

The Management of Project Conflicts Through Effective Negotiation

Lecturer Crispin George

Faculty of Information Systems and Technology, University of Sierra Leone, Freetown, Sierra Leone
Doctoral Candidate, Atlantic International University, USA; MBA (Project Management), MSc. Information Technology, BSc (Hons)
Information Systems
Email: georgecrispin83@gmail.com

Abstract – In project management, conflicts should be treated with utmost seriousness in order to save the project from delay and resultant deadlock. There are several causes of conflicts in project management but conflicts arising from people with somewhat different ideas to reach project objectives are becoming more prominent. When people develop project plans, there is always the tendency for such to happen. There are lots of conflicts raised due to the following reasons:

- Different units working on the project might have different expectations about project costs, rewards and priorities
- Confusion in the project team as a result of decision making
- Uncertainty on who has authority to make decision on resource allocation
- Project manager setting cost and time restrictions that the functional manager cannot cope with, are also a recipe for conflict.

However, the most appropriate means of resolving conflicts is negotiation. In negotiating, the project manager should seek for a win-win situation unless in cases where such is not applicable or it cannot yield the desired outcome. This style of negotiation helps the project manager to improve his relationship with colleagues and thus achieve project objectives. In essence, the project manager should ensure that the interest of the project supersedes that of his personal feelings and ego during the negotiation process in order to get a better deal.

Keywords– Negotiation; Conflicts; Principled negotiation; Project lifecycle; Compromising; Smoothing.

I. INTRODUCTION

Negotiation and management of conflict is such a critical concept in the management of project. Regardless, of the type and nature of project implemented, conflicts are bound to occur; which makes the concept a necessary happening in project management. (Meredith & Mantel (Jr.), 2009) refers to conflict as the process wherein one party feels that their opinions and suggestions are frustrated by the action of another party. This has the tendency to stagnate project implementation and progress unless, such is identified and addressed appropriately.

The timely intervention of the project manager and other stakeholders to remedy the situation is of great essence. Project conflicts can be remedied when the correct negotiation approach is implemented. Negotiation refers to the techniques employed to bring conflicting parties to the point of agreement. It is so important that every project manager should possess such skills. Every project follows a specific pattern or stage in its implementation, which we call the project life cycle and conflicts can arise at any stage of this cycle. However, there are specific conflicts associated with the various stages of project

management. In spite of That, the project manager has the duty to ensure that the project finishes on time.

1. Common conflicts situations in project management

Guan, (2007) refers to conflicts as differences between antagonistic or opposing elements or ideas. Conflicts are inevitable in the management of projects because there are different parties and individuals in every project. We cannot separate the two but however the two can be properly managed to ensure that the project meets its client's requirements. (Thamhain & Wilemon, 1975) and (Afzalur, 1992) put forward several causes of conflicts in project and these are: schedule, priorities, manpower, technical options, procedures, cost and personality. Each of these causes can fall into any of the undermentioned categories of project conflicts:

- Different goals and expectations: Every party to a conflict has its goals and expectations. In fact, not meeting those expectations during a negotiation will result in fierce confrontation that fuels the problem. Just as how humans are different in structure and colour so is the way we perceive things. In order to work as a team, we should be able to appreciate ourselves and focus on the interest of the organization or project. Some people

take offence easily and if that is not properly managed can degenerate to conflicts that will stifle project work.

- **Authoritative uncertainty:** Both project and functional managers want to exert authority for people to know that they are in charge of the project. Such situation might lead to project stagnancy if they fail to have clarity on the organizational reporting structure. This is a serious bone of contention in the project environment and urgent actions should be taken to resolve such. This category of conflicts is so common in project implementation.
- **Interpersonal conflicts:** This happens between project stakeholders right through the project life cycle. The project manager should be smart enough to pick up these vices at its initial stages for it not to destroy the good relationship that should exist among project staff.
- **Differentiating values:** Conflicts arising from differences in styles, approaches, backgrounds, religious beliefs and even their individual standpoint of issues. The project manager should be skillful enough to let them know that their individual differences are not paramount in achieving project success; but rather they should tolerate each other in the interest of the project. They should realize what is at stake if the project requirements are not met within the specified timeframe.

