



**UNIVERSITY OF AEGEAN**  
**DEPARTMENT OF BUSINESS ADMINISTRATION**  
**EXECUTIVE MBA PROGRAM**

**MASTER THESIS**

**LEADERSHIP AND CONFLICT – CRISIS MANAGEMENT IN THE  
CONTEMPORARY ENVIRONMENT OF INFORMATION  
TECHNOLOGY ORGANIZATIONS AND COMPANIES**

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**Chios, 2018**

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## ABBREVIATIONS

IT	Information Technology
BPO	Business Process Outsourcing
ERP	Enterprise Resource Planning
SME	Small Medium Enterprise
MBE	Management By Exception
LF	Laissez faire
ROCI II	Rahim Organizational Conflict Inventory II
MLQ	Multifactor Leadership Questionnaire

# CHARTER 1

## 1.1 CONFLICT HISTORICAL BACKGROUND

In the history of organizations the tension that evolves to conflicts has been recorded among different authors dealing with conflict theory. One of the critical functions for management and leadership is to cope with tensions and disagreements and develop such tools and techniques that will permit them to manage conflict effectively.

The literature on the subject of organizational conflict is large and is growing constantly and continuously. The concept of conflict has been treated as a general social phenomenon, with implications for the understanding of conflict within and between organizations.

Rahim stated that “*conflict is inevitable among humans*”. In fact, human relationships and interaction is the proximate cause of the conflict. Typical circumstances such as goal, interest disagreement or event disputes trying to ensure the capacity of resources between people, groups or organizations may lead to conflicting situations. Relationships among such entities may become incompatible when two or more of them desire similar resource that is in short supply when they have partially exclusive behavioural preferences regarding their joint action or when they have different attitudes, values, beliefs and skills.

In earlier theories, conflict was considered as a malfunction that had to be eliminated. In most recent studies some beneficial aspects of the conflict begin to appear. Coser (1967) introduced the terms of functional and counterproductive conflict. This way, the basis for using conflict as a boost to organization’s performance was established and the concept of using conflict as a tool for enhancing creativity and decision quality started gaining ground.

Conflict is an integral part of human existence and history. During the different historical periods a variation of sciences like biology, sociology, theology, philosophy etc. studied the conflict and its consequences and formulated theories regarding conflict framework. Since conflict as a standalone term is very generic and can be found in different areas of our society the scientific research differs according to the examined area. For instance conflict between political parties, and nations have been studied by political science whereas conflicts between social parties and groups like family, different social classes etc have been studied by sociology. In this study we are focusing on conflict in

organizations. Only recently organizational theory extended its research to start study conflict. Organizations like International Association for Conflict Management or the Academy of Management( Conflict Management Division) are paying more and more interest and support the research in the area of organizational conflict having this way the origination of a new educational area introduced to educational lifecycle. . Universities inke Harvard, Northwestern, expanding the knowledge area included organizational conflict in their educational programs.

Greek philosophers like Plato and Aristotle were the first that referred to conflict in their essays describing the need of order and harmony in the society.

According to Plato disagreements, disputes and tension are unavoidable and so the conflict is natural to exist between people like a consequence. Plato also introduced the role of leadership as a mediator that bring the balance missed between the involved parties.

Aristotle also agreed for the need of balance and order within the society. For both philosophers the tension and conflict is and undesirable faulty feature pathological roots.

The next classical studies insist that conflict is a catastrophic phenomenon that should be avoided. Thomas Hobbes (1588– 1679) and John Locke (1632–1704) suggested that *“the purpose of the government is to establish order in social relations, without which there would be constant violence between human beings. This is the only way to control social conflict effectively”*.

We are realising that Locke, believes that a supervision authority should exist as a mechanism to prevent conflict and considers that government can play that role of controlling conflict. The first studies on the organizational conflict agreed with the concept that conflict has to be avoided and the harmony is only needed for the organization. Significant studies during 20th century were presented by John Dewey. For Dewey (1922/1957), *“Conflict is the gadfly to thought. It stirs us to observation and memory. It instigates us to invention. It shocks us out to sheep-like passivity, and sets us at noting and contriving”* (p. 300). His perception establishes the first ideas of using transformational leadership, to activate emotional intelligence and use open communication to unblock the communication channels and thus being able to examine the different possible solutions and to choose the most effective.

