

Project Management for Managers
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Lecture - 32
HRM Issues and Time Management

Hello friends. I welcome you all in this session. As you are aware that in previous session we discussed HR Issues in Project, and in this session we will continue the topic Conflict Management.

So, let us look at quickly what we did in previous session. Conflicts are quite natural. They will always be there in a project. The thing is you need to manage those conflicts. And as I said in previous session that conflict is a process, right. It is not a stage. So, did there are different views, you have got traditional view according to which you should suppress conflicts in the organization.

And conflicts are bad for the organization. Behavioral view conflicts are quite natural you need to manage conflicts, and interactionist view that you encourage conflicts to develop in the organization. Because when you have you have got conflicts people would be more creative there would be clarity of roles and responsibilities, there would be clarity of policies of the organization there would be policies, and there would be clarity on rules and regulations of the of the project and so on.

So, if you do not have you know conflicts then it is a sign of stagnation are stagnation of the project, right. And project should not stagnate, right. It should always proceed. So, let us look at what are different sources of conflicts again can be external and can be internal.

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The slide is titled "Sources of Conflict" and is divided into two main sections. The first section, "Organizational:", lists four bullet points: "Reward systems: competitive processes, how evaluation is being done.", "Scarce resources:", "Uncertainty: over lines of authority.", and "Differentiation: mind set, attitudes, time frame, value systems are different from department to department." The second section, "Interpersonal:", lists two bullet points: "Faulty communication" and "Personal grudges & prejudices". At the bottom of the slide, there are logos for "IIT ROORKEE" and "NITEL ONLINE CERTIFICATION COURSE".

So, you can have a situation like let us say organizational sources and interpersonal sources. So, you can have a let us say reward system can be sometimes source of conflict right. So, let us say you have you are having a reward system of let us say, monetary reward system for the best project team member. Now there is a possibility that those who did not get that award they may start complaining. They may always say that the person who got the first prize is not a deserving one right.

So, sometimes due to reward systems there is a possibility of conflict in the organization. Or sometimes the way in which you evaluate performance of the employees may be the reason of conflict. For example, let us say if review system is let us say 6 month sly, right. Then some team members may not be happy with 6 months, 6 month review system. They might be looking for annual review system right. So, performance appraisal, how you are performing employees sometimes maybe reason for conflict right.

Scarce resources most of the times the conflicts would be because of scarce resources, because you have got multiple tasks to be done in a project and at organizational level you have got multiple projects. And each project or each project manager would like to have resources in time, and when he does not get resources in time it would lead to a conflicting situation. So, scarcity of resources, whether it is it is budget or whether it is equipment or it is machine or it is let us say, material or it let us say, the time required to

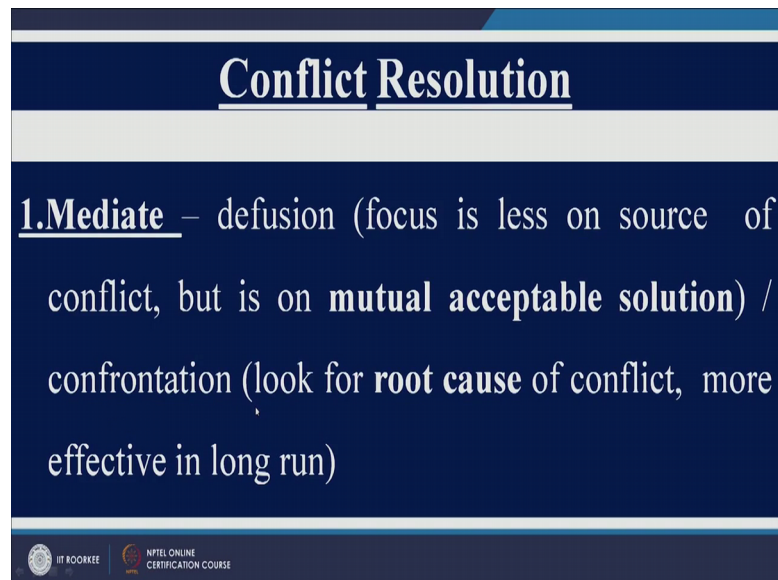
have a meeting with the CEO of the organization right. So, these are couple of reasons for conflict. Uncertainty is another reason of conflict.

In an organization what happens you have got line organization and staff organization, or line authority and staff authority. Line authority means those people who are directly responsible for completion of the activity. While staff authorities are those people who support you in fulfilling the responsibilities of line authority. For example, my job is a job line authority, because I am delivering lecture it is my responsibility, but let us say a cameraman let us say light man are those supporting staff they are just staff authority, right. They are helping me right. So, if there is uncertainty in this then there would be lots of conflicts right. So, there should be certainty as far as roles and responsibilities are concerned.

