditions have not been met. We agreed on something but they broke it. That's conflict. When you say something you better guarantee to the other person that you will cooperate accordingly. You can't just let go of words and not keep to your word. Conflict, in my case, is simply breaking trust. Our conflict has gotten deeper than it should have. It could not have gone this long had they complied with our "contract". Well, sorry to say, sorry for me and my company, there was no contract. That fact irritates me all the more. Can you imagine, my name was on the line and I was accountable for whatever agreement we had. I gave my yes simply because I thought it was going to be followed. Ang masakit hindi naman nasunod ang napagusapan. Now that's conflict.

2. How did the conflict situation arise between your company and the other company? What were the causes of your conflict? What started the conflict and how did it evolve?

A: Ok. Well, we've told you about that already in the meeting. I think we've elaborated too much on that aspect. So much so that even I, myself, would not want to hear or say anything about the situation itself. Well, just to make a long story short, it all began with money. Of course we all know that money can really devastate relationships, and I never thought it would happen to me until it really did. As you know too well, the vice-president, who was also my husband, and the president of (Company Y) asked me to loan them 2 million pesos as additional infusion of capital. Well, thinking that it would not be such a problem, I did so without any questions asked. Of course I had my full trust on them that the money would be brought back or paid at the time of our agreement. Unfortunately, that did not happen. To my surprise, I was given bad checks. Year 1997, the year that I had expected them to pay, they would send me checks every now and then. But whenever I would have the checks encashed, they would bounce! Naku, grabe. Hija, I was so devastated. I felt like they were making a fool out of me. Hay naku. Natural, I was mad and I didn't know what else I could do. Later on, the president found out during one of our meetings that an amount of million pesos was missing. Of course I had to explain...etcetera etcetera. Naturalmente! Nagalit. Galit ang lahat sa akin. Que hindi ko raw pinaalam o sinabi. Naku. Of course. Who wouldn't be upset much more

feel distraught. If the bod and the other officers were furious, I was all the more enraged. Siempre ako ang napahiya diba? Ako na nga nagpahiram thinking that I would get the money back, tapos ako pa ang naloko. Sobra naman ata yan. Naku hija. Kaya ikaw pag nagtrabaho ka na, be wise with money. It's nice to spend or lend every now and then...but you have to know when and when not to. I don't think I was. Smart enough that is. I should have foreseen that. Iba talaga pag pamilya ang hihiram. Buti sana kung ka sosyo mo yan. Mas madali pa nag yan eh. Kasi alam mo may kontrata at kung hindi masundo yan, lagot, demandahan. But this one my fault was that I trusted too much. Another lesson hija, don't be too confident—especially when it comes to money. You have to have doubts every now and then just so you could weigh out things much better. I was lured into believing that I could trust them. Besides, they were like family to me. Siempre, my full trust was there. Unfortunately, that was thwarted. It just goes to show that you certainly cannot trust anybody. It's sad but it's the painful truth. So to answer you question...the conflict was caused by money. The money was lent. But they didn't pay. Even though they are proposing the land, I still am not happy with it. I'm still contemplating on that. We'll see. We'll see.

3. How did the conflict situation affect the organization? What are the positive and negative effects of the situation? What are your personal feelings?