In 90's a remarkable shift of the views on conflict has been noticed. G.W.F. Hegel (1770–1831) in his dialectic refers the following four steps: (1) arriving at the truth, (2) dialogue or debate, (3) process of ascertaining the unrestricted truth, and (4) process of change through the conflict of opposing Hegel introduces the synthesis in the process of



conflict resolutions and sets the base for the resolving conflict through the dialogue (communication), establish the trust through the truth and using conflict as a functional tool for change and development.

Charles Darwin (1809–1882), from the point of view of his science in his “*theory of evolution*” refers to the conflicts states whenever in the nature proving that conflict is something natural. So we can consider that Darwin is one from the first scholars that consider conflict having benefits examining of course his own scientific area. It is very interesting that considers conflict as a boost factor for the human evolution and development, something that later on started to be considered also for the organizations. A German philosopher and sociologist Georg Simmel recognises also the double nature of the conflict realizing that conflict kept in functional levels can help groups to develop better ideas and decisions and to function in a more collaborative style. Simple disagreements, different opinions should be challenged in order to provide cohesion and stability. For Simmel (1908/1955, pp. 17–18) “a certain amount of discord, inner divergence and outer controversy, is organically tied up with very elements that ultimately hold the group together; it cannot be separated from the unity of the sociological structure” . Mayo’s (1933) studies, , emphasized “*the need for cooperation for enhancing organizational effectiveness. To him, conflict was an evil and should be minimized or, if possible, eliminated from organizations altogether*”.

## ***1.2 LEADERSHIP HISTORICAL BACKGROUND***

During the different historical periods, the leadership has been appeared as a term starting to be distinguished from the typical management. Management is mostly related with tasks and operations. The theories on leadership reveal the traits and behavior of the leader apart of the management activities that have to perform. According to Horner (1997) leadership is not just a process but someone has to focus on the personality and the qualities of the leader like values, beliefs, knowledge and competences. The extensive study in the area of the leadership has enriched our knowledge regarding this scientific field and makes possible to understand its influence in the society and the organizations. The research and the literature has recorded different definitions and described different styles on leadership. Leadership is a relationship and an interaction between the leader and the follower, the situation and goals to be attained. This interaction is also affected by the

power of the leader and other factors that can be used for the motivation of the followers like the participation in decision making.

The leadership theory and research distinguishes between management and leadership. Management has to perform all the complex operations and functions needed for success of an organization. Without good management chaos would be prevailed in the organization.

Instead of bureaucratic management, leadership is based upon interpersonal relationships. Through these relationships the leader can motivate and empower his followers. Empowered subordinates perform much better since they are able to make decisions, to communicate efficiently and collaborate with the others.

Proctor (2004), stated that “*some leaders are born, and others are made*”. This statement denotes that there are personality traits that are inherent in their DNA but the willingness can push someone to develop or improve his qualifications and skills and become an excellent leader. Since a leader has to motivate his followers it is not enough to have just the inherited characteristics, but it is also needed to prove a strong will to be a leader. He must also have the desire to evolve further his skills through education and experience. Proctor (2004) feels that “*most of us have the ability to develop leadership skills; fewer of us have the desire, therefore the key is willingness*”.

James MacGregor Burns (1978) stated that “*leadership is one of the most observed and least understood phenomena on earth*” Leadership is much related with the change and can cope better in a changing environment. In areas that interpersonal relationships and skills are needed as conflict and crisis management the efficient leadership is required to achieve better quality and better performance for the organization. The effectiveness of the working teams is very much influenced by the leaders of those teams. The leader can provide the vision, align the goals and objectives of each member with the goals and objectives of the organizations and succeed in boost creativity and innovation. The characteristics of the leadership like intellectual stimulation and individualized consideration strengthens the group cohesiveness and satisfies team members. This formulates what is known as “*organizational culture*” (Van Wart, 2003). Researchers cannot agree on a single definition for leadership. Actually, in a leader can be easily recognised, that means that there are characteristics and behaviours that for followers define a leader. (Popper and Lipshitz, 1993).

