

# CHAPTER 12

## COMMUNICATION, CONFLICT, AND NEGOTIATION

### Learning Objectives

1. Describe the communication process, and explain the role of perception in communication.
2. Define information richness, and describe the information richness of communication media available to managers.
3. Describe important communication skills that individuals need as senders and as receivers of messages.
4. Explain why conflict arises, and identify the difference between functional and dysfunctional conflict.
5. Describe conflict management strategies that individuals can use to resolve conflict effectively.
6. Describe how integrative bargaining can be used to resolve conflict.

### Roles in Contrast: Questions

#### MANAGERS

Can I just use email to communicate with my employees?

How can I be a better listener?

Should I do whatever possible to minimize conflict in my department?

#### EMPLOYEES

Can I just use email to communicate with my manager?

How can I be a better listener?

Is it wrong to think that conflict is bad?

# A CASE IN CONTRAST

## THE IMPORTANCE OF GOOD COMMUNICATION SKILLS

Managers and employees at Owen Sound, Ontario-based Transcontinental RBW Graphics ([www.transcontinental-gtc.com](http://www.transcontinental-gtc.com)) pride themselves on the family atmosphere of the company.<sup>1</sup> Brian Reid, general manager, speaks to every employee he encounters whenever he walks around the plant.

Good communication among management and employees is a hallmark of the company, and that attitude pays off. The company has consistently been on the leading edge of technology in the printing industry, as far back as 1927.

RBW empowers its staff to both make decisions and act on them. The average employee has worked there for 18 years. And though there have been several organizing attempts by unions (including a drive in 1999), there has never been a union at the plant.

"I believe our employees have more say with the current structure than they would with unions," says Reid. The company has never laid off a full-time employee. In agreeing with Reid, press technician Brad Fritzsch says, "I think the unions haven't been successful here because of the way we operate. Management does a pretty good job at trying to address all the people's concerns,

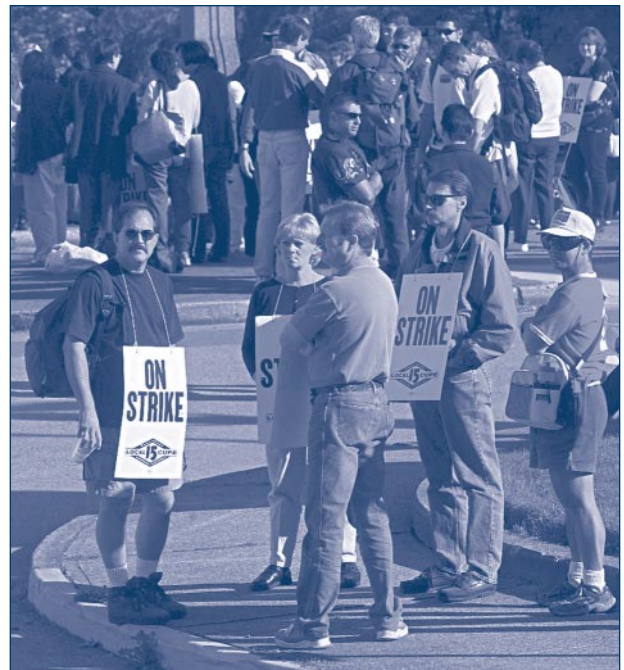


At Transcontinental RBW Graphics, good communication empowers employees and creates a work environment that both employees and managers appreciate.

and there are a number of sub-committees that provide for good communication."

Committees at RBW include a joint health and safety committee, a shop committee, and a social committee. Employees volunteer to serve on the committees and they are responsible for exchanging information and investigating, recommending and implementing solutions, policies, and events to improve the working and personal lives of all the employees.

Because of good communication in the plant, the company has been able to achieve work structures that might have been difficult in other companies. For instance, in 1997 RBW switched to a 12-hour shift system, making the company a seven-day-a-week, 24-hour-a-day operation. The decision to do this was investigated and voted on by the staff. Thus, even though the impact was great, the transition was well received.



Vancouver's city managers failed to consult with their staff before abolishing the four-day workweek that had been in place for 22 years. Employees staged a seven-week strike because they could not reach agreement with the city.

Bill Hiscox, a pressroom technician, says the atmosphere on the shop floor is “just like being in a small town.” He adds, “It’s a good family company and they really look after us well.” The admiration is mutual, however. When Montreal-based Transcontinental Inc., RBW’s parent corporation, won a coveted six-year contract to print the Canadian edition of *Time* magazine in 1999, Wayne Newson, Transcontinental’s president at the time, noted that “the most gratifying thing to us is that we did not get this contract on price. We had to be competitive but it really came down to the capabilities of our plant in Owen Sound. We won the business based on our people and our competencies.”

RBW exemplifies good communication among managers and employees, but not all employers treat their employees as well. When Canadian Union of Public Employees (CUPE; [www.cupe.bc.ca](http://www.cupe.bc.ca)) Local 15, which represents the City of Vancouver’s inside workers, went on strike in early October 2000, the employees were responding to a long-simmering feud with the city’s managers. In late April 1998, the city council had announced, without consulting its staff, that it would abolish its 22-year-old program of four-day workweeks, effective September 1, 1998. The program was very popular with the staff.

Within two weeks of the city’s announcement, negative response from employees became widespread. Some resigned from the staff-appreciation committee, others withdrew voluntary services, and/or wrote anguished letters to councillors “about the emotional and financial impact it would have on them, city hall and the community if the city returned to more traditional work schedules.” Ken Dobell, who was then city manager, showed no sympathy to the employees’ complaints. He simply remarked that “the rest of the world is on a five-day workweek and the city is out of step.” In other words, he refused to listen to his employees’ concerns.

Two years later, city employees were still upset. Two dozen managers and professional staff had quit during that period, double the normal resignation rate for the city. In October 2000, the CUPE workers went on strike for seven weeks because they could not reach agreement with the city on the four-day workweek. At issue was the fact that the city would not communicate with its employees to resolve difficulties with the way the four-day workweek was implemented at City Hall. Early on in the debate the city claimed that there had been widespread complaints about disruptions caused by the four-day workweek, but during the strike city manager Judy Rogers said there was only “anecdotal evidence of dissatisfaction among business leaders with irregular city hours.”

Employees were not offered the opportunity to address alleged concerns while preserving their flextime schedules. Dave Amy, an engineering technician, explained, “I worked with the developers who brought the complaints [about flextime] forward to council, and yes, they had some reasons to complain. But those were small issues that could very well have been worked out. It didn’t need to come down to this.”

## OVERVIEW

As should be clear from the *Case in Contrast*, ineffective communication is detrimental for managers, employees, and organizations; it can lead to conflict, poor performance, strained interpersonal relations, poor service, and dissatisfied customers. Managers at all levels need to be good communicators in order for an organization to be effective and gain a competitive advantage.

In this chapter, we describe the nature of communication and the communication process and explain why it is so important for all managers and their subordinates to

be effective communicators. We describe the communication media available to managers, and the factors that managers need to consider in selecting a communication medium for each message they send. We describe the communication skills that help individuals be effective senders and receivers of messages. We describe conflict, and the strategies that managers can use to resolve it effectively. We discuss one major conflict resolution technique—negotiation—in detail, outlining the steps managers can take to be good negotiators. By the end of this chapter, you will have a good appreciation of the nature of communication and the steps that all organizational members can take to ensure that they are effective communicators. You will also become aware of the skills necessary to manage organizational conflict.

## COMMUNICATION IN ORGANIZATIONS

### Think About It



#### FPI's Failed Communication Brings Restrictive Legislation

When St. John's, Newfoundland-based Fishery Products International (FPI) tried to restructure the company and merge with a rival in 2002, the plans created such a stir that the provincial government stepped in.<sup>2</sup> The plans called for modernizing the plant and laying off a number of employees. Former federal cabinet minister John Crosbie, a director of Fishery Products, acknowledges that the restructuring plans failed because the directors did not communicate them well to those affected.

"FPI should have consulted extensively with the union, employees, community leaders, elected members and both levels of government, developing . . . an adequate retirement plan for the displaced workers," he says. "Not doing so was a terrible mistake."

The result of this lack of communication was that the provincial government imposed restrictive legislation on the company. No investor can now own more than 15 percent of the company, and shareholders cannot sue the province for imposing tough new rules.

#### Question

1. Is good communication really that important?

#### communication

The sharing of information between two or more individuals or groups to reach a common understanding.

**Communication** is the sharing of information between two or more individuals or groups to reach a common understanding.<sup>3</sup> Some organizations are more effective at doing this than others. FPI did not spend enough time trying to make sure other groups understood the need for modernizing the fish plants in Newfoundland. From the *Case in Contrast*, it is clear that RBW Graphics encourages employees and managers to work together on solutions to problems. The City of Vancouver simply imposed a decision that would affect the personal lives of many of its employees.

Good communication is essential for organizations to function effectively. Managers spend about 85 percent of their time engaged in some form of communication, whether in meetings, in telephone conversations, through email, or in face-to-face interactions. Employees also need to be effective communicators.<sup>4</sup> When all members of an organization are able to communicate effectively with each other and with people outside the organization, the organization is much more likely to perform highly and gain a competitive advantage.

#### The Communication Process

The communication process consists of two phases. In the *transmission phase*, information is shared between two or more individuals or groups. In the *feedback phase*,

**sender**

The person or group wishing to share information.

**message**

The information that a sender wants to share.

**encoding**

Translating a message into understandable symbols or language.

**noise**

Anything that hampers any stage of the communication process.

**receiver**

The person or group for which a message is intended.

**medium**

The pathway through which an encoded message is transmitted to a receiver.

**decoding**

Interpreting and trying to make sense of a message.

**verbal communication**

The encoding of messages into words, either written or spoken.