A: Dios mio. Ang efecto ng pera ay malaki talaga. The money that was borrowed was not actually that big. But to lose that much is certainly a big deal to the company. Siguro sa kita namin, wala naman iyon hija. But of course that money could still be put into better use. The sad part of the whole situation was that they let me down. I trusted in them so much, tapos napahiya ako lang ako. Can you imagine, I went through all the trouble of "hiding" that issue from my associates because I knew they were capable of paying me back. But I was let down. I know that (Company Y), their officers had no idea. I've also taken into consideration the fact that (president and vice-president of Company X) are already gone. Sila naman talaga dapat ang sumagot sa lahat ng ito. But the damage has already been done. I cannot allow it to pass. You know I understand their situation. I know very well that they have nothing to do with it. Pero kailangan talaga maayos ito. I will not tolerate such irresponsibility. Alamo mo, hindi rin naman ako nagmamatigas. I've been seriously contemplating on what to do. And I might give in to their conditions. I might but there are still consideration that I have to check on our part. I know how to compromise. I think I've been too lenient. Besides si (the mediator), malaki din ang tulong. Sabi nya mag compromise nIng daw kesyo ganyan ganyan. Yes I agree, we have to meet half way. Well, for now, hindi ko pa ata mapagisipan ng maayos. Because of that problem, ako ang napontirya. Siempre na agrabyado din ang kompanya namin. Well see. We have yet to finally decide on that matter. We've thought of taking this to the courts but we don't want this to get uglier than it already is. The answer to your question, how it affected my company? Well, financially, it was such a burden. Of course, the company just can't let go of that amount. We also have dues and other responsibilities to attend to. We just cannot allow the matter to go out of hand. This event, as was mentioned to you by (the mediator), has marred our relationship with (the other company). Of course the aspect of losing the

money was a big issue. More than the squandered amount, it's the relationship within (Company Y) and the relationship with (the other company). For one, my associates have of course gotten disappointed with me. Natural yan. I've accepted my faults. Lucky for me, they are my family and they can understand my side. So, that matter has been addressed. There was a time when my family was so mad at me that we were not in speaking terms. That pained me a lot. But of course, in the long run, they understood me and they've been on my side so far. On the other hand, our relations with (the other company) have curdled. Natural lang yon. Sayang nga eh. Sana hindi na umabot sa ganito. Nakakalungkot hija. More than being angry, its just heartbreaking to slowly have some ill-feelings towards them. Parang familia narin sila. But of course, we are in a business and we must move accordingly. Otherwise, we might be dragged to our demise. That cannot happen. So we have to keep headstrong regarding this matter. AS for my personal feelings, natural masama ang loob ko. I gave my full trust. But it was swayed and bent. I think I've gotten past the angry stage. I probably have forgiven them, may their souls be blessed. But again, I have to tell you that we are a company who has to continue its functions problems or no problems. Siempre mas mabuti walang ganyang problema. Kaya gusto ko narin maayos. Then again, I have to be staunch with my decision. Kailangan mag bayad sila. Osige, I will accept the land that is being offered. But the rest of the fourteen million must be paid. That amount has its basis. I will not go into details (due to Company Y's lawyer's advise). But since (the mediator) has been talking out things with me, we'll see. Everything is transitory. We still have to investigate certain matters. I also want this over and done with. Pero siempre I , we, have to be cautious and prudent with decisions.

4. Who were the people involved in managing this interorganizational conflict?

A: Well, it should be our lawyers. But since we can still negotiate and work things out, the people who are directly involved would be me, our legal counsel, the acting vice-president of (Company X) and their legal counsel. But it should have been the president and vice-president. They've past already so that has been arranged. The acting VP is their corporate secretary and the one who has been moved to represent the company with regard to this matter. But since the people from the other side and our side know each other, there have been times when we'd have gatherings and we'd talk about it. In a strict or formal sense, four people are involved. Oh yeah, (the mediator) has been involved as well. He's the one who talks things out with us. I guess he has the hardest job. But we have the worse side. Kami na ang na agrabyado kami pa ang nag adjust.

5. What was your part in managing the conflict situation? Can you suggest any ways in combating the conflict situation?

A: Well, my part has been to talk things out with them. Since I was involved with the transactin, I represent my company. I negotiate and have meetings with them. My role is

to let them know what our terms are. We have to be firm with our conditions otherwise it would be pointless to agree with their decisions. We were the ones who were slighted, so we should set the play. My suggestion, no. Let me correct that, I insist that they take to take our conditions. I suggest that they agree with our terms.