In the literature even from the Great Man Theory (or the heroic leader) there is a debate whether a leader is born or made. (Greek philosophers Plato and Aristotle and even Machiavelli contributed to the theory that leader is born not made).

The most recent theories emphasizing that problems can be solved only through collaboration. Actually there was a shift from the trait theory based upon inherited characteristics of the leader to the behaviour of the leader. According to research in leadership there are correlations between traits in people's personality and leadership. The perspective that prevails is that these traits are actually useful in order to identify someone that can be potentially a leader, but the willingness, the education and the experience are the actual supplies that will lead to real leadership that is something that needs to be developed. Katz, Maccoby, Gurin and Floor (1951), and Stogdill and Coons (1957) in their studies identified two primary considerations: "*task-oriented vs. relationship-oriented leadership*". Engagement with followers also became relevant. In 1967 – 1990 the contingency theories were developed examining also other factors involved in the environment of the organization. These theories consider also the nature of the organization, the tasks to be performed and the people that are members in teams that execute these tasks. The theories developed reveal the different styles of leadership taking into consideration the behaviours and the other organizational factors. Research concluded that the different styles are not strictly delimited and a leader can adopt a style or features of a style according to the circumstances and the demands of the current situation. That means that a leader can be either task-oriented or relationship oriented. A pioneer in this area Fiedler (1967, 1971), identifies three managerial components: "*leader-member relations, task structure, and position power*". Some contexts favoured leaders who were task-oriented, and some favoured those who were relationship-oriented. Hershey and Blanchard's situational research (1969) suggested that "*developmental levels of individuals influenced their leadership styles*". That means that through their development and experience leaders can become more flexible and can be adapted to the current situation. Another contribution to the research on leadership is Robert Greenleaf's study on Servant Leadership (1970), who proposes that instead of using his power it is more effective to share his power and recognises the needs of others and helps them to develop by coaching them. This way the cooperation becomes a lesson that helps subordinates to become autonomous and simultaneously be ready to serve the others. This theory can also be applied to the organizations that as well as individuals can function as servant leaders. Graen and Uhl-Bien (1995) introduces the Leader-member exchange theory. This theory

is very much alike with transformational style and produces trust and respect between leader and followers that is the base of commitment and engagement. Commitment can also be obtained in transactional exchange where rewarding someone is expected to get his commitment. This case is not of the same quality relationship; it can have temporarily the same outcome but does not construct high quality relations that provide a more permanent performance. Loyalty, compliance and employee satisfaction can be achieved with the model of exchanging the roles of leader and follower. (Gerstner & Day, 1997, Ilies, Nahrgang, & Morgeson, 2007). Further to this theory Transformational Leadership Theory (1985-2010) introduced by James MacGregor Burns stated that transformation is preferable than transaction. As we have stated in many cases both styles are needed and according the circumstances (time, team members, organizational structure and culture etc.) the leader can chose to apply the one or the other style or a mix of both. Subsequently Bernard Bass (1985, 1998) identifies and records the key features of transformational leadership: 1) idealized behaviours (leading by example, walking the talk), 2) inspirational motivation (communicating the vision), 3) intellectual stimulation (offering the chance of examining different point of views and different alternatives showing creativity and discovering better solutions), and 4) idealized attributes. Last theories (2015 onwards) start discussing system leadership Senge, Hamilton, and Kania (2015) *“our awareness of the interconnected world has led to an appreciation of the systemic nature of contemporary issues”* (Since the needs of the contemporary organizations become more and more demanding the leaders need to innovate, to find new solutions, to manage people and resources in different places. The idea of collaboration introduced by System leadership (Heifetz, 1994; Heifetz, Kania, and Kramer, 2004) it is not something new since we have seen that participation and delegation improves collaboration and all recent theories consider this type of leadership the most appropriate to meet the difficult problems of the contemporary world. This also introduces the perception that is not always feasible for an individual to cope with all the issues that are better to be solved collectively. This type of leadership is also called “adaptive” or “emergent” showing that is needed during change and requires the same vision being shared between only a team but also between other teams and leaders. This way we can understand the need for system leadership moving for the individual to collective and to shared responsibility. In 2014, Frederic Laloux’s *Reinventing Organizations: A Guide to Creating Organizations* who has also invented a more productive organizational model describing organization as a living system, that functions in a complex environment. Just as Senge et