1. Predominant causes of conflicts in the project lifecycle

Conflicts is inevitable in every project. It can arise at any phase of the project lifecycle depending on the objectives, priorities, commitments and organizational structure of the project. (Thamhain & Wilemon, 1975) stated four major phases of every project; which are formation stage, build up stage, main program and phase out stage. The potential conflicts during project formation, build up, main program and phase-out phases as stated by (Meredith & Mantel (Jr.), 2009) are:

2. Formation phase:

2.1 Project priority:

An organization can have several ongoing projects that should be implemented within given timeframe and resources. It is difficult for the parent organization to implement all the projects at the same pace. This leads to rationing of available resources to support the different projects. There comes the aspect of project prioritization, which is pivotal to the success of the parent organization. The project manager should ensure that the priority of the project is established relative to the priorities of other projects implemented by that organization. The resources committed to the project are as a result of its priority in achieving organizational target. With this in mind, the project manager should be able to manage the project effectively as the project is competing with other projects for scarce resources

made available by the parent organization. The competition that exists between the project and the other projects is a recipe for conflict in the formation stage of the project life cycle.

3. Resource commitment:

The commitment of resources to the project is central to project conflicts. Every project needs adequate resources for its implementation. In a weak matrix structure, the functional manager has the upper hand in making project decisions. The project manager relies on the functional manager for available resources such as human resource, cost allocations etc. Senior management should show full commitment both in words and in deeds towards the project for the project manager to meet the project requirements within given time, cost and scope. The functional manager assigns technical experts to the project which might not meet the project manager's requirement. This is a potential area of conflict between the two managers. The functional manager is also in need of such staff, hence breeding tensions, discontent, malice and other vices that have the tendency to cripple the project if not properly managed.

4. Technical objectives of the project:

These objectives should be clear and straightforward for project stakeholders to understand in its correct perspective. In setting these objectives, there might arise tensions as a result of different opinions, orientations and backgrounds among team members and other colleagues. Such tension might lead to project conflicts and untoward behavior from members of the team, which will eventually affect project implementation. Having a clear and simple technical objective might help to prevent such tensions and conflicts.

5. Organizational structure of the project:

Project conflicts can also arise from the structure of the parent organization. The structure of the organization dictates the reporting hierarchy. In the weak matrix structure, where the project manager reports to the functional manager; can lead to tension between the two managers. The project manager depends on the functional manager for project resources and other crucial project decisions; this arrangement might not necessarily suit the project manager with regards to the project. There is always tension for the scarce resources made available by the parent organization. For the functional manager, the project is secondary to his unit; meaning that he prioritizes the interest of the unit to that of the project. This is completely opposite to that of the project manager's view and that is a recipe for project conflicts. Such conflicts can be so fierce to a point that it degenerates to something personal. At this stage, project objectives are replaced with personal agendas thus compromising the entire project. Developing a strong matrix structure enables the project manager to effectively

manage the project in the interest of the parent organization thus preventing conflicts.

6. Build up phase:

This is a transition period in project management where project concepts are transformed into detailed project plans. Again, the project manager is desperately seeking commitment from the functional unit in order to develop an effective project plan. Several types of conflicts do occur during this stage but prominently are conflicts arising from; project priorities, project schedules, administrative procedures and technical issues.

Although there are other areas of the project that conflicts can arise from, but the above- mentioned areas are the most commonly seen in the project build stage. There is so much tension existing between the project manager and the functional unit at this phase due to the fact that the project is demanding commitment from the functional unit. It is possible that the functional unit is not ready to commit adequate resources for this project or this project is of low priority in the organization for the commitment of such resources in the midst of other ongoing projects. In ensuring that the project has the resources needed for implementation, the project team and the functional unit must see eye to eye. Project schedules are set during planning, and both managers want to exert authority thus compromising the planning exercise.