6. How would you want to solve this situation?

A: Well, if you ask me, I would still want to push for the 14 million. That land is not enough to pay the debts and the damages that were caused. Hindi biro ang mawalan ng pera. Kaya kung ako tatanungin, dapat sila ang mag adjust sa mga condiciones namin. We're not even sure if that land is good. As far as I know, that land is even owned by (another company). They claim that it is clean. We still have to look into that. Mahirap na ang mag agree ng mag agree. Once is enough. I cannot be bamboozled again. So how would I want this to be solved? Well, they better pay. That's all there is to it. This situation doesn't have to get personal. But sadly it has because it's affecting our line of work. We simply cannot allow this to happen again. you see if we let this pass, circumstances may be replicated. We want to avoid that. Pay up. Fourteen million is our price and that is what's right. I don't think it was overestimated. It's fair enough. It balances out the damages and interest. Sama sama na lahat yun hija. We understand their situation but they must also look at our side as well. Then again, as I've said, everything is transitory. We have yet to look into things. Anything can happen. You'll never know, we might change our minds. We might just accept their offer. But we really have to investigate that land before any decision is made. We're working on it"

7. How many times did you attempt to deal with the situation? Do you think this will happen again?

A: Naku hija, matagal nato. There have been too many instances. I cannot count them already. Matagal nato. Nakakgulat six years na ata ito eh. I don't want this to happen again. That's why we've been firm with our dealings.

8. How long has this been going on? What were the circumstances that made the situation persist in that period of time?

A: Well, it's still ongoing as you've been told. The process of solving has been quite a long while. Again, I really feel that they are the ones who should agree to my terms. That is what's prolonging the whole situation. Hindi rin nila maintindihan mga condiciones naming. They say that we're being unfair. I would say that everything has been put in I think a long time has been given and they should find ways in paying me back. Although (the mediator) is there to patch things up, of course we also have to keep our company sound. This can only be done by

9. Among the following conflict management modes (competition, collaboration, compromise, accommodation, avoidance), which do you prefer?

A: I would pick compromise and collaboration. However, I think that the conditions should be set by us. Besides, we were the aggrieved party. So they should comply with our terms. Then again, we also know their situation. So we still have to find ways on how this can be solved. Kami na nga ang naghahanap ng solution para sa kanila. We fully understand that (Company X) is buried with so many problems. Then again we cannot remain as victims. Something has to be done. I know they can find ways. That is why we haven't really resorted in bringing this case to the courts. But if worse comes to worse, sorry nalang, business is business. We have to put our feet down. Everything is still being investigated upon.

10. In your opinion, how effective will your strategy be in managing the situation?

A: I would say that compromise and collaboration would be the best for this situation. Although I've been firm with my decisions, there's also a side of me that wants to put everything under the covers. But of course I cannot let this go out of hand again. Hindi pwede magkalimutan nalang ng ganun kadali. I believe that having a middle ground will really set things straight. Maybe if they give us enough proof that that land is clean and that they have no other means of paying, then we might consider accepting their plan. We've had meetings already. Pero kailangan maliwanag ang lahat. Magkaliwanagan na. I think that certain wrinkles have to ironed out. I know their position on this matter. We have to meet halfway. Otherwise, wala talaga. Pero sa ngayon, pinag iisipan pa talaga ang lahat. Kailangan rin mag imbistiga eh.

11. How would you want this situation to end?

A: Preferably, I would hope to have our conditions be met. Hopefully our personal differences would also be settled. I would really want to be in good terms with them again. But until they haven't settled their dues, it would be hard to relate to people who have hurt you. I am confident that this can be settled. However, I have to reiterate, business is business. Sure we can be friends or family but it's really hard to put up a face knowing that there are unresolved issues. Sometimes issues like these could have well been put aside but since it wasn't only the debts that hurt us, the ruined trust is hard to replace. Well, I know that the people who are dealing with us have no direct business with us, but of course their corporation should be answerable for the debts that were due. Besides, the money was used for the company.