**nonverbal communication**

The encoding of messages by means of facial expressions, body language, and styles of dress.

a common understanding is reached. In both phases, a number of distinct stages must occur for communication to take place (see Figure 12.1).<sup>5</sup>

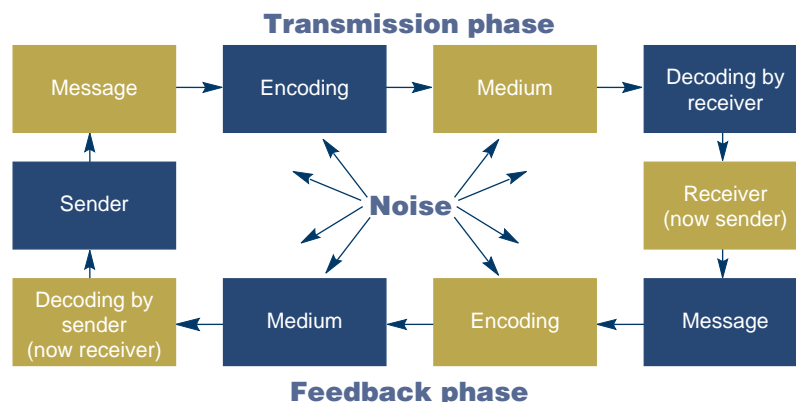
The **sender** (the person or group wishing to share information with some other person or group) starts the transmission phase by deciding on the **message** (the information to communicate). Then the sender translates the message into symbols or language, a process called **encoding**. Often, messages are encoded into words but they could also be symbols, such as :- ) or a stop sign. **Noise** is a general term that refers to anything that hampers any stage of the communication process. In the *Case in Contrast*, a source of noise was city manager Dobell's failure to pay attention and listen to employee concerns about how a change in the workweek would affect their lives.

Once encoded, a message is transmitted through a medium to the **receiver**, the person or group for which the message is intended. A **medium** is simply the pathway—such as a phone call, a letter, a memo, or face-to-face communication in a meeting—through which an encoded message is transmitted to a receiver. At the next stage, the receiver interprets and tries to make sense of the message, a process called **decoding**. This is a critical point in communication.

The feedback phase is begun by the receiver (who becomes a sender). The receiver decides what message to send to the original sender (who becomes a receiver), encodes it, and transmits it through a chosen medium (see Figure 12.1). The message might contain a confirmation that the original message was received and understood, a restatement of the original message to make sure that it was correctly interpreted, or a request for more information. The original sender decodes the message and makes sure that a common understanding has been reached. If the original sender determines that a common understanding has not been reached, the sender and receiver go through the whole process as many times as needed to reach a common understanding. As the *Case in Contrast* indicates, failure to listen to employees prevents many managers from receiving feedback and reaching a common understanding with their employees. Feedback eliminates misunderstandings, ensures that messages are correctly interpreted, and enables senders and receivers to reach a common understanding.

**Nonverbal Communication**

The encoding of messages into words, written or spoken, is **verbal communication**. We also encode messages without using written or spoken language. **Nonverbal communication** shares information by means of facial expressions (smiling, raising an eyebrow, frowning, dropping one's jaw), body language (posture, gestures, nods, shrugs), and even style of dress (casual, formal, conservative,

**Figure 12.1 | The Communication Process**

trendy). As we mentioned in Chapter 10, walk into Toronto-based Willow Manufacturing and you will find everyone who works there, even president Dennis Wild, wearing the same style of uniform.<sup>6</sup> That is one way the company conveys that everyone at Willow is part of the team, and equally important.

As Wild realizes, nonverbal communication can reinforce verbal communication. Just as a warm and genuine smile can back up words of appreciation for a job well done, a concerned facial expression can back up words of sympathy for a personal problem. In such cases, similarity between verbal and nonverbal communication helps to ensure that a common understanding is reached.

People tend to have less control over nonverbal communication, and often a verbal message that is withheld gets expressed through body language or facial expressions. For instance, studies show that maintaining eye contact while speaking is seen as being more credible and more competent than if eye contact wanders. A manager who agrees to a proposal that she or he actually is not in favour of may unintentionally communicate disapproval by grimacing.

It is important to be aware of nonverbal aspects of communication, as well as the literal meaning of the words. You should particularly be aware of contradictions between the messages. A manager may say it's a good time to discuss a raise, but then keep looking at the clock. This nonverbal signal may indicate that this is really *not* a good time to talk. Thus, actions can speak louder (and more accurately) than words. A variety of popular books help one interpret body language. However, do use some care. For instance, while it is often thought that crossing your arms in front of your chest is showing resistance to a message, you might also do this simply because you feel cold.

## The Role of Perception in Communication

Perception plays a central role in communication and affects both transmission and feedback. **Perception** is the process through which people select, organize, and interpret sensory input to give meaning and order to the world around them. But it is inherently subjective and influenced by people's personalities, values, attitudes, and moods, as well as by their experience and knowledge. Thus, when senders and receivers communicate with each other, they are doing so based on their own subjective perceptions. The encoding and decoding of messages and even the choice of a medium hinge on the perceptions of senders and receivers.

In addition, perceptual biases can hamper effective communication. Recall from Chapter 3 that *biases* are systematic tendencies to use information about others in ways that result in inaccurate perceptions. In Chapter 3, we described a number of biases that can result in diverse members of an organization being treated unfairly. These same biases also can lead to ineffective communication. For example, stereotypes—simplified and often inaccurate beliefs about the characteristics of particular groups of people—can interfere with the encoding and decoding of messages.

One of the issues that hurt the potential merger between Fishery Products International and Halifax-based Clearwater Fine Foods was a comment by Clearwater's John Risley (CEO at the time, and now chair). When Newfoundlanders protested the number of jobs that would be lost in the proposed merger, he declared: "This is a culture in which people think there's value in the number of jobs that become eligible for unemployment insurance."<sup>7</sup> He was stereotyping those in the fishery industry in Newfoundland. After he made this statement, any message he tried to encode to employees would be viewed with suspicion. Employees would effectively decode all of Risley's message as meaning he had no respect for them. As Allan Moulton, a union leader and worker at FPI's plant in Marystown, Newfoundland for 30 years, pointed out: "We're not the only seasonal workers in Canada and it's unfortunate Newfoundland really got pegged

### perception

The process through which people select, organize, and interpret sensory input to give meaning and order to the world around them.



Clearwater Fine Foods  
www.clrwater.ca



Fishery Products  
International Ltd.  
www.fpil.com

with this.” He added: “We worked long hours in this industry and every single worker worked hard to save Fishery Products International, and we were successful and we want to get back to doing that.”<sup>8</sup> Instead of relying on stereotypes, effective communicators strive to perceive other people accurately by focusing on their actual behaviours, knowledge, skills, and abilities. Accurate perceptions, in turn, contribute to effective communication.

## INFORMATION RICHNESS AND COMMUNICATION MEDIA

### Think About It



#### Eavesdropping on Voice Mail and Email

*National Post* writer Jonathan Kay recently interviewed an employee who was fired for forwarding dirty jokes to clients via email.<sup>9</sup> The man did not want to be identified by his real name, so Kay referred to him as “Fred Jones.” Jones sold network computers for a living, and during this employment had earned consistently good performance reviews and always received top bonuses. Jones believed he sent the jokes only to the clients he thought would like them, and assumed that a client would tell him if he or she did not. Unbeknownst to him, however, a client had complained to the company about the dirty jokes, and after the company investigated, it fired Jones. Jones still does not completely understand why he was fired. He feels his email was private, and no different from telling jokes at the water cooler.

#### Questions

1. When is email an appropriate way to communicate?
2. Should managers listen to their subordinates’ voice mail messages or read their email?

To be effective communicators, individuals need to select an appropriate communication medium for *each* message they send. Should a change in procedures be communicated to subordinates in a memo or sent as email? Should a congratulatory message about a major accomplishment be communicated in a letter, in a phone call, or over lunch? Should a layoff announcement be made in a memo or at a plant meeting? Should the members of a purchasing team travel to Europe to finalize a major agreement with a new supplier, or should they do this through faxes?

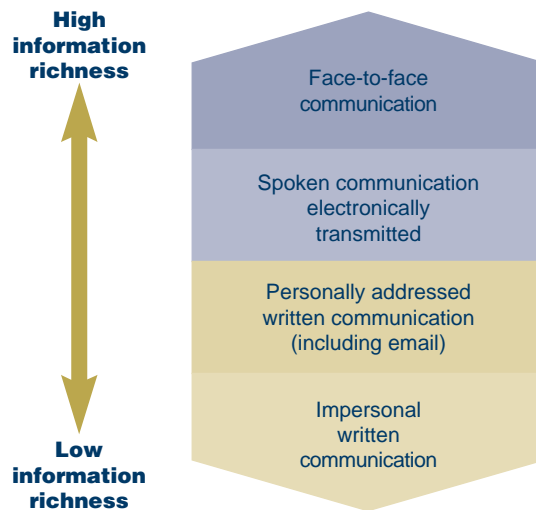
There is no one best communication medium. In choosing a communication medium for any message, individuals need to consider three factors:

- *The level of information richness that is needed.* **Information richness** is the amount of information a communication medium can carry and the extent to which the medium enables sender and receiver to reach a common understanding.<sup>10</sup> The communication media that managers use vary in their information richness (see Figure 12.2).<sup>11</sup> Media high in information richness are able to carry a lot of information and generally enable receivers and senders to come to a common understanding.
- *The time needed for communication.* Managers’ and other organizational members’ time is valuable, and this affects the way messages should be sent.
- *The need for a paper or electronic trail.* An individual may want written documentation that a message was sent and received.

In the remainder of this section, we examine four types of communication media that vary along these three dimensions: information richness, time, and need for a paper or electronic trail.<sup>12</sup>

#### information richness

The amount of information that a communication medium can carry and the extent to which the medium enables sender and receiver to reach a common understanding.