al have noted, “*an individual, working alone, is unable to satisfy today’s mix of personal, organizational, and global demands*”. Leadership in these innovative and pioneering organizations understands the contribution of collaboration, trust their colleagues and organizational systems. The participation and delegation which is a power transfer transfers also responsibilities and empowers subordinates to cope with the difficult tasks they have to perform.

As a conclusion going through the theories of the leadership we can conclude that the contemporary leader is not only a sum of traits inherited to him but is also supplied with the willingness that will permit him to evolve and acquire all the necessary behavioral attributes required in the complex and demanding environment. Transformational and system leadership are the cutting edge in the recent theories proving that collaboration instead of “ego” can built strong relationships, performing teams and subordinates that in the future will be able to become leaders. There are different types of influence as mentioned but the influence through trust and respect are the characteristics that will build strong relationship and better teams. It is also understood that in complex and fast changing world and organizations the flexibility and the emotional intelligence are prerequisites to be able efficiently lead groups.

### *1.3 THE IT SECTOR HISTORICAL BACKGROUND*

The IT industry in Greece realized remarkable growth in the period of 1980 - 2000. During the 1990's, large projects from the public and banking sector resulted in the augmentation of these sectors, as many companies were founded and many enterprises developed internal IT departments. In many cases these were companies within a company.

IT companies and organizations operate as service providers although there are cases in which some of them trade hardware or ready-made solutions representing foreign companies. Such examples include IT hardware equipment, IT services, and business software. IT services remain the leading category along with business software, exhibiting slow but steady growth over the past two years.

The recession in the Greek economy, lasting over 5 years, has had a negative impact on the IT market. The IT market considerably shrank during this time. In 2016, the IT market contracted by 1.9%, compared to 2.6% in 2015 and 1.3% in 2014. The result is a 2016 market of \$6.259 billion. Although the 2016 decline was lower than originally anticipated, the market is expected to continue this downward trend in 2017, with a marginal decrease of 0.9%, placing the total market value at around \$6.203 billion.

Common services provided by IT organizations consist of systems integrations, software development, installations and support, consultancy for complicated solutions, customized tailor made solutions and finally business process outsourcing (BPO).

Public sector in Greece didn't evolve enough in digital era stagnating instead of following the trend of digitalization expanding internet use, electronic transactions etc. This offered a great opportunity to IT Service providers focusing on government projects vital to improve the competitiveness of the Greek economy. The evolution of technologies as cloud computing, the electronic payments, the broadband penetration etc. are still challenging for the digital transformation of the society and the economy.

The digital transformation does not only provide operational agility, but also grants the necessary tools and technics for the efficient management (communication, decision making process, education etc.). Information Technology organizations expect to play a leading role in driving digital transformation strategy where special skills and capabilities will be required. IT companies are facing big challenges even in their internal work administration. The specialization entailed by the augmenting demands requires flexibility and cooperation between companies. For instance, there are companies specialized in security, financial, insurance solutions, etc. The public sector, big organizations such as

banks and even smaller companies in the private sector, are demanding more and more cyber security solutions in order to avoid attacks that could cause damage, with consequences to the core operations of the organization. Regarding specialization, large companies may have different departments to cover different areas, whereas other companies prefer strategic partnership with other providers with expertise in other areas, jointly providing a final integrated product.

In addition, companies support the European digital economy strategy by implementing digital projects to enhance e-skills, digital transactions between public administration and citizens/businesses, as well as development of open data and creation of new opportunities for innovative SME's and start-ups.

Security solutions to support projects compose a significant portion of the market, with security software, services, and infrastructure being deployed in organizations of all types and sizes. The demand for security comes mainly from three major segments that comprise the Greek market: the government, corporations, and small to medium-sized businesses. The financial industry leads the private sector in demand for cyber-security products and services. Banks are demanding more cyber security solutions as they face increasing number of cyber-attacks.

