

An analysis of conflict in the workplace



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For as long as can be remembered there has been conflict in this world. As time has passed the number and complexity of these conflicts has grown. Consequently, the methods available to solve these issues have multiplied and evolved. One of the most notable arenas for conflict is within the workplace. It is here that people of many beliefs, attitudes, educational backgrounds, and desires meet and work collectively to create new products and ideas, as well as to maintain the quality of life that they currently enjoy. Because of this, issues surrounding diversity can often be born within these organizations.

Within corporations one of the most common forms of conflict occurs between management and staff. This conflict arises when both groups are trying to fulfill the same desire, self-interest. If both parties are concerned with the overall result, it could be presumptuous to think that no conflict or controversy could arise in the given situation. However, for management to improve the company position and consequently, their own position, they need to maximize profit. Often the methods used by companies to undergo such a change would include: a lower distribution of wages, less benefits for the employee, and less funding towards safety training. These methods are in direct opposition to workers, who attempt to increase their own wages and benefits in a safe environment. Due to these incompatible ideals, conflict often occurs. As a result, negotiation is required. This report outlines the reasons behind the conflict within the Aliant company in 2004, as well as the costs, attempted solutions, and the final result. The example of Aliant is provided to give a firsthand account of the origin of conflict, possible solutions to conflict as well as issues surrounding conflict.

Aliant Inc, is the Atlantic sub division of Bell Aliant, which is the largest telecommunications company in Canada. “ Bell Aliant was forged when Ontario and Quebec’s regional wire lines were connected” (“ Our Focus”, 2010). The company boasts its integrity in accordance with social, economic, and green issues that affect our globe on a daily basis, seeking new options, innovative programs and trying to define ‘ customer service’ with their impressive communication systems. (“ About us”, 2010)

A list of exceptional accomplishments of Bell Aliant includes the company’s new status as of 2000, as the “ innovative local telephone company in North America” (“ A history of Bell Aliant”, 2010). As stated in Bell Aliant’s timeline of their history, in 2002, one of every five Canadians was choosing Aliant telecom call service. Bell Aliant is a socially responsible company, as well as an understanding company. It is also mentioned that in 2005, when devastating news broke of the tsunami, the company provided free long distance for calls made to the countries compromised. In 2006, Aliant announced that it would be a proud sponsor of the Vancouver Olympics Games in 2010. In the following year the company worked with the ‘ Barenaked Ladies’ to support and fund the Winter Games. In 2007, Aliant was the first to offer unlimited, unrestricted long distance calling across Atlantic Canada. In 2008 Aliant won the gold medal at the worldwide contact center competition. And finally in 2009 the company won the international award for marketing innovation (“ A History of Bell Aliant”, 2010).

Bell Aliant has been a successful company in supporting its customers and their needs. Up until 2004 the company had little dispute between executive administration and the labour force. However, in the late spring of 2004 a

strike broke out. The Strike took place in Nova Scotia among the union and communication representatives. They worked and trudged through a four month long strike. The terms of the employees and executive members were negotiated and mostly resolved (" A History of Bell Aliant", 2010). The terms of the conflict, and the process of resolution that Bell Aliant used to eradicate the strike will be discussed in the following section.

Regardless of the chemistry of a workplace, there will always be conflicting issues. These issues can arise from clashing personalities, responsibility misunderstandings and limited resources (Rau- Roster, 2000). In the case of Aliant, limited resources were the cause of the conflict, as the Aliant employees wanted a more desirable pension (Ottawa Appoints Mediator in Aliant Strike, para. 7). Pension and the rate of pay have always been a significant factor in conflict as well as with the creation of strikes. Strikes encourage employers to listen to their subordinates and resolve conflict through negotiation. Communication problems are one of the top reasons why conflict occurs. As more employees are hired by an organization, communication weakens. This is because more employees are dependent on others, and not all employees have the same knowledge capital. Conflict can also occur when two employees with different personalities work together, this is the result of the employees not having the motivation or incentive to correlate ideas and information, as well as the possibility of the employee's having conflicting views with regard to the task at hand. We can see both causes of conflict in the Conflict Process Model. The model shows how incompatible goals, differentiation, interdependence, scarce resources, ambiguous rules and poor communication all lead to conflict in the

workplace. To resolve conflict employers must choose a conflict handling style. These include using problem solving, and compromising to negotiate what the employees would like to see change in the workplace. It is recommended that employers avoid the forcing, avoiding or yielding styles. (McShane & Steen, 2009) These styles could lead to further conflict because they do not resolve what the employees want. In order for conflict to be resolved in the workplace, employees must feel as if they have been acknowledged. They must also recognize their employer's compromises made in negotiation. As seen with Aliant, there can be conflict in any workplace. Employees will not always get along or they may depend too much on each other. Employer and employee conflict is also very frequent, as employees always want more from their jobs.

