

## CONFLICT MANAGEMENT ISSUES AND A FELLOWSHIP GAME

Velimir Srića

University of Zagreb, Graduate School of Economics and Business  
E-mail: velimir@velimirsrica.com

---

### ABSTRACT:

*The first part of the article deals with a short overview of the key conflict management issues in business. Various conflict triggers are discussed, followed by a brief analysis of the best methods and techniques of conflict resolution. The second part of the article is dedicated to the Fellowship game. It is a simple game developed by the author to be used in teaching and consulting managers, executives and leaders how to deal with conflicts in a harmonious way. The aim of the game, which is based on the Prisoner's Dilemma from the Game Theory, is to increase awareness and improve understanding of the key approaches involved in any conflict situation.*

---

### FEW COMMENTS ON CONFLICT MANAGEMENT

Once upon a time a philosopher, a linguist, a theologian and a manager organized a meeting to discuss the importance of their professions and to decide which was the oldest. First, there was a word; our profession is the oldest, said a linguist. Before the word, there was a thought, added the philosopher. Therefore, philosophy is the oldest. No, my friends, stated the theologian, God was there first, then his thought, and the word, from which the world came to be. Well, asked the manager, was there anything before the creation of the world? Yes, chaos, they answered with one voice. That chaos could have been created only by an executive, answered the manager. Therefore, we are the oldest profession!

Managerial chaos and conflict don't evolve out of nowhere. A number of situations serve as triggers. The conflict trigger is a set of events that increase the probability of an organizational conflict. One or more triggers may be involved in generating conflicts. The managers and leaders could benefit from understanding what the triggers are and how they work. Basically, the triggers are nothing but situations lacking organizational harmony, due to poor communication, unsatisfactory rules and regulations, inappropriate budget allocations, poor interpersonal relationships, promises not kept, and the like.

One of the most typical sources of intra-organizational wars is the case of overlapped responsibility. Unclear boundaries between departments or tasks often create

unhealthy competitive tensions. For example, there may be a fuzzy definition of responsibility for new product development. The same problem is shared by two departments, product development and marketing. In a best case scenario, their competition might provide better and more innovative solutions. More often, the overlapping responsibilities contribute to destructive intra-organizational struggles and should be avoided.

Limited resources also typically lead to organizational conflicts. Usually, a number of individuals, programs, projects and teams compete for budget money, for the best people, or for the sources of knowledge. The battle for limited resources is one of the most common conflict triggers. In one company where I was a consultant, two great projects were submitted in an internal contest. Due to a lack of manpower and money, only one could be implemented. The people involved in the other project decided to leave the company and soon started working for the competition. In principle, the limited resources can create very destructive conflicts. Within any organization, it is common to find people who just don't fit together. They constantly argue, fight, quarrel and disagree. Such personality clashes seldom do anything constructive. If there are two or more individuals who cannot work together, they must be separated or isolated in order to avoid the constant and fruitless arguing that might become contagious.

Information flow is the neural system of any company, responsible for successful work and decision making. Any communication channel blockage, preventing

individuals and groups to learn what is going on in the system, might soon become a source of great conflicts. Information manipulation rarely contributes to anything constructive, and it must be prevented. The best way to overcome the communication barriers is to build an open, informal and efficient information system. Nothing is as destructive as a failure. Whenever we fail, we lose emotional harmony. The greatest disappointment and hard feelings come from unrealized plans, unfulfilled expectations, unfinished projects, and broken promises. Conflicts evolving from unfulfilled expectations or unrealistic ambitions are extremely unpleasant. For example, suppose a person expects to get rewarded or promoted, and it does not happen. Or imagine the mood and the commitment of a team that have just successfully completed a project only to find that it is rejected by the market; or the enthusiasm of members of a political party who just lost an election. Defeats and disappointments are really hard to deal with; it can only be done through open communication between the leader and the teammates, based on honesty, self-criticism and integrity. In principle, Mobilizers shouldn't make promises that they cannot keep.