12. What have you learned from this experience?

A: You know the cliché: Never mix business with pleasure? Well, I can verify that it's true. Never conduct business with relatives or friends otherwise you would only be caught in the middle-- wreck your business or ruin your relationships? From this experience, I have learned to value both.

## **RESPONDENT B**

1. How would you define conflict? How can you say that your organization is experiencing conflict?

B: Oh boy. I think conflict involves having disagreements. That's what I think. Well that is what's happening to us. I guess it is usually caused by lack of communication. In our case money was the root of all this evil.

2. How did the conflict situation arise between your company and the other company? What were the causes of your conflict? What started the conflict and how did it evolve?

B: Like what I said, money. Basically the whole problem came about when our late president and vice-president borrowed money from (Company Y). That was November 11, 1996. You see, the problem was all about money. The problem was, (the president of Company X) and (the vice-president of Company X) did not inform us that transactions were being made at that time. So you see we were all shocked when all of a sudden we were being threatened to be sued in court. Bigla nalang ang daming mga demands sa kabila. Kami naman gulat na gulat. Tekang muna, ano ba ang nangyayari. So (the president of Company X) explained to us the situation. Ayun nagkaproblema sa utang. Siempre ano pa ba ang gagawin naming kung hindi tumulong diba. E ang problema wala nga kaming pambayad. Tapos eto sila humingi pa ng 14 million. Ano ba naman yan? Kalokohan naman ata yan diba? Kung meron naman kaming impapambayad, binayaran na namin. Hindi ba? Para wala ng problema magbabayad kami. Osige. Pero wala talaga. Of course we also have our other problems. I will not elaborate on them anymore. (Company X) has had many problems. Issues left and right. We already breathe conflict. But you know, just to give them credit, I think what (the president) and (the vice-president) were trying to do was to salvage our other problems. We were buried deep in debts. Mind you, marami yan. So hindi lang (Company Y) ang kalaban naming dito. Kaya naman nagsara ang kompanya namin. Nagkahirapan talaga sa pera. Domino effect na kasi eh. You know these have been difficult and tough times especially for us. In as much as I don't want to bring up our other problems this issue was the least of our concerns. Had we known what was going on, we could have voted against their decision. But I do give credit to (the president of Company X) and (the vice-president of Company X), they groveled and begged from (Company Y) just so they could save (Company X). Siguro exsaherado naman ang begged and groveled. Pero pagapang narin ang kompanya naming kaya siguro nangyari ang mga utangna yan. Ang masama patong-patong na ang mga problema nadagdagan pa nito. But in fairness to (the president of Company X) and (the vice-president of Company X), they probably thought that two million would help us. Unfortunate for us, that was not the case.

3. How did the conflict situation affect the organization? What are the positive and negative effects of the situation? What are your personal feelings?

B: Positive? I would say none. This has brought us more problems than we can handle. I can say that this has been all too negative for us. Siguro malas talaga kami. Negative effects of this problem? Naku ang dami. First of all, obviously, we've gotten tangled up with this skirmish. This is added burden to already grave matters.

4. Who are the people involved in solving this interorganizational conflict?

B: Ideally, we shouldn't be involved in this. Since this is a corporation, whatever snags one has, the rest get hooked as well. But now, the ones involved are (the mediator), (the vice-president for finance of Company Y), (the legal counsel of Company Y), (the legal counsel of Company X), and myself of course.

5. What was your part in managing the conflict situation? Can you suggest any ways in combating the conflict situation?

B: I've been the representative of (Company X). Since the president and the vice-president have passed away, I am next in line. That makes me the acting vice-president. Even though our business has been shut down, our corporation is still intact. Of course with the exception and absence of the two chief officers. Nevertheless, we still have maintained our functions. As for my role in this whole shebang, I am involved with the negotiation and the transactions, connections, and all the meetings that have to be concurred upon. I lay out our conditions and terms. I basically represent the whole company. I am the correspondent. So I basically tell them what we want which is to give them the eight million worth of land otherwise we have nothing else to offer.