The opportunities that arise in the contemporary landscape may result in IT market growth. Digital services can be an important force in Greek economic development. Increased digital innovation creates added value, as well as new services for businesses and the government. IT adoption and usage by businesses, citizens, and the public sector will contribute to financial savings, increased government revenues, and ultimately create conditions for new business development and job creation.

The Information Technology sector employs highly educated personnel, with skills and competences linked to innovation, since they work in a dynamic and fast-changing environment. Greece possesses a highly-educated workforce, combining first-rate technical knowledge with global experience and entrepreneurial talent. The need to comply with international regulations, as PSD2 regulations for payments, GDPR (General Data Protections Regulation), the Basel III accordance, and the International Accounting Standards, will definitely increase the demand for specialized applications services. Many of the outcomes from IT companies are based on project deliverables produced by functional groups, cross - functional or project teams.

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# CHARTER 2

## 2.1 CONFLICT THEORITICAL FRAMEWORK

### 2.1.1 CONFLICT DEFINITION

Conflict is a disagreement or a dispute between people with different ideas or points of view. Thomas Kenneth defines conflict as *“the process which starts when one part perceives that the other part is outraged with something that affects its interest”*.

Thompson (1998) stated that *“conflict can be regarded as perceiving differences in interests among people”*. Bisno (1998) considers conflict as a *“social interaction consisting of struggles in order to take possession of resources, authority, status, beliefs, and other priorities and preferences”*

We realize from all the above definitions that most of scholars perceive conflict as a negative situation which must be avoided.

Pondy (1967) has tried to classify the different types of definitions for conflict. He utilizes a broader definition, considering organizational conflict as a dynamic process that is part of organizational behaviour. Having related conflict with leadership, March and Simon (1958, p.112) argued that conflict could be considered as failure in management, resulting in limited alternative solutions because of the ineffective decision-making process. In an organization or company conflict emerges due to interactions that exist between members of the group performing the tasks assigned to them. Examples are:

- ✚ Performing common tasks during which there is perception of differences in behaviors.
- ✚ Lack of resources which lead to conflict during the staffing of a project. The priorities that will need to be set up could also lead to disagreement.
- ✚ Differences in expertise, skills, values, cultures, goals, attitudes among the members of the group. These need to be properly managed in order to provide useful interchange of ideas and opinions instead of dysfunctional conflicts.

So, within organizations conflict is formulated depending on reasons related to the functions of the organization, such as resource management, employee evaluations, rewarding systems, etc. During any of these processes, employees may “perceive” unfair treatment, bringing them at odds with the Organization, the leader, or other employees.

By the 1970's, scholars gradually started to consider conflict as a phenomenon which can also lead to positive results. For instance, in 1967 Lewis Coser, an American sociologist and author of "Functions of Social Conflict" gave the following definition of conflict: "*The clash of values and interests, the tension between what is and what some groups feel ought to be.*" Coser (1967), established the idea of functional and dysfunctional conflict, placing an emphasis on the beneficial characteristics of conflict, which, when properly managed, may boost the group's and organization's performance. On the other hand, dysfunctional conflict is the one that can harm group and organizational harmony, leading to poor performance, as well as impairing the commitment of the employees in the organization. On the other hand, recent theories (Thomas 1992, Mitroff 1981, Rahim 2002) describe conflict as something inevitable, and at the edge of these theories some scholars formulate the idea that conflict in some cases must be pursued to help to introduce new and fresh ideas. Techniques such as brainstorming, which can hide some part of a disagreement, are introduced to bring innovation and better quality on decision making.

### 2.1.2 CONFLICT CLASSIFICATIONS

Studying the root causes of conflict inside organizations, different researchers have introduced different sources that cause this phenomenon. Gibson, Ivancevich and Donnelly (2000) see the sources of conflict as functional dependency, differences in objectives and differences in perceptions.