**Figure 12.2 | The Information Richness of Communication Media**

### Face-to-Face Communication

Face-to-face communication has the highest information richness. When individuals communicate face to face, they not only can take advantage of verbal communication but also can interpret each other's nonverbal signals, such as facial expressions and body language. A look of concern or puzzlement can sometimes tell more than a thousand words, and individuals can respond to these nonverbal signals on the spot. Face-to-face communication also enables instant feedback. Points of confusion, ambiguity, or misunderstanding can be resolved, and individuals can cycle through the communication process as many times as they need to, to reach a common understanding.

Because face-to-face communication is highest in information richness, you might think that it should always be the medium of choice. This is not the case, however, because of the amount of time it takes and the lack of a paper or electronic trail resulting from it. For messages that are important, personal, or likely to be misunderstood, it is often well worth the time to use face-to-face communication and, if need be, supplement it with some form of written communication documenting the message.

Many organizations are using videoconferences to capture some of the advantages of face-to-face communication (such as access to facial expressions), while saving time and money because individuals in different locations do not have to travel to meet with one another. In addition to saving travel costs, videoconferences can speed up decisions, shorten new product development time, and lead to more efficient meetings. Some managers have found that meetings are 20- to 30-percent shorter when they use videoconferences instead of face-to-face meetings.<sup>13</sup>



Sally McNeil, a manager at HP Canada, knows that her telecommuting employees can feel disconnected from the workplace sometimes. She tries to call them once a week to offer support, and makes sure that they receive emails about office events and parties.

### Spoken Communication Electronically Transmitted

After face-to-face communication, spoken communication electronically transmitted over the phone is second-highest in information richness (see Figure 12.2).

Although individuals communicating over the phone do not have access to body language and facial expressions, they do have access to the tone of voice in which a message is delivered, the parts of the message the sender emphasizes, and the general manner in which the message is spoken, in addition to the actual words themselves. Thus, phone conversations have the capacity to convey extensive amounts of information. Individuals also can ensure that mutual understanding is reached because they can get quick feedback over the phone and can answer questions.

Voice mail systems and answering machines also allow people to send and receive verbal electronic messages. Such systems are obviously a necessity when managers or employees are frequently out of the office, and those on the road are well advised to check their voice mail periodically.

### Personally Addressed Written Communication

Lower than electronically transmitted verbal communication in information richness is personally addressed written communication (see Figure 12.2). One of the advantages of face-to-face communication and verbal communication electronically transmitted is that they both tend to demand attention, which helps ensure that receivers pay attention. Personally addressed written communication such as a memo or letter also has this advantage. Because it is addressed to a particular person, the chances are good that the person will actually pay attention to (and read) it. Moreover, the sender can write the message in a way that the receiver is most likely to understand. Like voice mail, written communication does not enable a receiver to have his or her questions answered immediately, but when messages are clearly written and feedback is provided, common understandings can still be reached. Even if managers use face-to-face communication, a follow-up in writing is often needed for messages that are important or complicated and need to be referred to later on.

### Email

Email also fits into this category of communication media because senders and receivers are communicating through personally addressed written words. The words are appearing on their personal computer screens, however, rather than on pieces of paper. Email is becoming so widespread in the business world that managers are even developing their own email etiquette. For instance, messages in capital letters are often perceived as being shouted or screamed. Here are some guidelines from polite emailers:

- Always punctuate messages.
- Do not ramble on or say more than you need to.
- Do not act as though you do not understand something when in fact you do understand it.
- Pay attention to spelling and format (put a memo in memo form).

While the growing use of email has enabled better communication within organizations, not all benefits have been positive. Many individuals complain of “email overload,” and being unable to keep up with all the email that arrives, even personally addressed messages. In addition, some employees sexually harass co-workers through email, and employees often find their electronic mailboxes clogged with junk mail. In a recent survey, more than half of the organizations surveyed acknowledged some problems with their email systems.<sup>14</sup>

To avoid these and other costly forms of email abuse, managers need to develop a clear policy specifying what company email can and should be used for and what



E-Mail Etiquette  
[www.emailreplies.com](http://www.emailreplies.com)

is out of bounds. Managers also should clearly communicate this policy to all members of an organization, as well as describe both the procedures that will be used when email abuse is suspected and the consequences that will result when email abuse is confirmed.

The increasing use of voice mail and email in companies large and small has led to some ethical concerns, as we noted at the beginning of this section. These forms of communication are not necessarily private. The federal Privacy and Access to Information Acts apply to all federal government departments, most federal agencies, and some federal Crown corporations, but many private sector employees are not covered by privacy legislation. Only Quebec's privacy act applies to the entire private sector.

The ethics of listening to other people's voice mail or reading their email are likely to be a growing concern for many managers. While no comparable Canadian data are available, a recent survey of more than 2000 large American firms found that 38 percent reported that they "store and review" employee email messages. This was up from 27 percent in 1999 and just 15 percent in 1997.<sup>15</sup> The Ontario, Manitoba, and BC governments have told their employees that email will be monitored if abuse is suspected. The governments' positions are that the internet and email should be used only for business purposes.

### Impersonal Written Communication

Impersonal written communication is lowest in information richness and is well suited for messages that need to reach a large number of receivers. Because such messages are not addressed to particular receivers, feedback is unlikely, so managers must make sure that messages sent by this medium are written clearly in language that all receivers will understand.

Managers can use impersonal written communication, including company newsletters, for various types of messages, including rules, regulations, policies, newsworthy information, and announcements of changes in procedures or the arrival of new organizational members. Impersonal written communication also can be used to communicate instructions about how to use machinery or how to process work orders or customer requests. For these kinds of messages, the paper trail left by this communication medium can be invaluable for employees. Much of this information is also being posted to company intranets. The danger with impersonal communication, however, is that individuals will not read it, so it is important that employees are made aware of important messages.

### Tips for Managers

#### Information Richness and Communication Media

1. For messages that are important, personal, or likely to be misunderstood, consider using face-to-face communication or videoconferences.
2. Consider using videoconferences instead of face-to-face meetings to save time and travel costs.
3. Frequently check voice mail when out of the office.
4. For messages that are complex and need to be referred to later on, use written communication either alone or in conjunction with face-to-face communication, verbal communication electronically transmitted, or videoconferences.
5. Develop a clear policy specifying what company email can and cannot be used for, and communicate this policy to all organizational members.



## DEVELOPING COMMUNICATION SKILLS

### Think About It



#### Understanding Cultural Symbolisms

Communicating with someone of your own cultural background can sometimes cause confusion when you don't know them. Imagine communicating with someone from a different culture, where symbols have different meanings.<sup>16</sup> For instance, Tiffany boxes, much like Birks boxes, are blue, and often wrapped in white ribbons. But when gifts from the New York store were presented to officials of a Shanghai company, the ribbons had to be changed to red, because white stands for death in China. White ribbons would have made the gift recipients uncomfortable.

Business travellers to China have also had to learn how to use chopsticks appropriately. Stabbing them into a bowl of rice and leaving them there is viewed as an act of hostility, because it signifies death to the Chinese. Such faux pas are less likely to be the deal killers they once were, because globalization has helped individuals gain more understanding of each other, but they can lead to misunderstandings.

#### Question

1. What can you do to communicate more effectively with others?

There are various kinds of barriers to effective communication in organizations. Some barriers have their origins in senders. When messages are unclear, incomplete, or difficult to understand, when they are sent over an inappropriate medium, or when no provision for feedback is made, communication suffers. Other communication barriers have their origins in receivers. When receivers pay no attention to, or do not listen to messages, or when they make no effort to understand the meaning of a message, communication is likely to be ineffective.

To overcome these barriers and effectively communicate with others, managers (as well as other organizational members) must possess or develop certain communication skills. Some of these skills are particularly important when individuals send messages, and others are critical when individuals receive messages. These skills help ensure not only that individuals will be able to share information, but that they will have the information they need to make good decisions and take action, and also that they will be able to reach a common understanding with others.

#### Communication Skills for Senders

Individuals can make sure that they consider all of the steps of the communication process when they are engaging in communication. They can also develop their skills in giving feedback. We discuss each of these issues in turn.

#### Improving the Communication Process

Table 12.1 summarizes seven communication skills that help ensure that when individuals send messages, they are properly understood and the transmission phase of the communication process is effective. Let's see what each skill entails.

**SEND CLEAR AND COMPLETE MESSAGES** Individuals need to learn how to send a message that is clear and complete. A message is clear when it is easy for the receiver to understand and interpret, and it is complete when it contains all the information that the sender and receiver need to reach a common understanding. In trying to send messages that are both clear and complete, managers must learn

**Table 12.1** | **Seven Communication Skills for Managers as Senders of Messages**

- Send messages that are clear and complete
- Encode messages in symbols that the receiver understands
- Select a medium that is appropriate for the message
- Select a medium that the receiver monitors
- Avoid filtering and information distortion
- Ensure that a feedback mechanism is built into messages
- Provide accurate information to ensure that misleading rumours are not spread

to anticipate how receivers will interpret messages, and adjust messages to eliminate sources of misunderstanding or confusion.

#### **ENCODE MESSAGES IN SYMBOLS THE RECEIVER UNDERSTANDS**

Individuals need to appreciate that when they encode messages, they should use symbols or language that the receiver understands. When sending messages in English to receivers whose native language is not English, for example, it is important to use commonplace vocabulary and to avoid clichés that, when translated, may make little sense and in some cases are unintentionally comical or insulting.

#### **jargon**

Specialized language that members of an occupation, group, or organization develop to facilitate communication among themselves.