Time is money! No wonder time constraints put even more strain on individuals and teams than budget constraints. The key trigger of time-related conflicts is named the deadline. Many people cannot stand time pressure. They dislike running late and falling behind schedule. Working under the pressure of tight deadlines can, at times, be constructive if it builds up individual and group commitment. However, most individuals and teams are unable to handle the situation; as a result, there are conflicts, arguments, false pretences and a shifting of blame.

The next in line are defects of the formal organization. They can trigger a lot of organizational conflicts. I am referring to poorly defined procedures, unsatisfactory standards, unjust and unpopular regulations, goals that are too high, etc. Such situations create a sense of internal conflict which is always destructive; harmonious leaders should avoid them by implementing a transparent system of commonly agreed organizational norms. Constructive conflicts

are like stormy weather. Before the storm, there is an unbearable feeling of heat, humidity, and pressure that builds up until one cannot stand it. After the storm, the air is cool, fresh and fragrant, you feel great, as if a heavy burden was lifted off your chest. A constructive conflict is healthy and necessary; it is a chance to solve accumulated problems, to clear up tough issues and to make everyone feel better.

On the other hand, destructive conflicts are more like a typhoon or a tornado. After such a storm, the dominant feeling is not relief; rather, we are faced with debris, flood and loss, and it's difficult to clean up. In dealing with destructive conflicts, leaders must act in a systematic and calculated way, first in order to head them off and, if that's not possible, at least to minimize the consequences. Many bosses dislike conflicts and would much rather avoid dealing with them. But heroes are best recognized in times of trouble. There is not going to be harmony if we don't take care of the causes of disharmony. Managing organizational chaos is a true test of leadership. As long as any business or political system travels on peaceful waters, and there are no clouds on the horizon, it is almost irrelevant who holds the helm. However, as soon as a storm sets in, the captain's navigating skills become crucial. In stable conditions and a peaceful surrounding, leaders are barely needed. But in times of conflicts and crisis, the need for them grows sky high.

A conflict is a result of opposing interests or goals among people. It is a natural and common feature in any interpersonal relationship. As long as there are people, there are going to be conflicts. No company, political party, team or work group can escape from arguments and misunderstandings among its members. The conflicts emanate from the unsatisfactory distribution of power, from unjust distribution of resources, from differences in moral norms or from conflicting values. A harmonious leader sees a conflict situation as an imbalance, or a state without harmony. We are not in tune with our goals, expectations, norms, and values, or we have not harmonized all the people inside our system, or we lack harmony with the people belonging to an outside system, or... The conflicts themselves are neither good nor bad, but their outcomes may be great or damaging.

Therefore, we can talk about constructive and destructive conflict. Suppose there are two employees competing for the title of Salesman of the Year. Their rivalry is constructive, because they make more sales for the company, develop new ideas and introduce marketing innovations. However, the same situation becomes very destructive if they set out to win at any cost, by cheating, manipulating their bosses or by faking the sales figures. Most conflict situations are both a danger and an opportunity.

At times, leaders, like good coaches, consciously provoke a conflict in order to get better results or to speed the development of individual capabilities. However, if such conflicts provoke employee resistance, boycotting, apathy or material damage, the leader must change course. A boss who does not look ahead to anticipate problems, but waits for them to erupt is not managing conflicts. He is being managed by them instead. A leader is expected to detect conflict triggers and make them work for him. However, even the best managers experience destructive crises from time to time. There are a number of techniques for conflict resolution. Some are harmony-oriented, others are antagonistic. Let's take a quick look. When a CEO tells the heads of both the marketing and production departments that their conflict over product design only helps their competitors, he uses the common enemy approach. He tries to manage the conflict by reminding them of the external threat. We all know that groups tend to pull together if there is a common threat to their survival. This technique works well on a short-term basis. We always put our heads together to confront the common enemy. It may stabilize the system for a while, but the sources of conflict are not eliminated; and they could, eventually, reappear with a rejuvenated strength.

Can a wolf satisfy his hunger and a sheep stay alive? Leaders who prefer compromise as a conflict-solving technique believe they can. A compromise is the backbone of the political and economic culture in democratic societies. In order to reach common ground, the conflicting parties negotiate; each side gives in a little, until equilibrium is reached. Supporters of this approach claim that by reaching a compromise, everyone gains, while its opponents claim that everyone loses. Anyway,

it takes a lot of time and energy to succeed, and the underlying cause of the conflict may not have been removed but only bypassed, for a while.