When evaluating conflict, we can classify it into different types as proposed by different scholars. According to its source, conflicts can be classified into the following types:

#### Affective conflict

This type is most known as personal conflict, in which two members trying to solve a problem together feel that incompatible emotions come up and issues arise. (Amason 1996). It is also known as relational, interpersonal or emotional conflict because of the strong opposing negative emotions (such as anger) that are taken place. Poor communication and stereotypes may fire disputes and escalate to a destructive conflict.

#### Substantive conflict

This type is well known and is also referred to as task or cognitive conflict or issue conflict. Jehn (1997) defines this type "*resulting from disagreements among group members ideas and opinions about the task being performed like the way that a service will*

*be developed, the way a milestone will be achieved etc.*”, Substantive conflict is associated with the task at hand and other business-related issues instead of feelings and emotions.

#### Conflict of Interest

In this type, two members aiming to solve a problem do not agree with the alternative that the other party suggests, and perceives that the opposing party may derive personal benefits. Compelling interests do not allow teams to converge to a common solution.

#### Conflict of Values

This type denotes differences in belief system such as values, ideologies that may lead to conflict when the one part insist on forcing their values on others.

#### Goal Conflict

This appears mostly in zero-sum situations when just one of the two alternatives will be chosen. This in turn can lead to incompatibility in the final objective and thus a goal conflict may arise.

Based upon organizational level conflict is classified into the following four types

#### Intrapersonal Conflict

This type is based upon the incompatibility of the interests, knowledge, expertise, as well as goals and objectives of a person during the execution of his tasks.

#### Interpersonal Conflict

Depending on the hierarchy of the Organization, this type of conflict may arise between supervisor and subordinate or even between peers in the organization.

#### Intragroup Conflict

This is an intradepartmental conflict, between the members of a team or a company group.

#### Intergroup Conflict

Known also as interdepartmental conflict since it refers to conflicts between two or more units, sections or departments of the company. Factors that may affect the cooperation between different divisions of an organization can be capacity planning (resource allocation) the information that is needed in order to perform their tasks etc. Blake and Mouton classified this conflict as interface conflict. In big organizations there are strong interdependencies between group's work for the attainment of organizational goals. The priorities in tasks, the resources, the milestones and information are the major sources of conflict.

Pondy, studying the conflict among the subunits of formal Organizations identifies two types of conflict.

#### Bargaining model

A well-known and very common type in organizations is bargaining, which is a joint process of finding a mutually agreed solution to a complex conflict. This usually describes conflict among interest groups during the staffing process, when there is scarcity in resources.

#### Bureaucratic model

This model is based upon the organization structure and hierarchy. In this case the conflict refers to disagreement between subordinates and their line managers

### *2.1.3 CONFLICT STATES*

There are a lot of theories and models referring to the different stages and the lifecycle of the conflict escalation. Thomas, Galtung (2002) and Swanstrom and Weissmann (2005) described the different phases of escalation and de-escalation of the conflict lifecycle. Following we present the five stages according to Pondy's study.

- ✚ Latent Stage: Participants not yet aware of conflict
- ✚ Perceived Stage: Participants aware of conflict
- ✚ Felt Stage: Stress and anxiety
- ✚ Manifest: Conflict can be observed since it is open
- ✚ Aftermath: Final results of the conflict, leading to resolution or dissolution

### *2.1.4 SOURCES /CAUSES OF CONFLICT*

As we have seen conflict is based upon human relationships, the interaction between employees in an organization and upon miscommunication or ineffective communication. Research shows that managers spend at least 25% of their time in conflict management. There is a broad spectrum of sources of conflict that can be classified into the following categories:

**Internal Sources:** The internal sources of a conflict refer to root causes inherent to structure and operations of the organization. Not clear policies or big changes (like downsizing, supersizing, change of evaluation or reward system) affecting employees can increase the feeling of insecurity among them. Without the right and open communication changes will not be accepted by employees and can start conflicts within the organization.

Vagueness in the directions and instructions and unclear assignments may cause unequal spread of the workload among employees. This is a source for conflict classified as internal conflict. The External Sources: Regulations and policies enforced by external authorities which the organization has to comply with, may in many cases affect the operations of the organization, like the level of wages, the number of employees, the rewarding policy etc. The same results may occur because of changes in labor law that can be considered to favour the employer more than the employee.

