

The Allegory of Conflict: Managing collisions in the family business

— Anthony Devine

Conflict is an integral part of family dynamics. Though conflicts are largely viewed to be negative, all conflicts are not actually so. Conflicts must be viewed as more a clash of thoughts or ideas. In fact, some experts even argue that without conflict the development of the human race would have been adversely affected. In this article, the author classifies the types of conflicts and their significance for family business.

Types of Conflicts

Both the family and business are very complex systems that are embedded in the family business. Therefore, conflicts are inevitable but they differ in nature. Conflicts may arise due to incompatible wishes or irreconcilable desires of the individuals or organisations involved. Conflicts can be categorized into three types:

1. Relationship Conflict: This conflict occurs when individuals dislike each other and this is reflected in their personal feelings of tension, irritation or friction. They have affective (emotional) rather than cognitive (rational) conflict. These conflicts are negative mainly because rational issues get compounded with emotional issues between personalities.

2. Task Conflict: This type of conflict occurs over the kind of task that is required to be completed and disagreements about its contents. Mainly it is about what should be done. This need not be a negative conflict if it leads to improved clarity and unity about the task at hand.

3. Process Conflict: This conflict is about the process or execution of the task at hand. It is concerned with disagreements on how the task will be achieved and who will do it. This also can have positive effect on the task, if its resolution leads to an improved process and execution of the work involved.

It has been found that mostly family businesses are mired with task and process conflicts because individual members have differences in the way tasks are selected, prioritized, managed or executed. However, in matters of succession, mostly relationship conflict comes into play.

Practical Implications

Conflicts differ in nature and need to be managed accordingly. Relationship conflict is the most challenging one to deal with and can severely damage the family business. One way to deal with these is to facilitate dialogue and ask individuals to segregate

emotional overlays from the core issues creating the rift.

Task and process conflicts can be managed in a manner that can lead to positive outcomes for family businesses. Having meaningful discussions about what tasks

must be done, who is the best person to execute those tasks and what is the most effective way to execute them could lead to improved decisions and solutions. Thus, conflicts can be effectively used for improving organisational processes and execution mechanisms.

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