Then differentiation in mind set of the let us say, project team leader problems due to attitudes, timeframe value systems are different from department to department. These things we have discussed when we discussed types of organization structure right. So, this could be another reason of source of conflict. These are only few I am not saying that only these are the reasons for conflict, there may be other reasons for conflict, right. And you can always have some interpersonal reasons. Polity communication, sometimes you say something to your colleague or your team member, but he understands something else right. So, faulty communication is one of the reasons then you have got personal grudges and prejudice of course, these things will always be there right. So, try to have a healthy atmosphere in a in a in a team and healthy relationships with the stakeholders, right.

Now, how to resolve conflicts? Very important, because you cannot have a situation is situation where there is no conflict. Conflicts will always be there. You should try to minimize first of all right, but you cannot have a situation where is 0 conflict you know 0 conflict situation is there right. So, what to do now there are conflicts available, you need to resolve conflicts right. So, first thing is mediate. So, it is there are 2 points in this method diffusion or concentration, right when you say diffusion.

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Conflict Resolution

1. Mediate – defusion (focus is less on source of conflict, but is on **mutual acceptable solution**) / confrontation (look for **root cause** of conflict, more effective in long run)

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So, the focus is less on source of conflict, but is on mutual acceptable solution. So, if there is a conflict between 2 team members, then try to you know go for mutual agreement between 2 persons. So, with the focus is not on what is the reason or what was the reason for conflict right. So, you are just trying to come down the situation, through mutual acceptable solution.

Or you can have concentration situation, let both of them sit together, let them confront with each other and try to find out what was the root cause of the conflict right. So, which is better; obviously, the second method is better, right. Concentration is better because you are you are looking at root cause. And it would be effective in long and situation right. So, mediation is one of the methods of conflict resolution right; so diffusion and concentration.

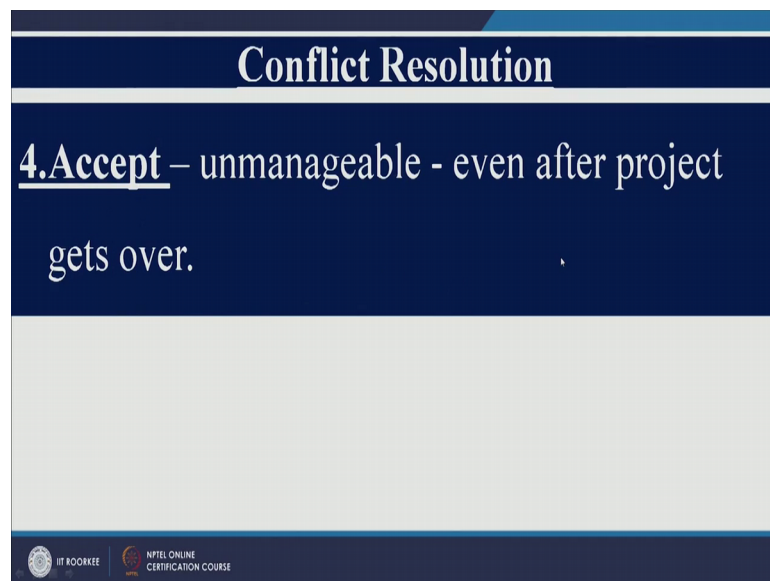
Let us look at arbitration. Now whenever there is conflict it is the responsibility of project manager, project manager imposes in personal judgment on warring parties. So, if there is a conflict between 2 members it is there is a project manager responsibility to say that this fellow is, right. Or this fellow is right. So, there would be impersonal judgment on warring parties right. So, there are several arbitrations available. In fact, if you look at in our country there are several arbitrations available you know, income tax arbitration; you have got companies arbitrations isn't it? So, you have got let us say provident fund of arbitration. So, whenever there are grievances or whenever there are

conflicts you always go to different arbitrations right. So, this is the second method of conflicting resolution.

Control, sometimes not taking a decision is also a decision. In other words you should give them cool down period. If 2 members are fighting with each other or if there are some conflicts between 2 members then, you just let it go for some time it is possible that they themselves resolve those conflicts. And it works in several situations right, but not a good method, right. The best method is to look at the root cause of the conflict and sort it out right.

Next we have except it. So, many times even after trying hard to settle down the warring parties, you do not arrive at a conclusion, you do not resolve a conflict. So, what to do in situations like that? You cannot do anything. You have tried your level best, but still nothing could be found. You could not do anything. So, what to do except that, there is a conflict and it will be there even after project gets over.