7. Main program phase:

The detailed project plans have been developed and approved. This stage is mainly characterized by conflicts arising from schedules and technical issues. There is always the possibility for planned project schedules to be readjusted to accommodate changing circumstances in the project environment. Readjusting such schedules can be difficult and frustrating; that requires the project manager to develop catch up plans to suit the present situation. Implementing a catch-up plan requires additional time; cost and other resources that were not initial budgeted in the detailed project plan. Such adjustment can lead to project conflicts because the functional units are not prepared to undertake such venture; especially when it is not part of the original project plan. Conflicts over technical issues are more serious and fiercer at this stage of the project. Team members as well as functional units are all craving to make their technical inputs count at this phase of project implementation. In their quest to make their technical inputs relevant, conflicts might arise during the process.

8. Phase-out phase:

This phase is characterized by conflicts resulting from schedules. Remember, this is the last stage and every schedule adjustment made to the project should be tied up at this phase. All parties in the project are actively involved in ensuring that the project is completed within

time and specification. This deadline rush can lead to tension amongst various parties. In addition, team members and other staff assigned to the project are in a jittery mode as the project is phasing out. Personality conflicts might arise due to the fact that staff are anxious about their next posting or trying to know what the future holds for them after this project. This stressful and hectic atmosphere created at this phase should be carefully handled by the project manager for the project to achieve its goal. Such tense atmosphere can cause serious conflicts amongst project staff that can lead to project standstill. Tensions arising from project schedules and personalities are the predominant causes of conflict at this phase of the project lifecycle.

9. Negotiation as used in projects

(Burch, 2018) defined negotiation as the process where two or more parties meet to deliberate an arrangement that preferably would help all parties involved. In addition, it refers to an interchange between two or more parties with the purpose of reaching a reasonable agreement. In project, negotiation is a tool used to achieve conflict reduction and resolution. It takes place among individuals, business partners, corporate groups, employees and even between companies and societies. Regardless of the nature of the negotiation undertaken, setting your objectives prior to the process will definitely bring about a favourable result. The ultimate objective of every negotiation is for the negotiating parties to reach an acceptable outcome. Outcome that will favour all parties involved in the negotiation is considered a good objective of negotiation. Project managers are required to apply their negotiation skills at every phase of the project life cycle. The negotiation style adopted by the project manager in the early phases of the project is key to the level of success such manager will achieve using negotiation.

The main requirements of project negotiation are thus:

- Bring all the concerned parties in a fair and transparent atmosphere to find options and approaches to resolve the conflict. It should be resolved in a way where the conflict is settled without damage to any of the parties. However, the settlement should not have adverse effects to the project objectives. Every party should feel satisfied with the outcome of the process and put the interest of the project above their personal interests.
- The project manager should ensure that honesty is the watch word in the negotiation process. Negotiation characterized by sentiments and personal feelings can lead to conflict exacerbation, which ultimately destroys the project. It is incumbent on the negotiators to employ methods that foster honesty and fairness throughout the process to appease all. Even though, it is difficult to satisfy every party but if the process is conducted under such healthy atmosphere, the outcome will be accepted

by everyone; which is the purpose of the negotiation process.

- Reaching consensus and agreement that satisfy both individual parties and the needs of the organization. The organizational needs should be emphasized because it is the commonality that exists amongst these parties. Encouraging negotiating parties to prioritize the project; can serve as the key to unlock most project conflicts.

Setting these requirements in every negotiation can help the project manager in achieving its prime objectives in project conflict resolution.

10. The concept of principled negotiation

(Fisher & William, 2011) refers to principled negotiation as a process that creates a win-win outcome seeking to achieve business objectives and appease the expectations of the other parties by eliminating the do or die situation. This negotiation proffers a better and reasonable way of reaching decent agreements. Good negotiation is one that is prudent and effective and can advance relationship amongst concerned parties. In order to preserve such good relationships, how you can get to a common understanding matter. The four points of principled negotiation put forward by (Fisher & William, 2011) are:

11. Creating a clear line of distinction between the problem and the people

Separating people from the problem is a giant step in resolving the conflict. Many people tend to become personally involved with the problem to the point where they take position and feel resistance to their position. They view every contribution/suggestion coming from the opposing side as personal attack. This separation allows the problem to be addressed from an objective perspective without damaging the existing relationship.

