DIFFERENCES BETWEEN COACHING AND MEDIATION AS A MEANS OF INTERNAL CONFLICT SOLUTION IN COMPANIES IN THE CZECH REPUBLIC

Radka Lankašová – Marie Štěpánková – Šárka Bendová – Marie Šnajderová

Abstract

This paper describes internal conflicts in companies in the Czech Republic between individual employees and groups of employees. There are several major categories of conflicts that companies deal with internally. Top management of companies is responsible for addressing these difficult situations to be able to continue lead their companies effectively and collaboratively. The research in 188 companies show coaching and mediation are tools top management tend to choose as solution tools. Both coaching and mediation have different aim, process, outcome and durability. The research showed there are conflicts in companies in the Czech Republic, majority (68%) is related to purely work conflict, followed by personality clashes (peer conflicts) 47% and hierarchical clashes between managers and employees 45%. Currently, coaching is more popular between management as it has been a more traditional managerial tool compared to mediation. Managers also have more experience (usually personal experience) with coaching, but very little with mediation. Conflicts between company and employees are mainly labour-lated, two main reasons are termination and disciplinaries. If there is external solution needed, litigation is still more frequently used than mediation.

Key words: mediation, coaching, conflict resolution, management

JEL Code: J50, J52, K40, M12

Introduction

Conflict is natural to human beings as people differ from each other, they have different opinions, values, background, origin, nationalities etc. Therefore conflict can be found in all aspects of human life, including workplace. Since people spent significant time at work, there is higher risk of conflict as they interact more time with other people. Because of time spent at

a workplace conflict may have a negative impact on human´s life, if not dealt with, or managed poorly. However conflict at workplace may bring positive outcome in many areas when managed well.

1   Organizational goals

The primary goal of an organization is to be successful. To achieve organisation´s goals, employees are required to work in harmony. Leadership is a critical determinant of actions of employees toward the achievement of the organizational goals. (Saeed et al., 2014) Conflict resolution skills are critical to individual employees, organizational teams, top management decisions, and effective organizational leadership. (Lang, 2009) Organizations should train leaders to ensure that their primary focus is on management of people. This means reducing anxiety and anger among employees, promoting optimism, confidence, developing people and their skills, helping them manage conflict, building trust in and across teams and so ensuring achieving the best possible organizational aims and objectives (Michie and West, 2004).

2   Conflict management

2.1   Conflict

Conflict at workplace can originate because of differences in tasks, work load, procedures, factual issues, personalities, nationalities, age, sex etc. Personnel/HR management is therefore facing the challenge whether and how it contributes to diversity management. The main question is whether to modify either the HR best practices or apply new approaches, e.g. age management (Dvořáková, Langhamrová, 2013).

Conflict offers a platform for problem solving, mutual gain, human connection, and the development of strength and character. The short-term upheaval of interpersonal conflict, if we "lean into" it rather than run away from or charge into it, has been theorized to result in better solutions and relationships, as well as insight, over the long term (Axelrod & Johnson, 2005). The transformative theory of conflict makes a strong case for the potential that conflict holds to engender positive spirals of growth, "from a negative, destructive, alienating and demonizing interaction to one that becomes positive, constructive, connecting and humanizing, even while conflict and disagreement are continuing" (Bush & Folger, 2005, p. 20).

2.2   Conflict Management

Managers spend more than 18% of their time on employee conflict (Hignite, Margavio, & Chin, 2002). They help to solve problems, harmonize misunderstanding, release tensions and deal with disruptive behaviours and low performance

„Negotiation and dispute resolution are among the core tasks of management and are central to strategic decision-making and operation of organizations. While tensions and conflicts occur naturally in organizations, some people may act in ways that resolve these conflicts and stimulate cooperative behaviour, while others may act in ways that leave conflicts unresolved and stimulate antagonistic behaviour." (Saeed et. al., 2014)

The organisational factors that demonstrate strong potential for supporting productive conflict responses were individual training, work-group focused civility and conflict resolution interventions, and workplace mediation programs (Oore et al., 2015).

2.3   Conflict Management Styles

Karambayya and Brett (1989) divided managers in four main groups according to their conflict management styles:

1. managers opt to investigate and or intervene so to arbitrate how the conflict will be resolved. They may include enforcing a solution if necessary;

2. managers may seek to restructure involving changes in organizational structure (e.g., assignment of duties and team composition) to resolve the conflict;

3. managers advise and or coach disputants to take steps to resolve the conflict on their own, in this case they rather play advisory role;

4. managers are more proactive and mediate the conflict existing between the parties. In such cases, they help employees negotiate a solution through a facilitated discussion. This style prevails when they perceive that joint problem can be solved.