**Jargon**, specialized language that members of an occupation, group, or organization develop to facilitate communication among themselves, should never be used to communicate with people outside the occupation, group, or organization. For example, truck drivers refer to compact cars as “roller skates,” highway dividing lines as “paints,” and orange barrels around road construction areas as “Schneider eggs.” Using this jargon among themselves results in effective communication because they know precisely what is being referred to. But if a truck driver used this language to send a message (such as “That roller skate can’t stay off the paint”) to a receiver who did not drive trucks, the receiver would not know what the message meant.<sup>17</sup>

**SELECT A MEDIUM APPROPRIATE FOR THE MESSAGE** When choosing among communication media, individuals need to take into account the level of information richness required, time constraints, and the need for a paper or electronic trail. A primary concern in choosing an appropriate medium is the nature of the message. Is it personal, important, nonroutine, and likely to be misunderstood and in need of further clarification? If it is, face-to-face communication is likely to be in order.

**SELECT A MEDIUM THAT THE RECEIVER MONITORS** Another factor that individuals need to take into account when selecting a communication medium is whether it is one that the receiver uses. Not everyone checks voice mail and email routinely. Many people simply select the medium that they themselves use the most and are most comfortable with, but doing this can often lead to ineffective communication. No matter how much an individual likes email, sending an email message to someone else who never checks his or her email is useless. Learning which individuals like things in writing and which prefer face-to-face interactions and then using the appropriate medium enhances the chance that receivers will actually receive and pay attention to messages.

A related consideration is whether receivers have disabilities that limit their ability to decode certain kinds of messages. A blind receiver, for example, cannot read a written message. Managers should ensure that their employees with disabilities have resources available to communicate effectively with others.

**filtering**

Withholding part of a message out of the mistaken belief that the receiver does not need or will not want the information.

**information distortion**

Changes in the meaning of a message as the message passes through a series of senders and receivers.

**rumours**

Unofficial pieces of information of interest to organizational members but with no identifiable source.

**AVOID FILTERING AND INFORMATION DISTORTION** Filtering occurs when senders withhold part of a message because they (mistakenly) think that the receiver does not need the information or will not want to receive it. Filtering can occur at all levels in an organization and in both vertical and horizontal communication. Rank-and-file employees may filter messages they send to first-line managers, first-line managers may filter messages to middle managers, and middle managers may filter messages to top managers. Such filtering is most likely to take place when messages contain bad news or problems that subordinates are afraid they will be blamed for.

**Information distortion** occurs when the meaning of a message changes as the message passes through a series of senders and receivers. Some information distortion is accidental—due to faulty encoding and decoding or to a lack of feedback. Other information distortion is deliberate. Senders may alter a message to make themselves or their groups look good and to receive special treatment.

Managers themselves should avoid filtering and distorting information. But how can they eliminate these barriers to effective communication throughout their organization? They need to establish trust throughout the organization. Subordinates who trust their managers believe that they will not be blamed for things beyond their control and will be treated fairly. Managers who trust their subordinates provide them with clear and complete information and do not hold things back.

**INCLUDE A FEEDBACK MECHANISM IN MESSAGES** Because feedback is essential for effective communication, individuals should build a feedback mechanism into the messages they send. They either should include a request for feedback or indicate when and how they will follow up on the message to make sure that it was received and understood. When writing letters and memos or sending faxes, one can request that the receiver respond with comments and suggestions in a letter, memo, or fax; schedule a meeting to discuss the issue; or follow up with a phone call. Building feedback mechanisms such as these into messages ensures that messages are received and understood.

**PROVIDE ACCURATE INFORMATION** Rumours are unofficial pieces of information of interest to organizational members but with no identifiable source. Rumours spread quickly once they are started, and usually they concern topics that organizational members think are important, interesting, or amusing. Rumours, however, can be misleading and can cause harm to individual employees and to an organization when they are false, malicious, or unfounded. Managers can halt the spread of misleading rumours by providing organizational members with accurate information on matters that concern them.

## Giving Feedback

We have discussed the importance of feedback in making sure that communication is understood. We can also talk about providing feedback more generally, because communicating feedback is an important task for managers. While positive feedback is easier to give, many individuals do not provide such feedback. Most people find giving negative feedback more difficult. Individuals can learn from feedback, whether it is positive or negative, so providing it in a timely fashion is important. The following suggestions can lead to more effective feedback:

- *Focus on specific behaviours.* Individuals should be told what it was that they did well or poorly, rather than simply being told that they did a good job. They can learn more from comments such as “You were very organized in your presentation,” or “You managed your time effectively on this project,” than when told simply, “Great job.”
- *Keep feedback impersonal.* When giving feedback, you should describe the behaviour, rather than judge or evaluate the person.<sup>18</sup> Particularly when giving

negative feedback, it is easy to focus on personal characteristics (rudeness, laziness, incompetence, etc.), but this rarely helps the person learn from mistakes. It is better to explain that the report was late, it contained a number of errors, and was missing an important section.

- *Keep feedback goal-oriented.* Feedback should not be given just because it will make you feel better. Rather, it should have a goal, such as improving performance for next time.
- *Make feedback well-timed.* Feedback should be given shortly after the behaviour occurs. This ensures that the individual remembers the event, and also is more likely to result in change if change is needed. Giving feedback to someone six months later, during a performance review, is usually not helpful. If a situation has provoked an emotional response in you, however, delaying feedback until you have had time to lessen the emotional impact is wise.
- *Direct negative feedback toward behaviour that the receiver can control.* When giving negative feedback, consider which things the individual can fix, and which are out of his or her control. Criticizing someone's writing skills and then suggesting that the person take a writing course focuses on behaviour that can be controlled. Criticizing someone for not sending an important email when the company's network was down is not likely a situation the individual can fix or control.

### Communication Skills for Receivers

Senders also receive messages, and thus they must possess or develop communication skills that allow them to be effective receivers of messages. Table 12.2 summarizes three of these important skills, which we examine in greater detail.

#### Pay Attention

When individuals are overloaded and forced to think about several things at once, they sometimes do not pay sufficient attention to the messages they receive. To be effective, however, individuals should always pay attention to messages they receive, no matter how busy they are. For example, when discussing a project with a subordinate, an effective manager focuses on the project and not on an upcoming meeting with his or her own boss. Similarly, when individuals are reading written forms of communication, they should focus their attention on understanding what they are reading and not be sidetracked into thinking about other issues.

#### Be a Good Listener

Part of being a good communicator is being a good listener. This is an essential communication skill for all organizational members. Being a good listener is surprisingly more difficult than you might realize, however. The average person speaks at a rate of 125 to 200 words per minute, but the average listener can effectively process up to 400 words per minute. Therefore listeners are often thinking about other things at the same time that a person is speaking.

**Table 12.2** | **Three Communication Skills for Managers as Receivers of Messages**

- Pay attention
- Be a good listener
- Be empathetic

It is important to engage in active listening, which requires paying attention, interpreting, and remembering what was said. Active listening requires making a conscious effort to hear what a person is saying, and interpreting it to see that it makes sense. Being a good listener is an essential communication skill in many different kinds of organizations, from small businesses to large corporations.

Organizational members can practise the following behaviours to become active listeners:<sup>19</sup>

1. *Make eye contact.* Eye contact lets the speaker know that you are paying attention, and it also lets you pick up nonverbal cues.
2. *Exhibit affirmative head nods and appropriate facial expressions.* By nodding your head and making appropriate facial expressions, you further show the speaker that you are listening.
3. *Avoid distracting actions or gestures.* Do not look at your watch, shuffle papers, play with your pencil, or engage in similar distractions when you are listening to someone talk. These actions suggest to the speaker that you are bored or uninterested. The actions also mean that you probably are not paying full attention to what is being said.
4. *Ask questions.* The critical listener analyzes what he or she hears, and asks questions. Asking questions provides clarification, and reduces ambiguity, leading to greater understanding. It also assures the speaker that you are listening.
5. *Paraphrase.* Paraphrasing means restating in your own words what the speaker has said. The effective listener uses such phrases as “What I hear you saying is . . .” or “Do you mean . . . ?” Paraphrasing is a check on whether you are listening carefully and accurately.
6. *Avoid interrupting the speaker.* Interruptions can cause the speaker to lose his or her train of thought and cause the listener to jump to wrong conclusions based on incomplete information.
7. *Don’t overtalk.* Most of us prefer talking to listening. However, a good listener knows the importance of taking turns in a conversation.
8. *Make smooth transitions between the roles of speaker and listener.* The effective listener knows how to make the transition from listener to speaker roles, and then back to being a listener. It’s important to listen rather than plan what you are going to say next.

### Be Empathetic

Receivers are empathetic when they try to understand how the sender feels and try to interpret a message from the sender’s perspective, rather than viewing a message from only their own point of view.

### Understanding Linguistic Styles

Deborah Tannen, who has written a number of books on communication, describes **linguistic style** as a person’s characteristic way of speaking. Elements of linguistic style include tone of voice, speed, volume, use of pauses, directness or indirectness, choice of words, credit-taking, and use of questions, jokes, and other manners of speech.<sup>20</sup> When people’s linguistic styles differ and these differences are not understood, ineffective communication is likely. Differences in linguistic style can cause problems because linguistic style is often taken for granted. People rarely think about their own linguistic styles and often are unaware of how linguistic styles can differ. Communication between men and women can be affected by differences in linguistic style, as can communication cross-culturally.

### Gender Differences

Research conducted by Tannen and other linguists indicates that the linguistic styles of men and women differ in practically every culture and language.<sup>21</sup> Men

#### linguistic style

A person’s characteristic way of speaking.



Deborah Tannen  
[www.georgetown.edu/faculty/tannend/](http://www.georgetown.edu/faculty/tannend/)

and women take their own linguistic styles for granted and thus do not realize when they are talking with someone of the opposite sex that gender differences in style may lead to ineffective communication.