You are no longer seeing your opponents as enemies but rather as partners seeking for a solution to the common enemy (the problem). The problem becomes the focus of discussion, thus pushing every party to find a reasonable solution. Once, the problem is at the center of the negotiation; we see each other as partners rather than as adversaries, actively listening to each other's view during discussion, avoiding the blame game and personality attacks, seeking for a common understanding that is appealing to every party, putting organizational interests above their personal interests.

12. The interests of the negotiating parties are the focus here, not their positions

Defining a problem using the underlying interests of the parties can easily lead to an appropriate solution than allowing them to project their individual positions. An appropriate solution is one that satisfies all parties involved in a conflict. Give everyone the opportunity to

explain their interests clearly. These interests should be discussed together with diverse suggestions and positions for all to accept the outcome.

13. Develop alternative solution that will benefit all

In most cases, parties come to the negotiating table with a mindset. Holding to such positions is not good for the entire process. Rather, negotiating parties should have open minds when creating options for common gains. All possible answers to the problem should be properly brainstormed and evaluated in order to make decision in the interest of all. Emphasize on common interests, and when the parties' interests differ, pursue options whereby those differences can be made like-minded or even matching. Finding choices that produce common gain absolutely underpins win-win negotiations.

14. Setting objective criteria

In tough negotiations where each party is holding to it gun; setting up objective criteria to resolve their differences will really suffice. These criteria will serve as yardsticks to determine the value of an outcome. Individual opinions and suggestions are assessed using such criteria. Once such is established, the negotiation becomes less contestable and parties are willing to abide by its outcome.

15. Instances of project negotiation (win/win versus win/lose approach)

A win-win style manager focuses more on the problem than the people. Seeking for solution that will profit both sides. In other words, such manager aims to work with the other party towards finding a solution to their differences that will eventually lead to satisfaction on both sides. Such manager treasures the interpersonal relationships existing and as such want to confront the problem rather than the person. This style of negotiation is the most preferred in a professional/corporate setting.

However, the win-lose style manager focuses on winning at all cost. This might turn the negotiation into a conflict situation that can cause severe damage to the existing relationship. This style is used on some circumstances but in most cases, agreement is less likely to be reached because of the tension and personal attacks created during the negotiation process.

Having a negotiation between both managers can be so interesting. One is trying to create a fine balance in order to protect the relationship and ensuring that both parties are satisfied whereas the other manager is seeking an all-out win regardless of its consequences. In such situation, the win-win manager should bear in mind that compromise is not the same as win-win. In compromise situation, both parties are ready to make sacrifices to find an agreeable outcome. With win-win, both parties can achieve their desired outcomes without sacrifices. This

should be done in a way where both parties will be seen as victors instead of having a winner and loser. In achieving this, the win-win manager should be magnanimous enough to divert personal attacks coming from the win-lose manager to the problem. In essence, the likely result will be a win-win situation, provided

the win-win manager is experienced enough for this kind of negotiation. Inexperienced win-win manager might want to compromise with the win-lose manager to a point where the win-lose manager takes it all. When that happens, it changes the outcome of the result from win-win to win-lose. All things been equal such negotiation would end up in a win result for both parties.

In situations where both managers follow the win-lose style; such negotiation is marred with tension and personality attacks instead of finding a reasonable solution to the problem. This creates division and at times deadlock situation if not properly handled. The most likely outcome in such negotiation is a winner and loser. Both parties are sticking to their guns, holding extreme positions that are difficult to reconcile.

16. Project conflicts resolution techniques

In project management, there are five key approaches of resolving conflicts and they are: Confronting is a face to face style of resolving projects where a win-win situation is achieved. Should be used in the following circumstances:

- Sufficient time is available because it is time consuming
- Both parties are seeking for peaceful solution
- Both parties have confidence and trust in the process
- Used in situations where the project is the focus
- When both parties need each other going forward. The objective here is to maintain the existing relationship between parties even after the negotiation.