6. How would you want to solve this situation?

B: If you ask me, the best way to solve this is for them to actually hear us. I don't think they understand us. I don't think they've listened well. Who wants to have problems? Wala naman diba? Lahat tayo umiiwas sa mga ganitong pangyayari. Kaya nga gumawa na kami ng paraan. We looked for other ways in solving this. Unfortunate for us, our accounts have been frozen. Well we cannot shell out from our personal accounts. I have feeling that is what they want us to do. Kaya naman pinagpipilitan ang 14 miliion nay an eh. Akala siguro nila kami kami ang dapat magbayad. I will not lie to you. If we had enough resources maybe we could have considered of doing so. But that is way beyond our reach. It is absolutely out of the question. That would be utter absurdity. That is why, we've come up with other means. Before (the vice-president of Company X) died, he presented his land which was co-owned by (another company that the vice-president was an affiliate of). Eh yung kabila, sabi 'teka malinis ba yan?' Nag duda pa. Sa totoo lang problemado na kami bakit pa naming dadagdagan diba. So they were assured that the land was clean. Papers and documents were presented. Hayan. Kita nyo walang sakit sa ulo ang lupa na yan kaya tanggapin nyo na. Eh ang problema

pumayag nga pero dagdagan pa. Teka muna, baka hindi nyo naiintindihan? Wala kaming pera. We don't have funds. No tenemos dinero. Get that in your coconut. We do not have money. Malinaw naman ata na wala kami ipambabayad pa. Nagsara na nga ang kompanya eh. Kung pwede lang ibenta naming kompanya namin eh. You know what it's like stepping on us knowing that we're already down there. Inapak apakan pa naduraan pa. Biro lang. Double death ba. Pero parang ganun na nga rin. Kaya kung ako sa kanila, tanggapin na nila yung lupa. It's the best that we can offer. It's all that we can offer I should say. I think we've already met them half way because, you see, they've over estimated the interest and as a matter of fact the land is more than enough to compensate for whatever losses or damages that were caused. The question is what were the damages? If they want to talk about business, let it stay that way. Naging personal masyado eh. Stick to the technicalities and bounds of the debt itself. They shouldn't let their personal grudges and resentment affect this matter. It's bad enough as it is, let's not make it worse. Our company has fallen already and that should be clear to them and that we cannot generate enough money to pay that two million much more the fourteen million. Take the land or leave empty-handed. That's the best and only way we can solve it. Meet us halfway as well.

7. How many times did you attempt to deal with the situation? Do you think this will happen again?

B: Oh boy! A lot already. We've reached to a point of exhaustion already. I've already become numb with the situation. Can you imagine, this has been going on for about six years already! Had they accepted our offer a long time ago, we won't be prolonging this matter. I hope this will not happen again. I guess it won't anymore since we're already closed. So this would hopefully be our last. We cannot afford to repeat this. Besides we have no strength to deal with a similar situation anymore.

8. How long has this been going on? What were the circumstances that made the situation persist in that period of time?

B: Like what I've told you. Six years and going. What's prolonging this? Well stubbornness. That's what's keeping this goon. Probably pride and greed as well. Sorry to say but their demands are way over the top. It is exaggeration at its finest.

9. Among the conflict management modes (competition, compromise, collaboration, accommodation, avoidance), which do you prefer?

B: We've gone through avoidance. There was a time when both parties have kept away from each other. That was natural. Of course, this also concerns relations with people. It would have been better if they weren't actually related to us or if they weren't good friends. But they are. Actually that should have been our edge. But they also took advantage of that. Knowing that we were friends and "relatives" they probably thought

that we would bow down to their demands. You know what if we had money, we could have easily paid. But we don't. That is that. Can't they understand that? So I would say that compromise would be our best shot in this. They should see that we have nothing else to offer and that the land is our best way in settling this matter. We're buried neck deep and we have no other options. I think this land has met them half way already. That is enough to pay off the two million. It is enough to pay off the interest as well. They're actually prolonging this when we've already proposed our solution. Kaya nga lumalala pa yung interest kasi pinatatagal pa. I would suggest that they look deep into our situation. I don't understand how they can't seem to comprehend that (Company X) has no funds. They know that our company has been closed. Common sense. Tanggapin na ang lupa. Yun lang. That is what we can compromise and promise them. Wala na talaga.