2   Coaching

Heslin, VandeWalle, & Latham (2006) describe coaching as an unstructured, developmental process in which managers provide one-on-one feedback and guidance to employees in order to enhance their performance. Prime (2015) says immediate role of the conflict coach is to support their client to transition to a secure mode so they can process the conflict and its effect on them in a more positive way.

Coaching is a process when a coach helps a coachee or a group of coachees to achieve their goal using several techniques. The main of coaching is to help coachee or coachees to find their own answers, ideas and solutions to the situation which is being coached. The goal of the coaching is usually formulated using SMARTER (specific, measurable, attainable, realistic, timely, energizing and recorded).

Coach and coachee(s) have regular sessions, their length vary, usually they last between 1 to 3 hours each time. Every session coachee(s) sum up progress since the last session, then they work on the current status and agree on experiments that will help coachee(s) to achieve their aim till the other meeting. Coaching is meant to be an optimistic process.

3   Mediation

Mediation is a different process from coaching. The parties involved are in conflict and they decided they need a third neutral party to help them to resolve a conflict. Della Noce et al (2010, p. 95) describe mediation as "…a social process in which a third party helps people in conflict understand their situation and decide for themselves what, if anything, to do about it." (Stipanowich, 2010, pp. 26 – 27) says: "Various potential benefits of mediation tend to be well understood by lawyers in litigation or dispute resolution departments. These benefits include a high degree of control by parties and counsel over process and product, with the assurance that a binding result will only occur in the event the parties reach agreement. The results are not limited to the typical forms of adjudicated relief, but may even extend to overcoming communication and cultural barriers, and adjusting or transforming personal or institutional relationships. Mediation also holds out a realistic promise of a reduction in dispute cycle time and related costs, coupled with more creative, durable solutions and relatively minor risks."

4   Research

4.1   Research

The research on mediation was conducted between 15th of February 2015 till 31st of March 2015 in the Czech Republic within 188 companies of Czech and internationally ownership.

The companies operate in all industries. Chief executive officers, human resources professionals and members of management were sent an on-line questionnaire with a set of twenty-two questions on size of company, ownership (local vs. international), industry in which their company is in, demographics of company (gender, age, employees country of origin), internal process or policy for disputes, types of conflicts and means of their solution and use of mediation (internal vs. external). 7 questions were yes/no answers, 15 questions had multiple-choice answers.

4.2   Research Results

Calculations of results of research were used simple. Data was collected and average of total brought showed there are conflicts in the companies in the Czech Republic, and there are three main groups of conflict (see Fig. 1: Types of conflicts in companies):

1. interpersonal mainly between individuals (purely work conflict 68%, personality clash 47% and supervisor x employee conflict 45%),
2. between company and employees (termination 38%, disciplinaries 20%),
3. between company and external counterparts (suppliers 23%, B2B clients2 3% and B2C clients 14%).

Fig. 1: Types of conflicts in companies
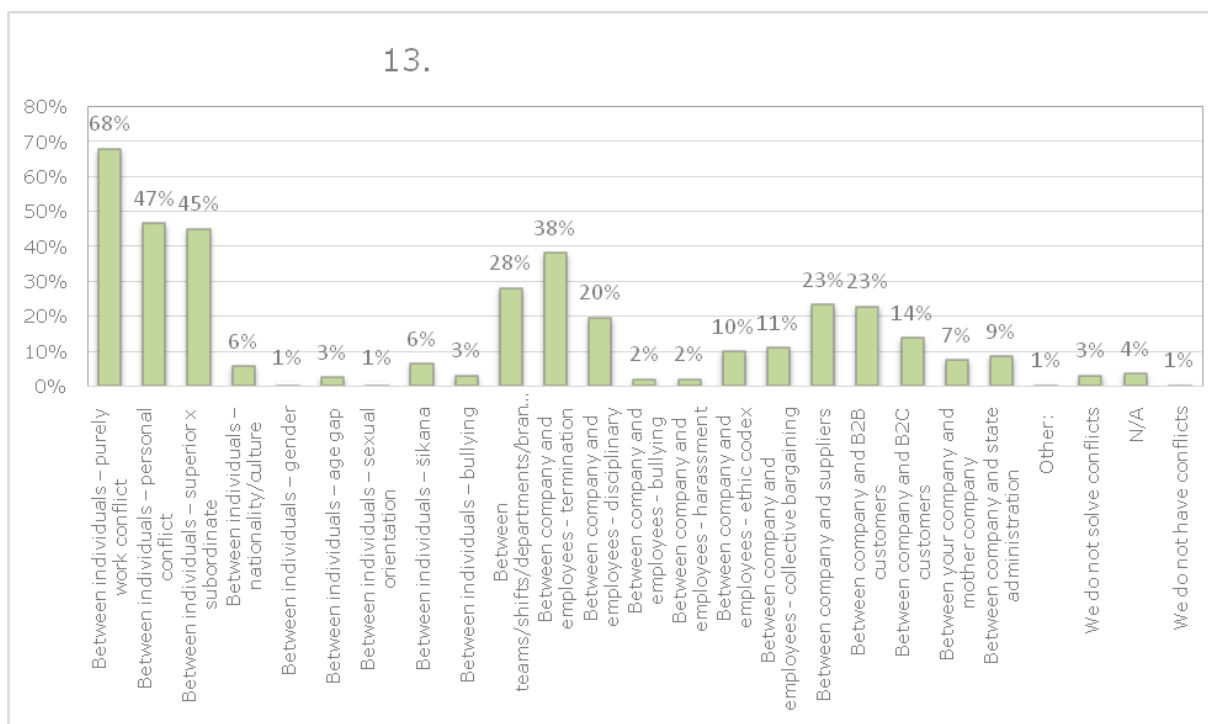
Source: own calculations