Causes of Conflict. Conflict can occur as a result of personal and structural factors.

(i) Specialization. In the contemporary environment in which organizations operate and mostly in companies of the technology sector, specialization is a need in order for someone to have deep knowledge in a particular area. There are cases that conflict may arise when a team member or a subordinate perceives that the superior or other peers have just a general knowledge without being able to deepen further during planning tasks for a service or product delivery. This situation can raise conflicts and needs to be managed properly by a leader. (ii) Common Resources. The scarcity of the resources during resource planning phase may raise agreements and disputes. The adequacy of people, budget, equipment and other resources is critical to meet the objectives and the goals of the team and this is common field of competition between groups causing conflicts.

(iii) Goal Differences. The alignment in the goals of the different groups of a company is very critical for the harmony that will allow successful attainment of these goals, since incompatibility in the goals significantly increase conflict situations between teams.

(iv) Interdependence. In many big projects dependencies exist between the different tasks that may also affect the delivery time of a product or a service when these tasks are in the critical path of the project. When the task of a group depends on the completion of a previous task carried out by another group, then disputes can arise that may fire conflicts considering that the performance of the other team affects their own delivery.

(v) Authority Relationships. The use of the power which a manager applies can create tension between the leader and his subordinates. Autocratic leader or strict managers may use conflict as a tool to increase their power considering that this way can be better impose his authority to his subordinates. (vi) Roles and Expectations. Another route cause that depends on the structure of the organization has to do with the role which the employee has in the organization. The role underlines the responsibilities and the framework for the executions his assignment. Unclear definitions of the description of the

job, the responsibilities and his rights may lead to conflict. According to Whitlam & Cameron, (2012). “*Manager-subordinate conflict can result when the subordinate’s role is not clearly determined, and each party has a different understanding of that role*”

(vii) Jurisdictional Ambiguities. Whenever the limits of the jurisdiction are not well defined then there is place for conflict. Ambiguity in jurisdiction, responsibilities and goals that are overlapping are frequent causes of conflicts. The desired results and performance criteria is common reason for conflicts between managers and subordinates.

### **2.1.5 FUNCTIONAL CONFLICTS**

As we have seen the conventional theories on conflict were considering conflict as a state that has only negative results impairing the performance of the groups and organizations and thus has to be avoided. A second approach which is defined as behavioural considers conflict as a situation common to human relations and reactions inside organizations that does not affect organization’s performance and not further treatment is required to manage it. Instead of this approaches the most recent studies on conflict have discovered benefits from conflict that can boost the performance of an enterprise.

According older theories conflict is linked to negative subsequence as tense, disputes and anger between people. As Kriesberg (2003) stated “negative features is evidence of our inability to see conflict as normal and to develop mechanisms for managing it well”. According the contemporary studies conflict must always be revealed in order to properly been managed. A properly managed conflict can be functional and can be used as a tool to improve decision making process, creativity and collaboration. The managers have to learn how to use conflict as a tool for energizing employees and teams, and through constructive interchanging of opinions and ideas to reach to reach a better solution during problem solving process. Especially whenever innovation is a demand functional conflict should be used for better decision quality, with the contribution of ideas and information from all the members of a team. The functional conflict not only facilitates the decision-making process but also improves collaboration between group members since it increases mutual understanding, convergence in point of views and this way improves the performance of both employees and leaders.

### *2.1.6 DISFUNCTIONAL CONFLICTS*

On the other hand, counterproductive conflict has negative consequences and must be managed accordingly. Counterproductive conflict is accountable for:

- ✚ Lower productivity, stress conditions in the workplace that has an effect the creation of an unpleasant environment for employees
- ✚ Blocking the communication channels, affecting open communication creating misunderstandings, disputes and finally reduces employee commitment
- ✚ Affecting the alignment in goals and objectives of the organization, employees focuses to gain more personal benefits instead of considering the collective goals , decreasing this way the performance of the organization
- ✚ Leading to an increased turnover because of employees dissatisfaction due conflict situations
- ✚ Leading to deterioration of relationships with partners and vendors or other stakeholders
- ✚ Loosing productive time and effort for management dysfunctional conflicts raises the costs and affects the profitability.