Many leaders believe in power as the best tool to end a conflict. Avoiding any discussion, they impose an unconditional truce, especially if there is no time to negotiate. In applying this technique most leaders rely on their formal authority, their position, and the available repressive mechanisms. But even though exercising power seems to be the quickest method, its impact on organizational culture, team motivation and working environment can be extremely negative. The sources of the conflict are not removed and the use of coercion generates a desire for revenge, a sense of powerlessness, and mistrust. Some managers believe in non-involvement; organizational conflicts should simply dissipate after the clashing parties have huffed and puffed. The leaders try to minimize the effects by stressing how silly it is to argue by implying that the issue is insignificant in the grand scheme of things, or by convincing the competing parties to end their argument. However, this approach too only fails to eliminate the source of conflict; it's just a short-term truce. This technique makes the most sense when the leaders have to buy time (e.g., to complete an ongoing project) and no other solution seems feasible.

Another typical conflict resolution technique points out that, instead of arguing and focusing on the differences, the opposing sides could try to discover what keeps them together. The point is to persuade the conflicting parties that they have a common goal. People may decide to give up their ego-driven interests for the higher cause, but not for long. The technique appeals to the conscience of the people involved. Nevertheless, interests are usually much stronger than conscience or a sense of togetherness. The common goal method is likely to succeed only if there is a common threat. These techniques deal with the outcomes of a conflict, not with its roots. As such, they don't resolve the situation in a harmonious and balanced way. By contrast, a harmony-based approach would focus on the source of trouble, trying to remove the causes. Digging into the hard foundation of a conflict situation may be more difficult, but it's also

more effective. It takes time, energy and readiness to go as deep as necessary. In most cases digging deep also means to reach consensus. Consensus is a cooperative and balanced decision-making technique. It is contrasted to outvoting, and grants every stakeholder a right to veto any decision of vital importance. All participants in a conflict situation engage in open communication until they manage to reach full agreement. It means that all the interests, standpoints and arguments have been taken into account. Unlike other techniques that merely alleviate the outcomes of a conflict, consensus seeks to prevent later recurrences.

Successful leaders use more than one conflict-resolution technique. In principle, removing the cause is the best, and reaching consensus is the most effective approach. However, if appropriate, we may also make

compromises, use power, try to water down tough issues, and search for a common 'enemy' and common goals. In any case, all the techniques should be supplemented by intuition and appreciation of interpersonal relationships within a team.

### THE FELLOWSHIP GAME

In dealing with conflict management issues as a consultant, I often use a simple game that I have developed many years ago. It goes like this: Suppose you are an applicant for management education fellowship. The only requirement is that you play a simple game. You will be awarded the fellowship according to your results. The game is played by couples (pairs). You and your partner are supposed to pick and write either A or B on the Play board below with the following outcomes:

Player 1	Player 2	Player 1	Player 2
A	A	Lose 5	Lose 5
A	B	Win 15	Win 0
B	A	Win 0	Win 15
B	B	Win 10	Win 10

You and your partner should play 10 turns, each making his choice first in five turns (alternatively). Player 1 starts first in odd rows and Player 2 in even rows. The fellowship is awarded according to the following criteria:

POINTS	AWARD
<b>100 points and more</b>	Harvard Business School PhD Fellowship
<b>from 80 to 100 points</b>	Columbia University MBA Fellowship
<b>from 60 to 80 points</b>	Chattanooga College BBA Fellowship
<b>from 40 to 60 points</b>	Lower East Side High School Fellowship
<b>from 20 to 40 points</b>	Dead rock Elementary School Fellowship
<b>below 20 points</b>	Kindergarten Fellowship

### PLAY BOARD

	Choices		Scores	
	Player 1	Player 2	Player 1	Player 2
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
	<b>TOTAL</b>			

The Fellowship Game is a simple exercise based on the Prisoner's dilemma, a well-known problem from the game theory. It can be used on college and/or graduate level in various courses dealing with the principles of management, teamwork, strategic management, etc. Also, I have used it as a consultant. My experience in applying the game shows that even experienced managers, leaders and executives with a lot of exposure to teamwork and conflicts could benefit from the exercise.