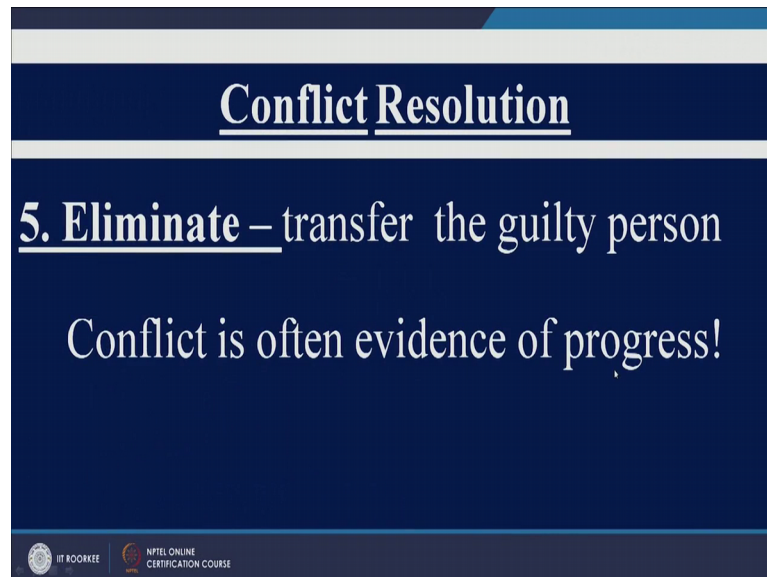
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So, what to do? This is reality, try to resolve it, but if not then except it that these 2 team members will always been conflicting situation. They will always fight with each other, except it.

Now, you have got conflict resolution eliminate. Many times we try to eliminate conflict by transferring the guilty person. And as I said as in one of the views of conflict the interactionist view conflict is often evidence of progress right.



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But let us look at this point. If there are 2 warring parties then, try to transfer the guilty person to some other department, right. If not possible then the final solution is you just fire right, but if you are in government project then firing of an employee is also difficult task, right. He may go to again court plant so on. So, many things right so, elimination is also one of the methods of conflict resolution. Now you can do research what are the reasons of conflict. So, there are 2 studies first is by thamhain and wilemon and the second study is by posner.

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SOURCES OF CONFLICT	Conflict Intensity Ranking	
	Thamhain & Wilemon	Posner
Conflict over project priorities	<u>2</u>	3
Conflict over administrative procedures	5	7
Conflict over technical opinions and performance trade-offs	4	5
Conflict over human resources	3	4
Conflict over cost and budget	7	<u>2</u>
Conflict over schedules	<u>1</u>	<u>1</u>
Personality conflicts	6	6

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Now, they have done a study to find out the reasons for conflict, and they have come up with interesting findings.

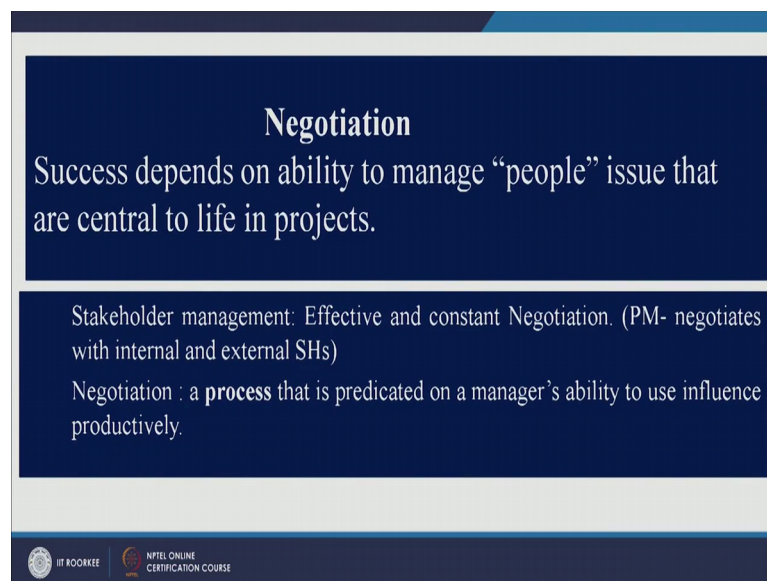
So, what they did they did a survey on different project leaders, and they asked a question they asked several questions about the reasons of conflicts. So, these were the questions conflicts our project priorities. This is to, and they have and after doing survey they have ranked all these reasons, which is the and they have they have ranked all these reasons. And the most and the first rank is given to this conflict our schedules. So, most of the conflicts will be related to project schedule. It will because projects most of the times get delayed, that is why this the first rank by these 2 people as well as by this fellow.

Both of them have given first rank to conflict our schedule is the reason for conflict then, conflict our project priorities is the second most important reason for conflict. By these two, but posner according to posner this is the third rank, right. According to this fellow the second rank is conflict our cost and budget and of course, I think this is quite you know reasonable also right. So, as I as I said in the beginning the performance of the project is measured through time, budget and schedule right. So, just see all these 3 things are here, is because of schedule at the time because of cost and budget second reason right. So, first and second ranks are to those 3 project performance criteria.