When dealing with internal conflict, 73% of conflicts were resolved by parties themselves, so employees are able to manage conflicts themselves. 60% needed a third party to help them which mostly was either HR department or senior management. 16% applied internal coaching as a solution tool, 15% external expert and only 3% decided for mediation.

Fig. 2: Means of conflict resolution in companies
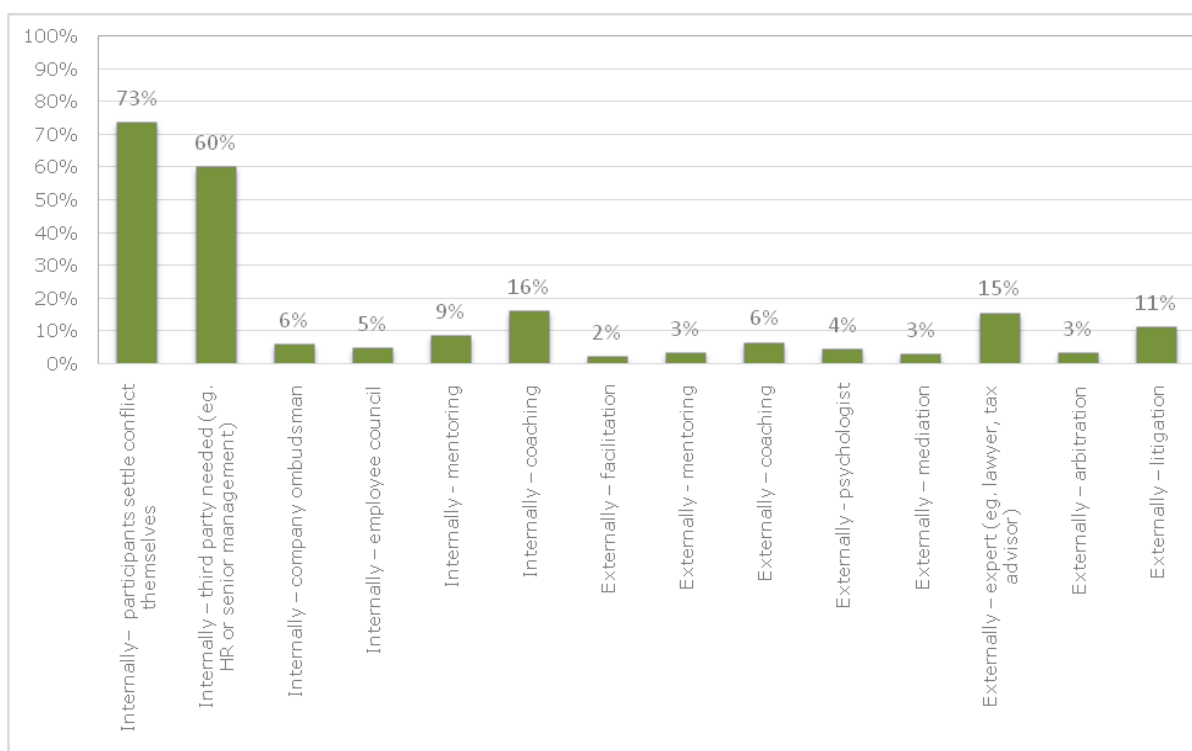
Source: own calculations