10. In your opinion, how effective will your strategy be in managing the situation?

B: Well it would settle everything. If they accept our only offer, matters would be concluded. I think that if we meet half way then this won't go on any longer. I think prolonging this would build up more hurt, damage and of course financial setbacks. Compromise is the key. Magkainitindihan na kasi. Let's just set aside personal qualms and get on with our lives. If it's money they want, here, have our land it's worth more than you need.

11. How would you want this situation to end?

B: Oh boy. Of course I would want this to be settled in the soonest possible time. We have other pressing issues to attend to. We want this to be finished asap. We cannot afford to delay and extend this case.

12. What have you learned from this experience?

B: I've learned to be more vigilant. You can't always entrust your life to others. You also have to learn how to watch your own back. Sometimes you also have to have a little bit of a skeptic mind in you. Even though you're working with relatives it doesn't necessarily mean that you're in good hands. Sometimes things can get out of control and you are left to be clueless. Keep on your toes. Always ask. That is what I've learned. Be a sniffing dog. If you're in a business of some sort always, always be alert and observant.

## RESPONDENT C

1. How would you define conflict?

C: "You know what, this is the perfect example of conflict. They've been saturated and drenched with conflict so much that they've become conflict itself. As I see it, conflict is when two parties just cannot agree with each other. This happens when certain arrangements or transactions are not met. In this case, as you have been told over and over, (Company X) and (Company Y) simply cannot straighten out or settle their differences. Well, look at it this way. When money is involved, you will definitely experience a lot of problems. True enough, problems are very much evident in this case. For one, they can't seem to agree on anything. When two groups are fighting over something, I guarantee you, that is conflict."

2. How did the conflict situation affect the organization? What are the positive and negative effects of the situation? What are your personal feelings?

C: "You've been hearing so many negative effects of this situation. But you know what I actually see that there is a positive side in all of this. Yes. It's obvious that this conflict has damaged relationships. Yes it's obvious that bickering and blames have been interchanged and swapped. But the best part about this is that both parties learned to be more diplomatic with their negotiations. They've somehow separated business with relations. Although it cannot also be ruled out that personal relationships be muddled, whenever they would have meetings, the representatives would set aside their personal differences. I suppose you cannot also rule out the fact that hurt and pain have been a great part of this issue. That is unavoidable. But hey, we're doing our best to get things fixed."

2. Who are the people involved in solving this interorganizational conflict?

C: "Well, supposedly it should only involve the VP for finance of (Company Y) and the president and vice-president of (Company X). But since the president and the vice-president died, things have gotten complicated. Of course amendments were made. Now, four people are involved. The VP and legal counsel of (Company X) and the acting VP and the legal counsel of (Company Y). Of course I am involved as well. I have been mediating the whole thing."

3. If it were up to you, how would you want to solve this situation?

C: "Of course the best way to solve this is to agree on something. I believe that (Company Y) should simply accept the proposal of (Company X). That's what I am doing. I am trying to let (Company Y) realize that (Company X) really does not have enough resources so they should just accept the land. I would really want to put an end to this as soon as possible. A lot of damage has been done. Ayoko na patagalin at palalain pa."

4. Do you think that compromise is the best way to manage the conflict? How would it help the situation?

C: "Definitely. Well, knowing these people they might insist their point. But if they get convinced they could also meet halfway. I think so far I've been quite successful in getting them to speak with one another. Noon talaga walang pansinan. Kung mag-usap man yun at

# Thomas-Kilmann Instrument

Questionnaire

Scoring Sheet

Greetings!