Compromising is a give and take style where both parties are willing to let go of something in order to reach an agreement. Should be used when:

- Insufficient time is available
- Mostly occurs in standstill situation
- There is an urgent need to move on in order to deliver the project on time
- When winning is the only option for both parties

Smoothing is a situation where areas of agreement are stressed and the areas of disagreement soften in order to resolve conflicts. Should be used:

- To buy time
- Risks are low
- When any solution is acceptable by both parties

Forcing otherwise called controlling style, is applied in situations where one party is desperate to win at all cost at the expense of the other. Should be used:

- Deadlock situation

- No need to maintain existing relationship among parties
- When project stakes are high
- When swift project decisions are required

Avoiding is also known as the withdrawal style, where there is no lasting solution to the problem rather parties are ready to postpone the issue. There is always the tendency for the problem to reoccur. Should be used:

- When project stakes are low
- When delay can help in resolving the issue
- When you think winning is off the table
- When you want to be neutral

II. CONCLUSION

Because of the enormous risks posed by this concept to project management, it is imperative on management to hire an experienced project manager with adequate negotiating skills to manage high priority projects. An experienced manager would have seen and handled most of the prevailing conflicts arising in project implementation. Such personality has the wherewithal to complete the project within the stated schedule, budget, scope and quality; which marks the objectives of the project.

REFERENCES

- [1]. Afzalur, R. M. (1992). *Managing Conflicts in Organizations*. Westport, CT: Praeger.
- [2]. Burch, J. (2018, May 02). Objectives of Negotiation. Retrieved from azcentral. PART OF THE USA TODAY NETWORK: <https://yourbusiness.azcentral.com/objectives-negotiation-7491.html>
- [3]. Fisher, R., & William, U. (2011). *Getting to Yes: Negotiating Agreement Without Giving In*, 3rd ed. New York, NY: Penguin Books.
- [4]. Guan, D. (2007). *Conflicts in the project environment*. 2007 PMI Global Congress Proceedings. Hong Kong: Project Management Institute.
- [5]. Jones, G. R., & George, J. M. (2016). *Contemporary Management Ninth Edition*. 2 Penn Plaza, New York, NY 10121: McGraw-Hill Education.
- [6]. Kuchta, D., Sukpen, J., & Technology, W. U. (2013). *Culture and Project Management*. Journal of Intercultural Management Vol. 5 (pp. 23-38). Wroclaw: De Gruyter OPEN.
- [7]. Meredith, J. R., & Mantel (Jr.), S. J. (2009). *PROJECT MANAGEMENT A Managerial Approach Seventh Edition*. 111 River Street, Hoboken, NJ United States Of America: John Wiley & Sons, Inc.
- [8]. Rajkumar, S. (2010). *Art of communication in project management*. PMI Research Conference: Defining the Future of Project Management (pp. 1-

- 18). Washington, DC. Newtown Square: Project Management Institute.
- [9]. Smith, P. (2013, November 21). PROJECT MANAGEMENT ARTICLES. Retrieved from projectmanagement.com : <https://projectmanagement.com/build-an-effective-project-team/>
- [10]. Souder, W. E. (1973). "Utility and Perceived Acceptability of R&D Project Selection Models" Management Science. The Institute for Operations Research and the Management Sciences (informs), 1345-1462.
- [11]. Stanleigh, M. (n.d.). Business Improvement Architects. Retrieved from bia.ca: <https://bia.ca/risk-management-the-what-why-and-how/>
- [12]. Strand , R., & Oughton, D. (2009, September). The National Committee for Research Ethics in Science and Technology (NENT). Retrieved from <http://www.etikkom.no> : <https://www.etikkom.no/globalassets/documents/publikasjoner-som-pdf/risk-and-uncertainty-2009.pdf>
- [13]. Taylor, J. (2006). A Survival Guide for Project Managers Second Edition. American Management Association AMACOM, 1-20.
- [14]. Thamhain, H. J., & Wilemon, D. L. (1975, February). Conflict management in project life cycles. Sloan management review 16(3), pp. 31-50.