Conclusion

Though mediation in western world is widespread and its success for workplace mediation is around 70%, in the Czech Republic mediation is still very new. It first came after the fall of communism in the 1990s and became a part of Czech legal system in 2012. Companies are realizing there is a new tool for conflict resolution and they are beginning to use it as a means of conflict resolution however the trend is still slow as only 3% of companies reported to have applied this method. The research showed that Czech Republic results are in line with western

trend, respondents claimed 77% success rate. So the tool is known and used but not as frequently as it could be.

Coaching on the other hand is a better know among managerial population, managers have in most cases personal experience with it and they may prefer not only conflict solution, but also personal development of parties in order to avoid conflict/difficult situations in the future because it causes them loss of time which they need to focus on business and management and instead they have to deal with conflicts which is part of their work however not a productive one.

Further research will explain reasons of preference of internal solution either between parties or using internal coach who is on payroll versus mediation, and also why companies prefer traditional external solution which is litigation versus mediation. Also, further research will show whether coaching is more popular as a conflict management tool because is better known in the Czech Republic, or whether conflicts are not so serious and parties need more development for which coaching is a better tool.

References

Axelrod, L., & Johnson, R. (2005). Turning conflict into profit: A roadmap for resolving personal and organizational disputes. Edmonton, Alberta: University of Alberta Press.

Bush, R. A. B., & Folger, J. P. (2005). The promise of mediation (2nd ed.). San Francisco, CA: Jossey-Bass.

Della Noce, D.J., Bush, R.A.B., & Folger, J.P. (2010). Clarifying the theoretical underpinnings of mediation: Implications for practice and policy. In S.L. Brooks, & R.G.

Dvořáková, Z., Langhamrová, J. (2013). Population ageing and its human resource management consequences. The 7th International Days of Statistics and Economics: Conference Proceedings, Pp. 365-374. Retrieved from http://msed.vse.cz/msed_2013/en/toc.

Hignite, M. A., Margavio, T. M., & Chin, J. M. (2002). Assessing the conflict resolution profiles of emerging information systems professionals. *Journal of Information Systems Education, 13,* 315-325.

Heslin, P. A., Vandewalle, D., & Latham, G. P. (2006). Keen To Help? Managers' Implicit Person Theories And Their Subsequent Employee Coaching. *Personnel Psychology, 59(4)*, 871-902.

Karambayya, R., Brett, J. (1994). Managerial third parties: Intervention strategies, process, andconsequences. In New directions in mediation communication research and perspectives, edited Folger, J., Jones, T. Thousand Oaks, CA: Sage Publications

Michie, S., West, M. A. (2004). Managing people and performance: an evidence based framework applied to health service organizations. *International Journal of Management Reviews, 5*, 91 - 111.

Oore, D. G., Leiter, M. P., & Leblanc, D. E. (2015). Individual and organizational factors promoting successful responses to workplace conflict. *Canadian Psychology/Psychologie Canadienne, 56(3)*, 301-310.

Poitras, J., Hill, K., Hamel, V., & Pelletier, F. (2015). Managerial Mediation Competency: A Mixed-Method Study. *Negotiation Journal, 31(2),* 105-129.

Prime, K. (2015). Using conflict coaching to support people to develop a secure mind in relation to conflict. *Australasian Dispute Resolution Journal, 26(2)*, 111 – 118.

Saeed, T., Almas, S., Anis-Ul-Haq, M., & Niazi, G. (2014). Leadership styles: Relationship with conflict management styles. *International Journal of Conflict Management, 25(3),* 214-225.

Stipanowich, T. J. (2010). Arbitration: The "New Litigation". *University of Illinois Law Review, 2010(1),* 1 - 59.

Contact

Radka Lankašová

University of Economics, Prague

nám. Winstona Churchilla 4, 130 67 Praha 3 – Žižkov

info@radkalankasova.cz

Marie Štěpánková

University of Economics, Prague

nám. Winstona Churchilla 4, 130 67 Praha 3 – Žižkov

mastepank@gmail.com

Šárka Bendová

University of Economics, Prague

nám. Winstona Churchilla 4, 130 67 Praha 3 – Žižkov

bendovasa@seznam.cz

Marie Šnajderová

University of Economics, Prague

nám. Winstona Churchilla 4, 130 67 Praha 3 – Žižkov

MariaSchn@seznam.cz