As supported by McShane and Steen (2009) the Model of Conflict Process includes sources of conflict, conflict perceptions and emotions, manifest conflict, conflict escalation and conflict outcomes (p. 261). According to CBC News Staff (2004) the employees' source of conflict at Aliant was " job security, pay, hours of work and benefits. They also want[ed] better health-care and pension benefits as well as limits on contracting out" (Talks Resume in Contracting Out, para. 9). Evan Cronk, union negotiator, stated that he thought that they "...went over backwards this week to get a deal but the end result was the company tabled an offer this morning that took most of what we were prepared to do but offered nothing in return" (As cited by CTV News Staff, 2004, Aliant Telecommunications Workers go on strike, para. 8). Evan Cronk's statement reveals his conflict perception. According to McShane and Steen (2009), " conflict perceptions and emotions manifest

themselves in the decisions and behaviours of one party toward the other” (p. 261). This decision on behalf of Cronk to believe that the company was offering nothing to union workers further escalated the conflict and forced the strike to carry on for months longer than (Aliant??) was prepared for. McShane and Steen (2009) call these visible changes in behaviour conflict episodes (p. 261). The perception that Aliant was not willing to provide their employees with what they wanted seemed to start a visible conflict as seen through the conflict style of both Aliant and their employees. Both parties seem to have been using what McShane and Steen describe as the “ win-lose orientation [which is] the belief that conflicting parties are drawing from a fixed pie, so the more one party receives, the less the other party will receive” (p. 264). With both parties using this style of conflict it was extremely hard for them to reach an agreement that would end the strike and save the company from losing millions of dollars. There were many negative outcomes as a result of the conflicting styles of negotiation used by both parties. The service of Aliant deteriorated greatly over the length of the strike. CTV News Staff (2004) found that “ Over the course of the dispute, the Canadian Radio-television and Telecommunications Commission (CRTC) — which regulates Canada’s phone industry — received an increasing number of complaints over the deteriorating quality of service” (Taking a Toll section, para. 5). The situation of Aliant employees deteriorated so much that one employee had been “...evicted from his home, and others...found themselves having to use community food banks” (CTV news staff, 2004, Taking a Toll section, para. 6). Whilst union workers were on strike “ About 2, 200 managers did the work...One manager in New Brunswick was injured after falling while working on a power pole. However, Aliant wouldn’t provide

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any details on such incidents” (CTV news staff, 2004, Taking a Toll Section, para. 7). As reported by CBC news staff (2004), “ The strike also caused numerous problems for people needing phone service and there were also allegations of union sabotage in June when vandals knocked out service to 250, 000 people in Newfoundland and 5, 000 in Nova Scotia” (Deal Reached in Aliant Strike, para. 8). The low performance of workers, high stress and low morale of the company are all categorized as conflict outcomes in the Model of the Conflict Process (McShane & Steen, 2009).

According to the CTV News Staff (2004) the four month long Aliant strike was unsuccessful for both parties. When the employees went on strike in late April their hopes, as with most strikes, were to increase wages and benefits as well as job security(1). CBC News Staff (2004) reported that employer loses were significant. In the affected quarters over a 20 million dollar decrease in revenue was reported when compared to the same period of time in the previous year. (Ottawa Appoints Mediator in Aliant Strike, para. 2). As reported by CTV News Staff (2004) this is due, no doubt, to the fact that the company’s customers thoroughly felt the impact of the strike. The customers were affected by the quality of service they received. {1} To satisfy company needs, the company was forced to train over 2000 managers to do basic duties that were usually performed by employees. This training cost the company money. The managers, who are paid higher wages, caused higher wage costs allocated to basic customer service. Many of the employees were not ready for a strike, especially one that would last five months. They began to notice dramatic lifestyle changes as they had not seen a pay cheque for months. The union also reported that some

employees were in such financial trouble because of the strike that their houses had been foreclosed on. (Ottawa Appoints Mediator in Aliant Strike, para. 2) It is clear that both management and employees view this strike as a severe failure.

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McShane and Steen (2009) name communication problems as one of the main sources of conflict within organizations (p. 262). They state that “conflict often occurs due to the lack of opportunity, ability, or motivation to communicate effectively” (McShane & Steen, 2009, p. 264). Ellen Malcolmson, Senior Vice-President- Operations, Bell Canada stated that their “...industry has changed significantly and permanently and the union must recognize this...In such an environment, there are limits to how far the company can go and remain competitive” (As cited by France Poulin, 2004, Bell Receives 72 Hours Strike Notice, para. 5). These limits, however, are somewhat ambiguous. The striking union members did not seem to know how far the company was able to go in regards to negotiations while they were “...demanding greater job security and better pension and benefit packages” (CBC News Staff, 2004, Deal Reached in Aliant Strike, para. 7) Had these limits been defined earlier in the negotiation process, it is possible that the strike would not have escalated to the magnitude it reached.

