GEPM-375
Project Planning and Construction Management

Conflicts in Project Management

Conflict Management and Negotiation

Four Stages Model of a project.

- Project **Formation**.
- Project **Planning**, **budgeting**, **scheduling** and concentration of **resources**.
- Project **Execution**.
- Project **Termination**.

Four Stage Model of a Project:

Stage -1:
Project Formation.

- Senior Management **tentatively**, sometimes **unofficially**, **approves** the preliminary planning for a project.

- **Management recognition is preceded** by some strictly **unofficial 'bootleg' work** to test the **feasibility** of an idea.

- **Initial planning** is undertaken, **basic objectives** are often adopted, and project may be **scoped out**.

Tentatively- subject to further confirmation; not definitely

Boot-leg- something produced, sold, or transported illegally, (boot-leg film)

Stage -2:

- **Detailed**:

-planning – creating detailed road map

-budgeting- Estimating, allocating, and controlling financial resources.

-scheduling – Organizing and mapping out sequence of tasks, time lines and resources.

-aggregation of resources- summing up all the required resources**.**

Stage-3: Execution

- **Lion's share of the actual work** on the project is accomplished.
- Detailed plan is put into action.

Stage-4:

Termination

- **Final stage of life cycle,**
  -work is completed and
  -products/deliverables are handed over to clients or users.
- Also includes, **disposition of project's assets and personnel**.

- May include **preparation of the initial stage** of another project to follow.

PM (Project Manager)

- **Individual** who has the **responsibility**, **authority** and **accountability** assigned to him or her to **achieve** **safely the project objective** within **agreed time, cost** and **quality** **criteria**.



Functional Manager

- Person who has **management authority** within a business/project **unit/department with direct supervision** over one or more resources and/or
- Person who has **direct responsibility** for the functions that affected by or that affect the **project** deliverable(s)



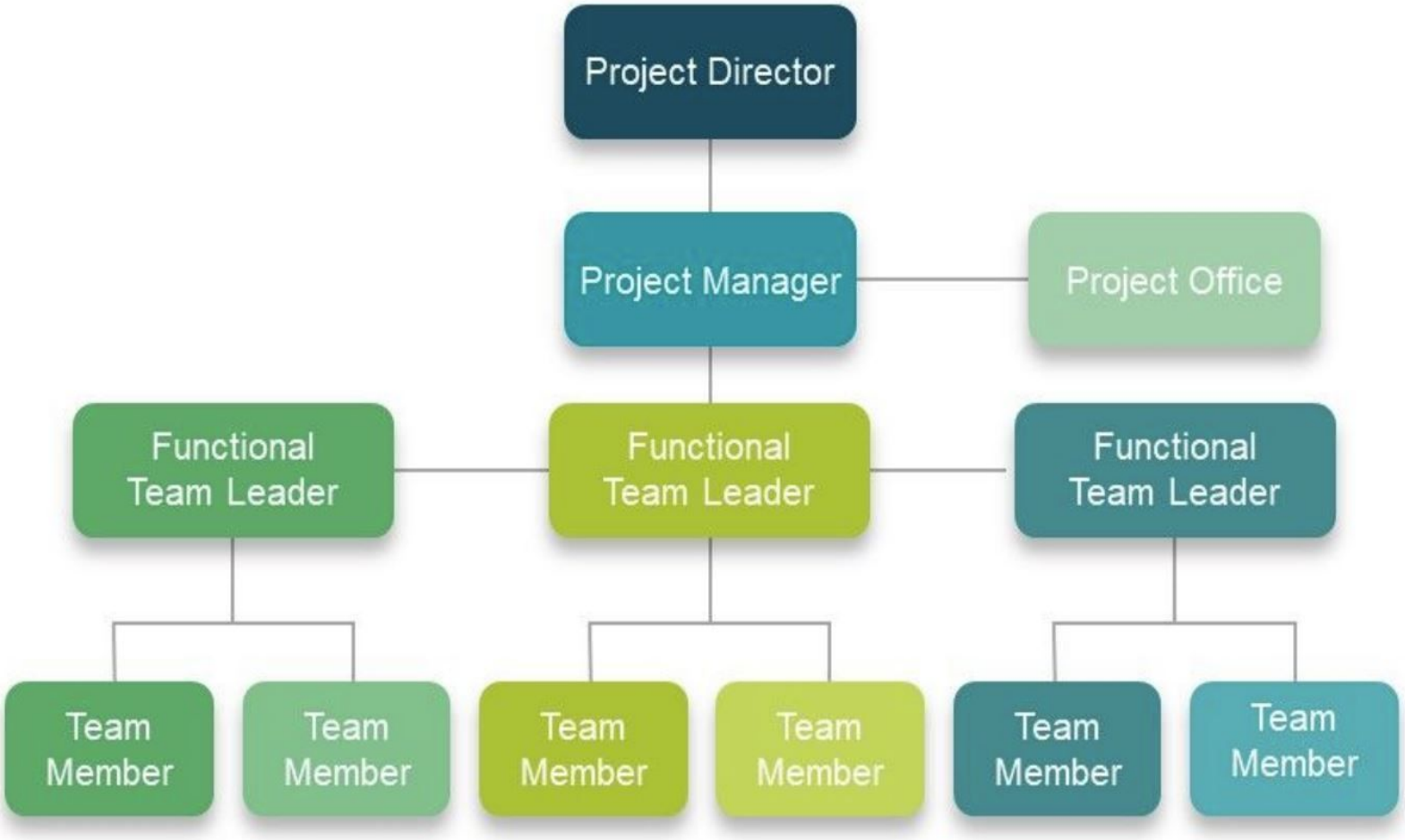
Project Team:

- **PM and the group of individuals** who work together on a project to **achieve its objectives.**
- **Consists** of people from **different teams** with **precise subject matter knowledge** or **with the required skill** set to carry out the work of the project.
- **Structure and characteristics** of a project team **usually vary,** but the **project manager's role as the leader of the team** remains constant.
- **Amount and nature of authority** the project manager has over the members can differ.

Project Team Member:

- **Mainly the people who work on various phases of the project.**

- Could be **in-house staff or external consultants** and may be working on a **full-time or part-time basis**.



Conflicts in Projects

To be discussed today?

- Definition of conflict
- Sources of conflicts
- Satisfaction and resolve of conflict.
- Methods/Ways of resolving conflicts.

Definition of Conflict

•A **serious disagreement** or **argument**, typically a protracted one.

•Process which begins when **one party perceives that other has frustrated, or is about to frustrate**. (Thomas, 1976).



Sources of Conflict in a Project:

From where Conflict arise?

- Conflict **can arise over issues of:**
  - **-belief or -**
  - **-feeling or**
  - **-behavior or**
  - **-goal.**





When does goal conflict occur?

- When an individual or group **pursues goals** that **are different** from those other individuals or goals.

Satisfaction of Conflict:

- When all parties to the conflict are **satisfied to the point**, that is, when the **level of frustration has been lowered** to the point where **no action, at present or in future, is contemplated,** the conflict is **said to be resolved**.

- Acceptance of the status quo or a final agreement, effectively **ending the conflict through inaction or cessation of hostilities**

Methods/Ways of Resolving Conflicts:

Many ways of resolving conflict:

- **Withdrawal**
- **Smoothing**
- **Compromising**
- **Forcing**,
- **Confrontation/problem solving**.

Five ways of Conflict Resolution

Withdrawing:

- **Easier to refrain** than to retreat from an argument.
- **Silence is golden**.
- See **no evil**, hear no evil, speak no evil.

Smoothing:

- **Play down the differences** and **emphasizes** common interest.
- **Issues** that might cause divisions or hurt feelings are not discussed.

Compromising:

- **Splitting the differences and bargaining points**, search for an **intermediate positions**.
- Better half a loaf than none at all.
- **No one loses or no one wins.**

Forcing:

- **A win-lose situation**.
- Participants are antagonists, competitors, not collaborators.
- Fixed positions, polarization.
- Creates a victor and vanquished.

Confrontation-Problem solving:

- Open exchange of information about the conflict or problem as each sees it.
- Working through of their differences to reach a solution that is optimal to both.
- **Both can win.**

Effective and Ineffective Methods of Solving Conflict:

Facing the issues directly (confrontation), such as

- **negotiation** is the most **effective method,**
- **arbitration,**
- **rules of laws, and**
- while **forcing or brute force**, is the **most ineffective**.

Brute force, of course, is time-honored method, as is the **absolute rule of monarch**,

Rule of law is the method of choice for modern societies, if **negotiation or arbitration has not already succeeded** in spite of occasional lapses.

Negotiation: Discussion aimed at reaching an agreement.

Arbitration: Solve with an agreed negotiators

Methods of solving Conflict

Arbitration to Resolve conflict in Project Management:

- Use of an **arbitrator** to settle a dispute.
- **It** is a procedure in which a **dispute is submitted**, by **agreement of the parties, to one or more arbitrators** who make **a binding decision** on the dispute.
- In choosing **arbitration**, the parties opt for a **private dispute resolution procedure** instead of going to court.

Arbitrator: An **independent person** or **body officially appointed to settle a dispute**

Rule of Law: Conflict resolution is the ultimate purpose of law.

Methods of solving Conflict

Usually Conflicts arise in a project can be solved by the following **methods**:

- **Negotiation**
- **Arbitration** and
- **Use of law**.

Uses of Laws

- **Rules and Regulations of Organizations:**

Organizations **establish elaborate and complex rules and regulations** to **settle disputes**:

-between the **organizations itself**, and
-between the **organizations and the individuals**, and
-between the **organizations and the groups** with whom it interacts.

- **Contracts:**

Contracts between:

-a firm and its suppliers,

-a firm and its trade unions, and

-a firm and its customers

are written document to **govern the settlement of potential conflicts.**

Why even Contract Fails to solve conflict:

- **Various parties-at-interests (stakeholders) do not always agree**:

-about the meaning of a law or

about a provision in a contract.

- **No agreement**, however detailed, **can cover all the circumstances** that might arise in the extensive relationships:

-between the **buyer and the seller** of complicated industrial equipment,

-between **users and the supplier** of engineering consulting services,

-between the **producer and the user** of computer programs,

Lists of potential conflicts is endless.

Thank you