I am a graduating student of the BA Organizational Communication program from the University of the Philippines Manila. Currently, I am undertaking the completion of my thesis. The topic is primarily focused on Interorganizational Conflict Management. The study basically aims to know how the causes and effects of conflict between two organizations are managed efficiently.

As a part of my paper, I will need your help in answering some questions related to the theme. Should you have any questions or other additional information, please include them.

Your assistance would be very much appreciated.

Thank you for your time and cooperation.

Sincerely,  
Arlene B. Agulto

---

NAME (OPTIONAL):

POSITION:

AGE:

CONTACT #:

TENURE WITH THE ORGANIZATION:

ARE YOU WILLING TO DISCLOSE THE INFORMATION THAT MAY BE ASKED OF YOU?

\_\_\_\_ Yes

\_\_\_\_ No

**THOMAS-KILMANN INSTRUMENT**

<input type="radio"/> A. There are times when I let others take responsibility for solving the problem.	<input type="radio"/> B. Rather than negotiate the things on which we disagree, I try to stress those things upon which we both agree.
<input type="radio"/> A. I try to find a compromise solution.	<input type="radio"/> B. I attempt to deal with all of his/her and my concerns.
<input type="radio"/> A. I am usually firm in pursuing my goals.	<input type="radio"/> B. I might try to soothe the other's feelings and preserve our relationship.
<input type="radio"/> A. I try to find a compromise solution.	<input type="radio"/> B. I sometimes sacrifice my own wishes for the wishes of the other person.
<input type="radio"/> A. I consistently seek the other's help in working out a solution.	<input type="radio"/> B. I try to do what is necessary to avoid useless tensions.
<input type="radio"/> A. I try to avoid creating unpleasantness for myself.	<input type="radio"/> B. I try to win my position.
<input type="radio"/> A. I try to postpone the issue until I have had some time to think it over.	<input type="radio"/> B. I give up some points in exchange for others.
<input type="radio"/> A. I am usually firm in pursuing my goals.	<input type="radio"/> B. I attempt to get all concerns and issues immediately out in the open.
<input type="radio"/> A. I feel that differences are not always worth worrying about.	<input type="radio"/> B. I make some effort to get my way.
<input type="radio"/> A. I am firm in pursuing my goals.	<input type="radio"/> B. I try to find a compromise solution.

<input type="radio"/>	A. I attempt to get all concerns and issues immediately out in the open.	<input type="radio"/>	B. I might try to soothe the other's feelings and preserve our relationship.
<input type="radio"/>	A. I sometimes avoid taking positions which would create controversy.	<input type="radio"/>	B. I will let the other person have some of his/her positions if he/she lets me have some of mine.
<input type="radio"/>	A. I propose a middle ground	<input type="radio"/>	B. I press to get my points made.
<input type="radio"/>	A. I tell the other person my ideas and ask for his/hers.	<input type="radio"/>	B. I try to show the other person the logic and benefits of my position.
<input type="radio"/>	A. I might try to soothe the other's feelings and preserve our relationship.	<input type="radio"/>	B. I try to do what is necessary to avoid tensions.
<input type="radio"/>	A. I try not to hurt the other's feelings.	<input type="radio"/>	B. I try to convince the other person of the merits of my position.
<input type="radio"/>	A. I am usually firm in pursuing my goals.	<input type="radio"/>	B. I try to do what is necessary to avoid useless tensions.
<input type="radio"/>	A. If it makes other people happy, I might let them maintain their views.	<input type="radio"/>	B. I will let other people have some of their positions if they let me have some of mine.
<input type="radio"/>	A. I attempt to get all concerns and issues immediately out in the open.	<input type="radio"/>	B. I try to postpone the issue until I have had some time to think it over.
<input type="radio"/>	A. I attempt to immediately work through our differences.	<input type="radio"/>	B. I try to find a fair combination of gains and losses for both of us.
<input type="radio"/>	A. In approaching negotiations, I try to be considerate of the other person's wishes.	<input type="radio"/>	B. I always lean toward a direct discussion of the problem.
<input type="radio"/>	A. I try to find a position that is intermediate between his/hers and mine.	<input type="radio"/>	B. I assert my wishes.
<input type="radio"/>	A. I am very often concerned with satisfying all our wishes.	<input type="radio"/>	B. There are times when I let others take responsibility for solving the problem.
<input type="radio"/>	A. If the other's position seems very important to him/her, I would try to meet his/her wishes.	<input type="radio"/>	B. I try to get the other person to settle for a compromise.
<input type="radio"/>	A. I try to show the other person the logic and benefits of my position.	<input type="radio"/>	B. In approaching negotiations, I try to be considerate of the other person's wishes.
<input type="radio"/>	A. I propose a middle ground.	<input type="radio"/>	B. I am nearly always concerned with satisfying all our wishes.
<input type="radio"/>	A. I sometimes avoid taking positions that would create controversy.	<input type="radio"/>	B. If it makes other people happy, I might let them maintain their views.
<input type="radio"/>	A. I am usually firm in pursuing my goals.	<input type="radio"/>	B. I usually seek the other's help in working out a solution.
<input type="radio"/>	A. I propose a middle ground.	<input type="radio"/>	B. I feel that differences are not always worth worrying about.
<input type="radio"/>	A. I try not to hurt the other's feelings.	<input type="radio"/>	B. I always share the problem with the other person so that we can work it out.