In Canada and the United States, women tend to downplay differences between people, are not overly concerned about receiving credit for their own accomplishments, and want to make everyone feel more or less on an equal footing so that even poor performers or low-status individuals feel valued. They are less likely to criticize poor performance, as a result. Men, in contrast, tend to emphasize their own superiority and are not reluctant to acknowledge differences in status or differences in performance.<sup>22</sup>

Do some women try to prove that they are better than everyone else, and are some men unconcerned about taking credit for ideas and accomplishments? Of course. The gender differences in linguistic style that Tannen and other linguists have uncovered are general tendencies evident in many women and men but not in all women and men.

Where do gender differences in linguistic style come from? Tannen suggests that they develop from early childhood on. Girls and boys tend to play with children of their own gender, and the ways in which girls and boys play are quite different. Girls play in small groups, engage in a lot of close conversation, emphasize how similar they are to each other, and view boastfulness negatively. Boys play in large groups, emphasize status differences, expect leaders to emerge who boss others around, and give each other challenges to try to meet. These differences in styles of play and interaction result in differences in linguistic styles when boys and girls grow up and communicate as adults. The ways in which men communicate emphasize status differences and play up relative strengths, while the ways in which women communicate emphasize similarities and downplay individual strengths.<sup>23</sup>

### Cross-Cultural Differences

Managers from Japan tend to be more formal in their conversations and more deferential toward upper-level managers and people with high status than are managers from Canada. Japanese managers do not mind extensive pauses in conversations when they are thinking things through or when they think that further conversation might be detrimental. Canadian managers, in contrast, find very lengthy pauses disconcerting and feel obligated to talk to fill the silence.<sup>24</sup>

Another cross-cultural difference in linguistic style concerns the appropriate physical distance separating speakers and listeners in business-oriented conversations.<sup>25</sup> The distance between speakers and listeners is greater in Canada, for example, than it is in Brazil or Saudi Arabia. Citizens of different countries also



Differences in linguistic style may come from early childhood, when girls and boys are inclined to play with members of their own sex. Girls tend to play in small groups, noting how they are similar to each other. Boys tend to emphasize status differences, challenging each other and relying on a leader to emerge.

vary in how direct or indirect they are in conversations and in the extent to which they take individual credit for accomplishments. Japanese culture, with its collectivist or group orientation, tends to encourage linguistic styles in which group rather than individual accomplishments are emphasized. The opposite tends to be true in the United States, where Americans proudly reel off their accomplishments.

These and other cross-cultural differences in linguistic style can and often do lead to misunderstandings. Communication misunderstandings and problems can be overcome if managers make themselves familiar with cross-cultural differences in linguistic styles. Before managers communicate with people from abroad, they should try to find out as much as they can about the aspects of linguistic style that are specific to the country or culture in question. Expatriate managers who have lived in the country in question for an extended period of time can be good sources of information about linguistic styles because they are likely to have experienced first-hand some of the differences that citizens of a country are not aware of. Finding out as much as possible about cultural differences also can help managers learn about differences in linguistic styles, for the two are often closely linked.

### Managing Differences in Linguistic Styles

Managers should not expect to change people's linguistic styles and should not try to. Instead, to be effective, managers need to understand differences in linguistic styles. Knowing that some individuals are slower to speak up, or that they wait for cues to jump into a conversation, managers can be more proactive about inviting quiet members to speak up. As Tannen points out, "Talk is the lifeblood of managerial work, and understanding that different people have different ways of saying what they mean will make it possible to take advantage of the talents of people with a broad range of linguistic styles."<sup>26</sup>

## Tips for Managers

### Sending and Receiving Messages

1. Make sure that the messages you send are clear, complete, encoded in symbols the receiver will understand, and sent over a medium the receiver monitors.
2. Establish a sense of trust in your organization to discourage filtering and information distortion.
3. Send your messages in a way that will ensure that you receive feedback.
4. Pay attention to the messages you receive, be a good listener, and try to understand the sender's perspective.
5. Be attuned to differences in linguistic style and try to understand the ways they affect communication in your organization.

## ORGANIZATIONAL CONFLICT

### Think About It



#### Cayoosh Resort

Olympic gold medallist Nancy Greene-Raine's hopes of building a ski resort in Melvin Creek, near Lillooet, BC, have not gone as smoothly as her athletic competitions once did.<sup>27</sup> Green-Raine's business, NGR Resort Consultants Inc., which she runs with her developer husband, Al Raine, has spent years trying to gain permission to build Cayoosh Resort, a \$500-million investment that would create 1000 jobs. Vancouver-based environmental groups say that the

resort would destroy the grizzly bear habitat and threaten a pristine valley. The St'at'imc Nation, which includes 11 bands, has also objected to the development proposal, and has threatened road blockades if it proceeds.

"The only thing that would get talks going," Chief Gary John said, "would be if cabinet ministers from Ottawa and Victoria came to discuss 'the big picture,' which involves BC Rail, BC Hydro, and the sharing of resource revenues. Canada and British Columbia are very wealthy. They should be sharing some of that wealth, instead of leaving us in this welfare state."

### Question

1. How do we effectively manage conflict?

### organizational conflict

The discord that arises when the goals, interest, or values of different individuals or groups are incompatible and those individuals or groups block or thwart each other's attempts to achieve their objectives.

Organizational conflict often arises as the result of communication breakdowns among individuals or units. **Organizational conflict** is the discord that arises when the goals, interests, or values of different individuals or groups are incompatible and those individuals or groups block or thwart each other's attempts to achieve their objectives.<sup>28</sup> Conflict is an inevitable part of organizational life because the goals of different stakeholders such as managers and workers are often incompatible. Organizational conflict also can exist between departments and divisions that compete for resources or even between managers who may be competing for promotion to the next level in the organizational hierarchy.

Though many people dislike conflict, it is not always dysfunctional. Too little conflict can be as bad as too much conflict, but a medium level of conflict can encourage a variety of perspectives that improve organizational functioning and effectiveness and help decision making. Conflict is a force that needs to be managed rather than eliminated.<sup>29</sup> Managers should never try to eliminate all conflict but rather should try to keep conflict at a moderate and functional level to promote change efforts that benefit the organization. To manage conflict, one should understand the types and sources of conflict and to be familiar with certain strategies that can be effective in dealing with it.

## Conflict Management Strategies

Organizational conflict can happen between individuals, within a group or department, between groups or departments, or even across organizations. Conflict can arise for a variety of reasons. Within organizations conflict occurs for such reasons as incompatible goals and time horizons, overlapping authority, task interdependencies, incompatible evaluation or reward systems, scarce resources, and status inconsistencies (see Figure 12.3).<sup>30</sup> Regardless of the source of the conflict, knowing how to handle conflict is an important skill.

The behaviours for handling conflict fall along two dimensions: *cooperativeness* (the degree to which one party tries to satisfy the other party's concerns) and *assertiveness* (the degree to which one party tries to satisfy his or her own concerns).<sup>31</sup> This can be seen in Figure 12.4. From these two dimensions emerge five conflict-handling behaviours:

- *Avoiding*. Withdrawing from conflict.
- *Competing*. One person tries to satisfy his or her own interests, without regard to the interests of the other party.
- *Compromising*. Each party is concerned about its own goal accomplishment and the goal accomplishment of the other party and is willing to engage in a give-and-take exchange and to make concessions until a reasonable resolution of the conflict is reached.
- *Accommodating*. One person tries to please the other person by putting the other's interests ahead of his or her own.

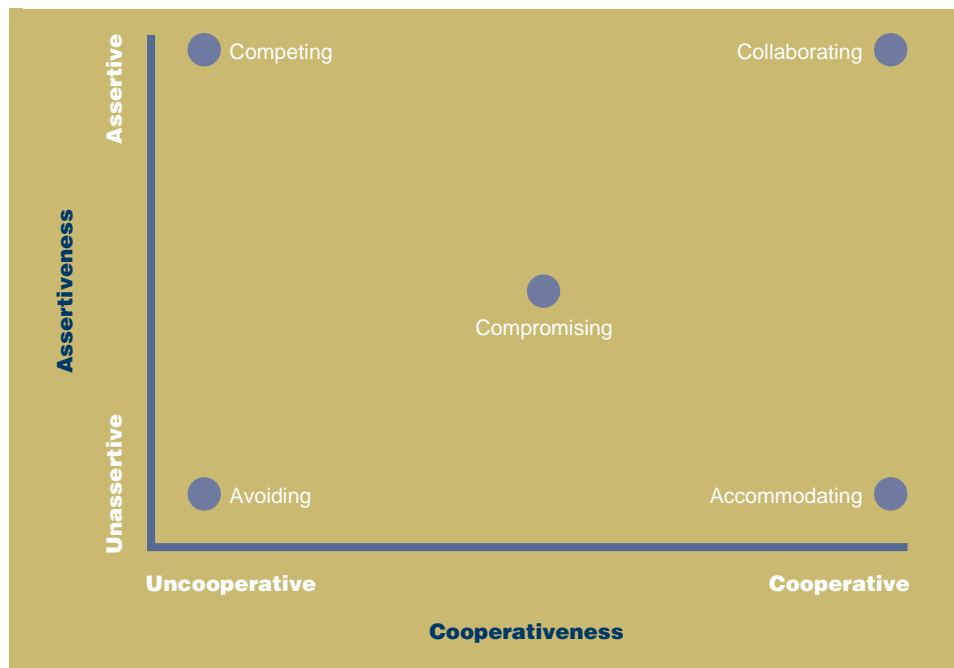
**Figure 12.3 | Sources of Conflict in Organizations**



- *Collaborating.* The parties to a conflict try to satisfy their goals without making any concessions and instead come up with a way to resolve their differences that leaves them both better off.

When the parties to a conflict are willing to cooperate with each other and devise a solution that each finds acceptable (through compromise or collaboration), an organization is more likely to achieve its goals. The difficulties faced by Nancy Greene-Raine in building a ski resort in British Columbia are considerable.