Then you have got third reason is conflict our human resources; third reason non availability of manpower. Conflict amongst team members conflicts conflict amongst you know stakeholders right. So, third reason fourth reason is to conflict our technical opinions and performance tradeoffs. Fifth is to conflict our administrative procedures. Sixth is to personality conflict 7th is to conflict our cost and budget. So, according to these 2 researchers this reason has got 7th rank, but in this study this particular reason got second rank right. So, according to so, broadly we can you know come up with on a on a conclusion that these are the reasons. Conflict our schedule, conflict our cost, and budget and conflict our project priorities.

So, if you choose out of all these you know 7 reasons, these 3 reasons are topping both the list right. So, this is a study done by these people you can also do a study and you can contact different team managers, project leaders, and find out what are the reasons for conflict, right. Now let us come to the next point which is on negotiation.

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Negotiation

Success depends on ability to manage “people” issue that are central to life in projects.

Stakeholder management: Effective and constant Negotiation. (PM- negotiates with internal and external SHs)

Negotiation : a **process** that is predicated on a manager’s ability to use influence productively.

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There should be negotiation when you have got conflicts. And the success depends on ability to manage people, issues that are central to life in project right. So, as I said what are the reasons of successful completion of a project? It is the coordination and communication amongst stakeholders. Whether it is internal stakeholder or external stakeholder it is the responsibility of project manager or team leader to coordinate communicate corporate with all the stakeholders right. So, negotiation is In fact,

stakeholder management is something which is broader concept and negotiation is a part of it right.

So, what is negotiation? Negotiation is a process that is predicated on managers ability to use influence productively productivity. Now whenever there is a conflict between 2 members and you are going to negotiate, then you should be very careful about these 3 questions. You should ask these 3 questions to yourself, how much power I do have, because you need to take a decision, when you talk to warring parties or conflicting parties. What sorts of time pressure are there? If there is too much pressure then try to eliminate or try to remove conflict as early as possible. Do I trust my opponent? This is important point.

Let us say there is a conflict between summer you are the buyer and there is a supplier, right. And there is a conflict between buyer and supplier. So, if you are a buyer there is a supplier and there is a conflict and you are going for negotiation right. So, try to put yourself in his situation then, I think you would be able to negotiate in a better way. Similarly he should also do the same isn't it? So, do I trust my opponent right? So, that that was the third question

So, when you go for negotiation just look at these questions. Principled negotiation is of course, whenever you go for negotiation it is always it is always suggested to you know have a win situation for both the parties or all the parties right.

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Principled Negotiation: Win-win

1. Separate the people from the **problem**
2. Focus on **interests**, not positions
3. Invent options for **mutual gain**
4. Insist on using **objective criteria**

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So, these are couple of principled of negotiation separate the people from the problem. This is very important separate the people from the problem. So, if there is a problem then you should focus on problem, right. You should keep your ego attitude position designation how up away from problem, right. If you mix these things with the problem then you would not be able to negotiate successfully. So, separate these 2 things.

Focus on interest not on positions, because the interest of all the stakeholders is to complete project in time. So, focus on them. If you always you know show your bossism then it would not work right. So, keep positions away from negotiation process. Invent options for mutual gain. There is always possibility that you resolve conflict with mutual gain. It should be win situation for all the parties. And for that you need to, you need to prepare yourself, and you need to have proper authority you need to know what are the rules regulations what are the objectives and so on right. So, mutual gain should be the objective in a negotiation process. Insist on using objective criteria rather than you know looking at problems subjectively.

When I say subjectively means it should not be buyers. It should not only on the basis of experience, right. It should be objective, right. It should be measurable, right. When I say objective t means it should be measurable. It should not be you know based on individual's right. So, insist on using objective criteria while you go for negotiation. So, let me summaries what we have done in this session.

We have seen several sources of conflict; sources could be organizational or interpersonal. We have seen different methods of resolution. We have seen mediation we have seen arbitration. It is good to go mediation method be by mediation method, and in mediation method also concentration is the best method, because you are finding root cause then arbitration control give cool down period. It is possible that conflicts automatically get resolved, right. Except that there is a conflict eliminate the party eliminate elimination is another method.

So, transfer the guilty person to some other department, the there are several sources of conflict you can always do a research what are the reasons of conflict and In fact, you can do also a research on water what is the best method of managing conflicts right. So, we have seen those 5 methods, right. Elimination cooling down mediates control and so on.

And these are couple of things which you should keep in mind while going for negotiation. And with this let me complete this particular session.

Thank you very much.