**SCORING THE THOMAS-KILMANN  
CONFLICT MODE INSTRUMENT**

<http://www.acpenet.org/InterAct/Diversity/Thomas-KilmannCMIScoringSheet.doc>

Circle the letters below that were circled on each item of the questionnaire.

	Competing (forcing)	Collaborating (problem solving)	Compromising (sharing)	Avoiding (withdrawal)	Accommodating (smoothing)
1.				A	B
2.		B	A		
3.	A				B
4.			A		B
5.		A		B	
6.	B			A	
7.			B	A	
8.	A	B			
9.	B			A	
10.	A		B		
11.		A			B
12.			B	A	
13.	B		A		
14.	B	A			
15.				B	A
16.	B				A
17.	A			B	
18.			B		A
19.		A		B	
20.		A	B		
21.		B			A
22.	B		A		
23.		A		B	
24.			B		A
25.	A				B
26.		B	A		
27.				A	B
28.	A	B			
29.			A	B	
30.		B			A

Total number of items circled in each column:

_____	_____	_____	_____	_____
Competing	Collaborating	Compromising	Avoiding	Accommodating

# Focus Group Interview

## Outline of Questions

## **OUTLINE OF QUESTIONS FOR THE FOCUS GROUP INTERVIEW**

1. How would you define conflict? How can you say that your organization is experiencing conflict?
2. How did the conflict situation arise between your company and the other company? What were the causes of your conflict? What started the conflict and how did it evolve?
3. How did the conflict situation affect the organization? What are the positive and negative effects of the situation?
4. Give a description on how your company dealt with the over-all situation?
5. Who do you refer to in resolving the interorganizational conflict? Who are the people usually involved in solving interorganizational conflict?
6. What was your part in resolving the conflict situation? Did you suggest any ways in combating the conflict situation?
7. How did you resolve the conflict? Was your solution effective?
8. How many times did you attempt to resolve the situation? Do you think this will happen again?
9. Among the choices below, how did the two concerned organizations solve the conflict?  

_____ through competition	_____ through a collaboration
_____ through a compromise	_____ by avoidance
_____ through accommodation	_____ other/s:
10. How will you rate the efficiency of the strategy used in the situation?
11. How long did the conflict last? What were the circumstances that made the situation persist in that period of time?
12. How effective was the manner in solving the conflict situation? Explain how the two organizations managed to work out their discord.
13. What is the most effective and your most advised way in resolving interorganizational conflict? How do you measure the efficiency and effectiveness of the style used in combating the conflict situation?
14. What are your long-term plans with regard to the recurrence of the conflict situation? What do you think is the best way in managing similar situations?