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Negotiation is defined as “ the process whereby two or more conflicting parties attempt to resolve their divergent goals by redefining the terms of their interdependence” (McShane & Steen, 2009, p. 269). In the case of Aliant, “ Federal Labour Minister Joe Fontana...appointed a mediator in the four-month-old strike” (CBC News Staff, 2004, Ottawa Appoints Mediator in Aliant Strike, para. 1) A mediator’s “...main purpose is to manage the process and context of interaction between the disputing parties...[they] have little or no control over the conflict resolution decision” (McShane & Steen, 2009, p. 272). This intervention worked and “...agreement [came] after five days of negotiations conducted by two federally appointed mediators” (CBC News Staff, 2004, Deal Reached in Aliant Strike, para. 4)

As mentioned earlier, the conflict handling style used by Aliant and union workers during the “...four-month...strike by 4, 300 workers at Aliant...” (CBC News Staff, 2004, Deal Reached in Aliant Strike, para. 1) can be compared to McShane and Steen’s (2004) win-lose orientation (p. 264). The win-lose orientation is affiliated with the forcing style which occurs when one side of the bargaining process tries to gain something at the expense of their opposition (McShane & Steen, 2009, p. 264). Forcing is the conflict handling style with the “ highest risk of relationship conflict” (McShane & Steen, 2009, p. 266). From comparing the five conflict handling styles it can be seen that compromising may have been a better tactic during the negotiations between Aliant and their unionized workers. Aliant needed their unionized workers in order to maintain the same profit level that they had been used to, and the unionized workers needed the cooperation of Aliant in order to gain the “...greater job security and better pension and benefit packages”

(CBC News Cast, 2004, Deal Reached in Aliant Strike, para. 8) that they were seeking. Thus, it would be fair to say that both parties had fairly equal bargaining power. “ Compromising [is the] preferred style when parties have equal power, time pressure to solve the conflict [and when] parties lack trust/ openness for problem solving” (McShane & Steen, 2009, p. 266). “ From July 30 [alone]: the strike has cost [Aliant] \$21M” (CBC News Staff, 2004, Ottawa Appoints Mediator in Aliant Strike, para. 2). The time pressure component was certainly present throughout the Aliant strike as seen through the continually decreasing profits and poor living conditions of unionized workers. “ We rarely know for certain that mutual gains are not available, so entering into a conflict with the compromising style may cause the parties to overlook better solutions”. (McShane & Steen, 2009, p. 267) Even if the forcing style seemed most appropriate during the beginning of the conflict, due to thoughts that “ the other party would take advantage of more cooperative strategies” (McShane & Steen, 2009, p 267), it should have been noted sooner than four months that forcing was inappropriate.

“ One of the oldest recommendations for resolving conflict is to seek out and find common goals” (McShane & Steen, 2009, p. 267). How could Aliant and their union workers possibly have common goals when “ The company and the unions are trying to reach their first contract since the phone companies of Atlantic Canada merged to form Aliant in 1999 [?]. That’s meant trying to transform nine collective agreements into one” (CTV News Staff, 2004, Aliant Telecommunication Workers go on Strike, para. 13). Common goals generally increase employees’ commitment to the organization and reduce conflicting goals within different segments of the company, which in turn could make

employees happier and reduce the risk of strikes while increasing the ability to compromise effectively (McShane & Steen, 2009, p. 267). Aliant should have made a more concerted effort to establish common goals within the organization so that employees would feel a sense of unity with the company. This may have decreased aggressiveness between management and their subordinates.

Time Passage and Deadlines are mentioned as being an important situational influence on negotiations. (McShane & Steen, 2009, p. 271) “ One problem is that time pressure inhibits a problem-solving conflict management style, because the parties have less time to exchange information or present flexible offers” (McShane & Steen, 2009, p. 271). Both parties in the Aliant dispute felt a great pressure to settle the negotiations in a timely fashion. This pressure may have resulted in less concessions being made during the offering process. McShane and Steen (2009) believe that parties taking place in negotiations under time constraints usually do not have the ability to process information as well as they would under other circumstances (p. 271). The union leaders had a strict notion that the company was going to take advantage of them. This may have had an impact on the way that they viewed offers made by Aliant. The time constraint would have further enabled this conception by forcing them to think quickly and rely on their initial perceptions (McShane & Steen, 2009, p. 271). Aliant could have started negotiations of a contract much earlier when they were formed in 1999, thus reducing the time constraint and the chance of a strike.

As shown in the Aliant case, conflicts which arise within companies often have a much greater effect than would be thought initially. In this case, not only did the company lose money but the staff suffered financially, mentally and emotionally as they were required to rely on others such as food banks despite having a job. Management also suffered because of Aliant's financial loss because of the physical and mental strain they undertook as they tried to do both their own job as well as that of their subordinates. Customers suffered because the overall quality of service dropped. Finally, all parties suffered a significant loss of trust. In order to resolve this problem the two parties were forced to enter into binding arbitration. Binding arbitration was used because other avenues of negotiation failed. These included talks with and without a mediator. The final solution was one that satisfied no one and left the chance of future conflict.

Conflict exists now as it always has and it will continue to do so. People will always search for different ways to resolve conflict. Negotiation is a tool commonly used today. However, negotiation has evolved and will continue to do so. Nevertheless negotiation will always be reliant on communication. Conversation, barter, mediation, arbitration are all tools which can prevent and solve conflicts by allowing people to surpass differences in order to reach understanding.