### ***How to play the game:***

The teacher divides the participants into couples. Each couple is given a Fellowship Game Sheet with short explanation and Play board. The teacher must make sure that everybody has read and understood the simple rules. It is particularly important to explain that the players pick their choices alternatively, which means that Player 1 makes his choice first in all odd rows, and Player 2 in all even rows. The teacher will let each couple decide who is going to be Player 1.

It is recommended to use the game without previous discussions about its implications, goals or objectives. In such case the game review and feedback are more fruitful, and the learning experience more rewarding. Also, the teacher should suggest the students to simply play the game instead of discussing the moves among themselves before or while playing.

### ***Pedagogical objectives:***

The game provides simple and quantitative measurement of cooperative or competitive behaviour on an individual level. Each participant in the game is exposed to self-evaluation of his/her attitude towards conflict and cooperation. By playing the simple game several goals can be obtained:

- a) The game enables participants to experience a conflicting (competitive) situation;
- b) The game provides participants with a better understanding of the concepts of "competition" and "cooperative" behaviours and their outcomes;

- c) The game stresses the role of (mutual) confidence in building "cooperative spirit" in groups or teams;

The possible outcomes of the game are as follows:

1. **Total conflict ("I don't mind suffering as long as the other guy is not any better")** - Player 1 selects A, Player 2 decides not to let Player 1 benefit from it and also picks A. The same happens whenever Player 2 plays first. As the outcome, both players consistently adhere to the AA combination, leading to a total score of -50 for each of them.
2. **Alternative yield ("You scratch my back, I'll scratch yours")** - When first, each player chooses A and the other responds with B. Therefore, the players alternatively win 15 points, which leads to the score of 75 for each player.
3. **Chaotic approach ("I don't know why, but I often change my mind")** - Players choose different, mixed strategies. E.g. when one player picks A, the other sometimes responds with A, and sometimes with B. Also, a player on the move may pick B from time to time, but not consistently. As the outcome of such chaotic approach the players score not more than 50 points each.
4. **Total cooperation ("Searching for the common optimum")** - Player 1 chooses B as his first move, and Player 2 accepts the strategy of equal benefit for both (win-win) and also plays B. As the outcome, both players consistently adhere to the BB combination, leading to total score of 100 each.
5. **Broken treaty ("I'll have the last laugh")** - Both players select the total cooperation (BB) approach until the last row. Then either the player on the move picks A or the other responds with A to the "cooperative offer" of B. The outcomes are 105:90 points, or 85:85 points respectively.

### ***Game Evaluation:***

After all the couples have finished the game and computed the individual scores, the teacher will initiate discussion. The suggested topics to be discussed are the following:

- a) What are the five possible outcomes/strategies of the game (see above)?
- b) What are the associated psychological, moral, sociological or other issues of "total conflict" (lose-lose), "total cooperation" (win-win), "broken treaty", "alternative yield" or "chaotic approach"?
- c) Why do people select cooperation or competition in resolving a conflict situation? What is the role of personality, feelings, national or organizational culture in dealing with perceived conflicts?
- d) Would you play the game differently if you had another chance (particularly if either you, or your opponent, have selected the "broken treaty" approach)? Why?
- e) Can you cooperate with everybody or not? Can you avoid a conflict if the other side decides to treat you as an opponent and not as a partner?
- f) Would you play the game differently with another partner? Why? How much are "cooperation" and "competition" individual phenomena, and how much are they dependent upon the environment?
- g) How do you feel about conflict situations and how would you manage conflicts after the experience with this simple game.

### **CONCLUDING NOTES**

The article is based on my book "In Search of Harmony in a Disharmonious World", published a few months ago in New York. I hope that you have learned something about conflict management from the first part of this text. Also, I hope that you have had fun in playing and trying to win the Fellowship. Enjoy the game and let me know about your experiences and suggestions!

### **REFERENCE:**

1. Srića V., "In Search of Harmony in a Disharmonious World: Leadership Manual for Change Masters and Dreamers", Algora Publishing, New York, 2014.
2. <http://www.algora.com/449/book/details.html>