**Figure 12.4 | Dimensions of Conflict-Handling Behaviours**



Source: K.W. Thomas, "Conflict and Negotiation in Organizations," in M.D. Dunnette and L.M. Hough (eds.), *Handbook of Industrial Psychology*, 2nd ed., vol. 3 (Palo Alto, CA: Consulting Psychologists Press, 1992), p. 668. Copyright 2001 by Acad. of Mgmt. Reproduced with permission of Acad. of Mgmt. in the format Textbook via Copyright Clearance Center.

Though the resort would bring a great number of jobs, as well as money to the area, Chief Gary John of the St'at'imc Nation sees these as short-term solutions to problems that have plagued the bands for years. He has taken a competing position, whereas the developers have tried to find some compromises.

Conflict management strategies that ensure conflicts are resolved in a functional manner focus on individuals and on the organization as a whole. Below, we describe four strategies that focus on individuals: increasing awareness of the sources of conflict, increasing diversity awareness and skills, practising job rotation or temporary assignments, and using permanent transfers or dismissals when necessary. We also describe two strategies that focus on the organization as a whole: changing an organization's structure or culture, and directly altering the source of conflict.

## Strategies Focused on Individuals

**INCREASING AWARENESS OF THE SOURCES OF CONFLICT** Much conflict arises because individuals are not aware of how differences in linguistic styles, personality, background, and job requirements affect interactions. For example, differences in linguistic styles may lead some men in work teams to talk more, and take more credit for ideas, than women in those teams. These communication differences can result in conflict when the men incorrectly assume that the women are uninterested or less capable because they participate less, and the women incorrectly assume that the men are being bossy and are not interested in their ideas because they seem to do all the talking. Conflict can also arise when co-workers are unaware of the demands of each other's jobs, and place unrealistic expectations on someone to complete a project. When individuals are aware of the source of conflict, they can take steps to interact with each other more effectively. Awareness can be increased through diversity training, open communication, and job rotation or temporary assignments that increase understanding of the work activities and demands that others in an organization face.

**USING PERMANENT TRANSFERS OR DISMISSALS** Sometimes when other conflict resolution strategies do not work, managers may need to take more drastic steps, including permanent transfers or dismissals.

Suppose two first-line managers who work in the same department are always at each other's throats; frequent bitter conflicts arise between them even though they both seem to get along well with the other people they work with. No matter what their supervisor does to increase their understanding of each other, these conflicts keep occurring. In this case, the supervisor may want to transfer one or both managers so that they do not have to interact as frequently.

When dysfunctionally high levels of conflict occur among top managers who cannot resolve their differences and understand each other, it may be necessary for one of them to leave the company.



One of the issues in the dispute between the nurses in British Columbia and the Health Employers Association of BC is whether nurses are paid enough. Another one that British Columbia Nurses' Union president Debra McPherson raises is the chronic understaffing that hospitals seems unwilling to address.

## Strategies Focused on the Organization

**CHANGING STRUCTURE OR CULTURE** Conflict can signal the need for changes in an organization's structure or culture. Sometimes, managers can effectively resolve conflict by changing the organizational structure they use to group people and tasks.<sup>32</sup> As an organization grows, for example, the *functional structure* that was effective when the organization was small may no longer be effective, and a shift to a product structure might effectively resolve conflicts (see Chapter 6).

Managers also can effectively resolve conflicts by increasing levels of integration in an organization. When individuals from different departments are assigned to the same team, they can directly resolve issues on the spot, rather than going through departments.

Sometimes managers may need to take steps to change an organization's culture to resolve conflict (see Chapter 7). Norms and values in an organizational culture might inadvertently promote dysfunctionally high levels of conflict that are difficult to resolve. For instance, norms that stress respect for formal authority may create conflict that is difficult to resolve when an organization creates self-managed work teams. Values stressing individual competition may make it difficult to resolve conflicts when organizational members need to put others' interests ahead of their own. In circumstances such as these, taking steps to change norms and values can be an effective conflict resolution strategy.

**ALTERING THE SOURCE OF CONFLICT** When conflict is due to overlapping authority, status inconsistencies, and incompatible evaluation or reward systems, managers can sometimes effectively resolve the conflict by directly altering the source of conflict—the overlapping authority, the status inconsistency, or the evaluation or reward system. For example, managers can clarify the chain of command and reassign tasks and responsibilities to resolve conflicts due to overlapping authority.

## Tips for Managers

### Handling Conflict

1. Try to handle conflicts by compromise or collaboration.
2. Analyze how differences among parties to a conflict (such as in linguistic styles, personality, age, or gender) may be contributing to misunderstandings and conflict.
3. Consider using job rotation or temporary assignments to help your subordinates understand the work activities and demands of other organizational members.
4. Analyze the extent to which conflict in your organization is due to a faulty organizational structure or a dysfunctional culture.

## NEGOTIATION STRATEGIES

### Think About It



#### Debra McPherson and the BC Nurses' Union

Debra McPherson, president of the British Columbia Nurses' Union (BCNU), is seen as an uncompromising person, one who stands her ground.<sup>33</sup> As head of the 25 000-member union, she points out that she needs to be firm, otherwise nurses would be treated even more poorly than they already are. In leading a recent job action against hospitals in British Columbia, she told administrators and the public alike that nurses should have a say in how health care is delivered, and that wages need to be a lot better than what has been offered. "Why should I be paid less than a freaking plumber?" she asks.

McPherson feels that the union is the only hope that nurses have to get better working conditions and pay. She sees hospital management "as oppressors and as barriers to good health management practices."

#### Questions

1. How does one engage in bargaining effectively?
2. What is a win-win solution?

**negotiation**

A method of conflict resolution in which the parties in conflict consider various alternative ways to allocate resources to each other in order to come up with a solution acceptable to them all.

**distributive negotiation**

Adversarial negotiation in which the parties in conflict compete to win the most resources while conceding as little as possible.

**integrative bargaining**

Cooperative negotiation in which the parties in conflict work together to achieve a resolution that is good for them all.

A particularly important conflict resolution technique for managers and other organizational members to use in situations in which the parties to a conflict have approximately equal levels of power is negotiation. During **negotiation**, the parties to a conflict try to come up with a solution acceptable to themselves by considering various alternative ways to allocate resources to each other.<sup>34</sup>

There are two major types of negotiation—distributive negotiation and integrative bargaining.<sup>35</sup> In **distributive negotiation**, the parties perceive that they have a “fixed pie” of resources that they need to divide up.<sup>36</sup> They take a competitive, adversarial stance. Each party realizes that he or she must concede something but is out to get the lion’s share of resources.<sup>37</sup> The parties see no need to interact with each other in the future and do not care if their interpersonal relationship is damaged or destroyed by their competitive negotiations.<sup>38</sup> To some extent, this is the stance that the BC Nurses’ Union and hospital administrators have taken with each other.

In **integrative bargaining**, the parties perceive that they might be able to increase the resource pie by trying to come up with a creative solution to the conflict. They do not view the conflict competitively, as a win-or-lose situation; instead, they view it cooperatively, as a win-win situation in which all parties can gain. Integrative bargaining is characterized by trust, information sharing, and the desire of all parties to achieve a good resolution of the conflict.<sup>39</sup> For the BC Nurses’ Union and the hospital administrators to show a commitment to integrative bargaining, each side would need to figure out ways to address some of the needs of the other, rather than simply taking an adversarial position.

There are five strategies that individuals can rely on to increase the odds of a win-win solution:<sup>40</sup>

- *Emphasize the big-picture goals.* This reminds individuals that they are working together for a larger purpose or goal despite their disagreements.
- *Focus on the problem, not the people.* All parties to a conflict need to keep focused on the source of the conflict and avoid the temptation to discredit each other by personalizing the conflict.
- *Focus on interests, not demands.* Demands are what a person wants, and interests are why the person wants them. When two people are in conflict, it is unlikely that the demands of both can be met. Their underlying interests often can be met, creating a win-win solution.
- *Create new options for joint gain.* Rather than having a fixed set of alternatives from which to choose, the parties can come up with new alternatives that might even expand the resource pie.
- *Focus on what is fair.* Emphasizing fairness will help the parties come to a mutual agreement about what is the best solution to the problem.

Any and all of these strategies would help the BC Nurses’ Union and the hospital administrators negotiate with each other more effectively. When managers pursue these five strategies and encourage other organizational members to do so, they are more likely to resolve their conflicts effectively, through integrative bargaining. In addition, throughout the negotiation process, managers and other organizational members need to be aware of, and on their guard against, the biases that can lead to faulty decision making (see Chapter 4).<sup>41</sup>

**Collective Bargaining**

**Collective bargaining** is negotiation between labour unions and managers to resolve conflicts and disputes about important issues such as working hours, wages, benefits, working conditions, and job security. Before sitting down with



British Columbia Nurses’  
Union (BCNU)  
[www.bcnu.org](http://www.bcnu.org)

**collective bargaining**

Negotiation between labour unions and managers to resolve conflicts and disputes about issues such as working hours, wages, benefits, working conditions, and job security.

management to negotiate, union members sometimes go on strike to drive home their concerns to managers. Once an agreement that union members support has been reached (sometimes with the help of a neutral third party called a *mediator*), union leaders and managers sign a contract spelling out the terms of the collective bargaining agreement.

Collective bargaining is an ongoing consideration in labour relations. The signing of a contract, for example, does not bring collective bargaining to a halt. Disagreement and conflicts can arise over the interpretation of the contract. In these cases, a neutral third party known as an *arbitrator* is usually called in to resolve the conflict. An important component of a collective bargaining agreement is a *grievance procedure* through which workers who feel they are not being fairly treated are allowed to voice their concerns and have their interests represented by the union. Employees who feel they were unjustly fired in violation of a union contract, for example, may file a grievance, have the union represent them, and get their jobs back if an arbitrator agrees with them.



## Tips for Managers

### Negotiation

1. Whenever feasible, use integrative bargaining rather than distributive negotiation.
2. To help ensure that conflicts are effectively resolved through integrative bargaining, emphasize big-picture goals, focus on the problem not the people, focus on interests not demands, create new options for joint gain, and focus on what is fair.

## SUMMARY AND REVIEW

### Chapter Summary

#### COMMUNICATION IN ORGANIZATIONS

- The Communication Process
- The Role of Perception in Communication

#### INFORMATION RICHNESS AND COMMUNICATION MEDIA

- Face-to-Face Communication
- Spoken Communication Electronically Transmitted
- Personally Addressed Written Communication
- Impersonal Written Communication

**COMMUNICATION IN ORGANIZATIONS** Communication is the sharing of information between two or more individuals or groups to reach a common understanding. Good communication is necessary for an organization to gain a competitive advantage. Communication takes place in a cyclical process that has two phases: *transmission* and *feedback*.

**INFORMATION RICHNESS AND COMMUNICATION MEDIA** Information richness is the amount of information a communication medium can carry and the extent to which the medium enables the sender and receiver to reach a common understanding. Four categories of communication media in descending order of information richness are *face-to-face communication* (includes videoconferences), *spoken communication electronically transmitted* (includes voice mail), *personally addressed written communication* (includes email), and *impersonal written communication*.

**DEVELOPING COMMUNICATION SKILLS** There are various barriers to effective communication in organizations. To overcome these barriers and effectively communicate with others, individuals must possess or develop certain communication skills. As senders of messages, individuals should send messages that are clear and complete, encode messages in symbols the receiver understands, choose a medium that is appropriate for the message and monitored by the receiver, avoid filtering and information distortion, include a feedback mechanism in the message, and provide accurate information to ensure that misleading rumours are not spread. Communication skills for individuals as receivers of messages include paying *attention*, being a *good listener*, and being *empathetic*. Understanding linguistic styles is

### DEVELOPING COMMUNICATION SKILLS

- Communication Skills for Senders
- Communication Skills for Receivers
- Understanding Linguistic Styles

### ORGANIZATIONAL CONFLICT

- Conflict Management Strategies

### NEGOTIATION STRATEGIES

- Collective Bargaining

also an essential communication skill. Linguistic styles can vary by geographic region, gender, and country or culture. When these differences are not understood, ineffective communication can occur.

**ORGANIZATIONAL CONFLICT** Organizational conflict is the discord that arises when the goals, interests, or values of different individuals or groups clash, and those individuals or groups block or thwart each other's attempts to achieve their objectives. Conflict management strategies focused on individuals include increasing awareness of the sources of conflict, increasing diversity awareness and skills, practising job rotation or temporary assignments, and using permanent transfers or dismissals when necessary. Strategies focused on the whole organization include changing an organization's structure or culture and altering the source of conflict.

**NEGOTIATION STRATEGIES** Negotiation is a conflict resolution technique used when parties to a conflict have approximately equal levels of power and try to come up with an acceptable way to allocate resources to each other. In *distributive negotiation*, the parties perceive that there is a fixed level of resources for them to allocate, and each competes to receive as much as possible at the expense of the others, not caring about their relationship in the future. In *integrative bargaining*, the parties perceive that they may be able to increase the resource pie by coming up with a creative solution to the conflict, trusting each other, and cooperating with each other to achieve a win-win resolution. Five strategies that managers can use to facilitate integrative bargaining are to emphasize big-picture goals; focus on the problem, not the people; focus on interests, not demands; create new options for joint gain; and focus on what is fair. *Collective bargaining* is the process through which labour unions and managers resolve conflicts and disputes and negotiate agreements.

## Roles in Contrast: Considerations

### MANAGERS

For routine information, email can be an appropriate mechanism of communication. Email is not a particularly good way to communicate important information such as performance appraisals, however.

To be a better listener, I should engage in active listening. This includes making eye contact, asking questions, and paraphrasing to make sure you understand what is being communicated.

While conflict can be dysfunctional if individuals refuse to work with each other, I should understand that some conflict is needed for effective decision making and high performance.

### EMPLOYEES

Before communicating an important message, I should determine what forms of communication my manager prefers, and also consider that email overload could result in a message being overlooked.

To be a better listener, I should engage in active listening. This includes making eye contact, asking questions, and paraphrasing to make sure you understand what is being communicated.

It is not necessary for me to be afraid of conflict. While it can be dysfunctional in some situations, some conflict is needed for effective decision making and high performance.

# MANAGEMENT in Action

## Topics for Discussion and Action

1. Interview a manager in an organization in your community to determine with whom he or she communicates on a typical day and what communication media he or she use.
2. Which medium (or media) do you think would be appropriate for each of the following kinds of messages that a subordinate could receive from his or her manager: messages about (a) a raise, (b) not receiving a promotion, (c) an error in a report prepared by the subordinate, (d) additional job responsibilities, and (e) the schedule for company holidays for the upcoming year? Explain your choices.
3. Why do some managers find it difficult to be good listeners?
4. Explain why subordinates might filter and distort information about problems and performance shortfalls when communicating with their managers.
5. Explain why differences in linguistic style, when not understood by senders and receivers of messages, can lead to ineffective communication.
6. Discuss why too little conflict in an organization can be just as detrimental as too much conflict.
7. Interview a manager in a local organization to determine the kinds of conflicts that occur in that manager's organization and the strategies that are used to manage them.
8. Why is integrative bargaining a more effective way of resolving conflicts than distributive negotiation?

## Building Management Skills

### DIAGNOSING INEFFECTIVE COMMUNICATION

Think about the last time you experienced very ineffective communication with another person—someone you work with, a classmate, a friend, or a member of your family. Describe the incident. Then answer the following questions.

1. Why was your communication ineffective in this incident?
2. What stages of the communication process were particularly problematic and why?
3. Describe any filtering or information distortion that occurred.
4. Do you think differences in linguistic styles adversely affected the communication that took place? Why or why not?
5. How could you have handled this situation differently so that communication would have been effective?
6. Are there conflict management strategies or bargaining strategies you could have used to improve the communication?

## Management for You

Consider a person with whom you have had difficulty communicating. Using the communication skills for senders as a start, analyze what has gone wrong with the communication process

with that person. What can be done to improve communication? To what extent did sender and receiver problems contribute to the communication breakdown?

## Small Group Breakout Exercise

### NEGOTIATING A SOLUTION

Form groups of 3 or 4 people. One member of your group will play the role of Jane Rister, 1 member will play the role of Michael Schwartz, and 1 or 2 members will be observer(s) and spokesperson(s) for your group.

Jane Rister and Michael Schwartz are assistant managers in a large department store. They report directly to the store manager. Today they are meeting to discuss important problems that they need to solve but on which they disagree.

The first problem hinges on the fact that either Rister or Schwartz needs to be on duty whenever the store is open. For the last six months, Rister has taken most of the least desirable hours (nights and weekends). They are planning their schedules for the next six months. Rister hoped Schwartz would take more of the undesirable times, but Schwartz has informed Rister that his wife has just started a nursing job that requires her to work

1. The group members playing Rister and Schwartz assume their roles and negotiate a solution to these 3 problems.
2. Observers take notes on how Rister and Schwartz negotiate solutions to their problems.
3. Observers determine the extent to which Rister and Schwartz use distributive negotia-

weekends, so he needs to stay home on weekends to take care of their infant daughter.

The second problem concerns a department manager who has had a hard time retaining salespeople in his department. The turnover rate in his department is twice that of the other departments in the store. Rister thinks the manager is ineffective and wants to fire him. Schwartz thinks the high turnover is a fluke and the manager is effective.

The last problem concerns Rister's and Schwartz's vacation schedules. Both managers want to take off the week of July 1, but one of them needs to be in the store whenever it is open.

4. When called on by the instructor, observers communicate to the rest of the class how Rister and Schwartz resolved their conflicts, whether they used distributive negotiation or integrative bargaining, and their actual solutions.

## Managing Ethically

About 75 percent of medium and large companies that were surveyed engaged in some kind of monitoring of employees' email and internet activities. Critics say this is an invasion of privacy. Proponents say that web surfing costs millions of

dollars in lost productivity. What is your opinion of web surfing? To what extent should it be allowed? When does internet use at work become unethical? To what extent should it be monitored? When does monitoring become unethical?

## Exploring the World Wide Web

### SPECIFIC ASSIGNMENT

Many companies use the World Wide Web to communicate with prospective employees, including Ford Motor Company of Canada, Ltd. Scan the Ford website ([www.ford.ca](http://www.ford.ca)) to learn more about this company and the kinds of information it communicates to prospective employees through its website. Then click on "About Ford" and "Career Centre." Click on the various selections in this location of the website, such as

"Ford in Canada," "Career Starting Points," "Empowerment, Diversity, Teamwork," and "Sharing in the Rewards."

1. What kinds of information does Ford communicate to prospective employees through its website?
2. How might providing this information on the web help Ford Canada attract new employees?

## GENERAL ASSIGNMENT

Find the website of a company that you know very little about. Scan the website of this company. Do you think it effectively communicates important information about the company? Why or why not? Can you think of anything that

customers or prospective employees might want to see on the website that is not currently there? Is there anything on the website that you think should not be there?

## You're the Management Consultant

### COMMUNICATION PROBLEMS AT AN INTERNET MERCHANTISER

Mark Chen supervises support staff for an internet merchandising organization that sells furniture over the internet. Chen has always thought that he needed to expand his staff, but just when he was about to approach his boss with such a request, the economy slowed down and other areas of the company have experienced layoffs. Thus, Chen's plans for trying to add to his staff are on indefinite hold.

However, he has noticed a troubling pattern of communication with his staff. Usually, when he wants one of his staff members to work on a task, he emails the individual with the necessary information. For the past few months, his email requests have been ignored and his subordinates have done what he asked only after he has visited them in person and given them specific deadlines. Each time, they apologized for not getting to it sooner but said that they were so

overloaded with requests that they sometimes even stop answering their phones. Unless someone asks for something more than once, they feel that it is not that urgent and can be put on hold. Chen thinks this state of affairs is deplorable. Also, he realizes that his subordinates have no way of prioritizing tasks—thus, some very important projects he asked them to complete were put on hold until he followed up. Knowing he cannot add to his staff in the short term, Chen has come to you for advice. In particular, he wants to develop a system whereby his staff will provide some kind of response to requests within 24 hours; will be able to prioritize tasks, identifying their relative importance; and will not feel so overloaded that they ignore their manager's requests and do not answer their phones. As an expert in communication, advise Chen.

## MANAGEMENT CASE

IN THE NEWS

From the Pages of *The Globe and Mail* **Stinging Office E-Mail Lights 'Firestorm'**

The only things missing from the office memo were expletives. It had everything else. There were lines berating employees for not caring about the company. There were words in all capital letters like "SICK" and "NO LONGER." There were threats of layoffs and hiring freezes and a shutdown of the employee gym.

The memo was sent by e-mail on March 13 [2001] by the chief executive officer of Cerner Corp., which develops software for the health care industry and is based in Kansas City, Mo., with 3100 employees around the world.

Originally intended only for 400 or so company managers, it quickly took on a life of its own.

The e-mail message was leaked and posted on Yahoo. Its belligerent tone surprised thousands of readers, including analysts and investors. In the stock market, the valuation of the company, which was \$1.5-billion (US) on March 20, plummeted 22 per cent in three days.

Now Neal Patterson, the 51-year-old CEO, variously described by people who know him as "arrogant," "candid" and "passionate," says he wishes he had never hit the send button.

“I was trying to start a fire,” he said. “I lit a match, and I started a firestorm.”

That’s not hard to do in the internet age, when all kinds of messages in cyberspace are capable of stirring reactions and moving markets.

But in this case, Mr. Patterson was certainly not trying to manipulate the market; he was simply looking to crack the whip on his troops. That sometimes requires sharp language, he said, and his employees know how to take it with a grain of salt.

Business professors and market analysts apparently need more convincing. They are criticizing not only Mr. Patterson’s angry tone, but also his mode of communication.

Mr. Patterson ran afoul of two cardinal rules for modern managers, they say. Never try to hold large-scale discussions over e-mail. And never, ever, use the company e-mail system to convey sensitive information or controversial ideas to more than a handful of trusted lieutenants. Not unless you want the whole world looking over your shoulder, that is.

In Mr. Patterson’s case, this is what the world saw:

“We are getting less than 40 hours of work from a large number of our K.C.-based EMPLOYEES. The parking lot is sparsely used at 8 a.m.; likewise at 5 p.m. As managers—you either do not know what your EMPLOYEES are doing; or you do not CARE. You have created expectations on the work effort which allowed this to happen inside Cerner, creating a very unhealthy environment. In either case, you have a problem and you will fix it or I will replace you.

“NEVER in my career have I allowed a team which worked for me to think they had a 40-hour job. I have allowed YOU to create a culture which is permitting this.

NO LONGER.”

Mr. Patterson went on to list six potential punishments, including laying off 5 per cent of the staff in Kansas City. “Hell will freeze over,” he vowed, before he would dole out more employee benefits. The parking lot would be his yardstick of success, he said; it should be “substantially full” at 7:30 a.m. and 6:30 p.m. on weekdays and half full on Saturdays. “You have two weeks,” he said. “Tick, tock.”

That message, management experts say, created an atmosphere of fear without specifying

what, if anything, was actually going wrong at the company. Moreover, it established a simplistic gauge of success—measuring worker productivity by the number of cars in a parking lot is like judging a book by its word count.

“It puts you at war with your employees and with your basic tendencies in human nature,” said Jeffrey Pfeffer, a professor at the Stanford University Graduate School of Business. “It’s the corporate equivalent of whips and ropes and chains.”

But the more costly error was releasing such an inflammatory memo to a wide audience. Whenever a company does that these days, it is practically inviting a recipient to relay it to friends or even corporate rivals. At that point, a message of even the mildest interest to others will start churning through the farthest corners of the internet.

“I would not advocate the use of e-mail for a problem-solving discussion,” said Ralph Biggadike, a professor at the Columbia University Graduate School of Business.

“E-mail does not really promote dialogue.”

For Cerner, it apparently promoted a market upheaval. On March 22, the day after the memo was posted on the Cerner message board on Yahoo, trading in Cerner’s shares, which typically runs at about 650 000 a day, shot up to 1.2 million shares. The following day, volume surged to four million. In three days, the stock price fell to US\$34 from US\$44.

Stephen Savas, an analyst with Goldman Sachs, said the memo got overblown. “But it did raise two real questions for investors. One: Has anything potentially changed at Cerner to cause such a seemingly violent reaction? And two: Is this a CEO that investors are comfortable with?”

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## Questions

1. How might Neal Patterson have more effectively communicated his message to his managers?
2. What were the particular problems associated with sending this kind of message via email?

## MANAGEMENT CASE

IN THE NEWS

From the Pages of *Canadian Press Newswire* **Unions Find Fertile Ground at Newspapers**

The war between Canada's newspaper fiefdoms has many of the front-line troops diving for the cover of organized labour.

Unions have been organizing newsrooms, capitalizing on the uncertainty of a shifting industry where the likes of Conrad Black have built up empires.

Reporters and editors at Southam Inc.'s *Calgary Herald* said Yes last week to union representation after a drive that caught many in the traditionally anti-union city off guard.

Several other newsrooms—including the independent *Halifax Chronicle-Herald* and *Mail-Star* and Southam's *Regina Leader-Post*—have also organized.

The *Thunder Bay Chronicle-Journal*, owned by Thomson Newspapers Co. Ltd., recently negotiated its first contract, as did the *St. Catharines Standard*, another of Black's Southam properties.

Bob Hackett of Simon Fraser University's School of Communications says Black, who controls 58 Canadian dailies through the Southam and Hollinger chains, is cutting back at papers like the *Leader-Post* to finance his bigger properties.

"In smaller and medium markets they have no competition and they don't have to worry about producing exceptional journalism," Hackett says. "All they have to be is acceptable to keep the optimum number of readers and advertisers."

He says employees fear for their jobs, especially when they've seen 25 per cent of the workforce lopped off, as was the case in Regina two years ago.

"But in Calgary, and it's a very encouraging development to me, journalists are worried about questions of editorial integrity."

Certification at the *Herald* leaves the *Edmonton Journal*, *Saskatoon StarPhoenix* and new *National Post* as the only major Black-controlled papers without a union in the newsroom.

Orland French, a former reporter with the *Globe and Mail* and now visiting professor at the University of Regina journalism program, says Black's purchase of Southam and its marriage with Hollinger has stirred the business like never before.

"On many of those papers they've gone through a lot of turmoil in the past year or two with Hollinger taking over, and this is the survivors trying to maintain some kind of security," French says of the unionizing.

*The Toronto Star* recently made a hostile takeover bid for Sun Media, which owns 15 dailies. That merger would further concentrate ownership.

"It really frightens people," says Arnold Amber, Canadian director of The Newspaper Guild Canada. "Uncertainty leads people to seek cooperative protection, and in a work setting that's a union."

The ownership trend is putting new demands on unions to become defenders of newsroom independence, says Simon Fraser's Hackett.

"Now with the *National Post* out, how long can we sustain competition between two national papers? What if the *Globe and Mail* goes under or if there's a merger?"

"Some people are talking about journalistic chill. If you work in Canada and you run afoul of Conrad Black, you've hardly got anywhere else to go."

The Guild's Amber says fears about concentrated ownership have been a common theme in recent union drives.


Don Babick, president and chief operating officer of Southam, dismisses the suggestion that journalistic integrity is being threatened, calling it "a nice ploy for the organizing drive."

"If someone is preaching the bogeyman of interference from the top, then that's totally unfounded," Babick says. "There is no evidence of that happening at our newspapers."

Whether there's a union or not, local editorial managers will still decide what appears in their newspapers, he says.

Babick sees the organizing drives more as a function of two aggressive unions, the Guild and the Communications, Energy and Paperworkers Union of Canada, looking to expand.

*Calgary Herald* publisher Ken King says a communication breakdown between senior management and staff during an era of rapid change was one factor that led to the organizing drive by the Communications union.



“It’s one thing to have problems; it’s another thing to be seen to seemingly ignore them,” says King.

“I indicated to staff that I was very regretful and accepted the responsibility that was associated with that and acknowledged to them that their concerns had been validated in large part.”

King says the *Herald* is overhauling its structure with a major emphasis on opening new channels of communication.

A union news release identified the key issues at the *Herald* as “unfair and arbitrary treatment by management as well as concerns about editorial integrity.” The *Herald* responded by suing the union for defamation.

Union vice-president Gail Lem says wage inequalities were also an issue in Calgary—senior reporters earn about \$65 000 a year but many in the newsroom make considerably less.

She says many employees believe they were left no choice but to organize because of the overwhelming size of their employer.

“It’s not the old *Calgary Herald* any more,” she says. “It’s part of a big chain where unfortunately quality journalism sometimes takes a back seat to the bottom line.”

**Source:** R. Curren, “Unions Find Fertile Ground at Newspapers,” *Canadian Press Newswire*, November 8, 1998.

### Questions

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1. What are the sources of conflict at the various newspapers between publishers and the editors and reporters?
2. What strategies could be used to reduce the conflict?
3. What negotiation strategies could be used to reach agreement between the unions and the publishers?