### *2.1.7 CONFLICT MANAGEMENT / RESOLUTION*

Problem solving, and Conflict management has become one the most vital managerial tasks. Conflict management and resolution need to become part of the organization's culture in order to be used efficiently. Scholarship has defined different styles related to the management approach that is applied. . The strategies that Blake and Mouton (1964) suggested in their model are based upon two options of the human behaviour against conflict: the one behaviour represents the concern for individual's interests (assertiveness) whereas the other behaviour represents the concern for the others (cooperativeness). The managerial Grid with the two dimensions of concern for people and concern for productivity (results) could be considered as a starting point for the correspondent grid of conflict management styles. According to this model the styles that suggests are : stated that people present two conflicting behaviours: tendency to reach individual goals and self-satisfaction (definiteness) and tendency to keep interpersonal relationships and others' satisfaction (cooperation). The five strategies proposed are: avoidance, adaptation, compatibility, competition, and cooperation. Putnam and Wilson

(1982) classified the abovementioned strategies into three groups: “*non-confrontation (comprising from adaptation and avoidance) where the concept is to avoid and ignore the conflict, solution-orientation (comprising from compatibility and cooperation), and control which is competition)*”

One of the major tasks of a Leader is to confront conflict and to provide a viable solution. The scholarship regarding behavioural research and especially interpersonal conflict ends up with the same basic types with small differences in the naming conventions but always with the same conceptual underground. For instance from Follett (1940) suggested as conflict types “*domination, compromise, integration, avoidance and suppression*” we pass to Blake and Mouton (1964) presented a model that manages conflict in different ways “*withdrawing, smoothing, forcing, problem solving, compromising*” based on high or low concern to production and high or low concern for people and finally Thomas and Kilmann (1974) concluding with their model which is based on the idea of the desire to satisfy our concerns and the desire to satisfy the other’s concern. This model recognises two different sides of the individual’s behaviour during conflict, assertiveness where one person attempts to satisfy his own needs and cooperativeness someone considers also the needs of the other’s. The two dimensions of the Thomas Kilmann model can be used to define five modes to deal with conflict which are: Competing, Collaborating, Compromise, Avoiding and Accommodating and can be also presented as the tools for a negotiation between conflicting parties. Although someone may have a predominant conflict style that prefers to apply in many cases is needed to adapt its style according to the circumstances.

Avoiding Conflict Handling Style (also referred I lose you lose). The person indicates weakness to handle the situation and he does not support neither his own concerns nor the other’s concerns avoiding interaction, preferring the withdrawal than the actual address of the problem. This style leaves issues unhandled, without an assessment of the criticality of each one, ignoring the consequences and the future escalation. Avoiding style can be actually beneficial when there is an assessment of the conflict and it is considered as minor (or trivial) or we are convinced that the problems that will appear because of confrontation supersede the benefits of resolving the conflict.

Compromising style often called I win some / I lose some and the other party wins some and loses some. It is like a bargain where prevails the “give and take” perception from both parties go along with the needs and concerns of the other. In this case a mediation process will help to reach to a mutually acceptable solution that satisfies at least



partially the involved parties. It can be applied in zero sum situations or in cases that both parties have almost the same power.

Collaborating Conflict Handling style, also labeled Win – Win or even integrating is sometimes confused with compromising but collaboration has more to offer to both parties. There is a multiplier factor effect that magnifies the mutual value. The emphasis here is given to the collaboration that satisfies the needs of both parties. This is not only the case of the involvement of a negotiator, but through a conscious cooperation the two parties can discover areas of value that would have never imagined. This is the result of the collaboration that helps the open communication and the information exchange that permits both sides to examine their problems creatively fostering trust and building relationships addressing the problems the best way for all.

Accommodating Conflict Handling Style it is a smoothing technic since someone prefers to please the other than himself. Thus indicates a low concern for self and high concern for others. According Wilmot & Hocker (2001) *“it focuses on relationships, cooperation and harmony, and therefore putting aside one’s needs to please the other party in a conflict situation”*. We have to keep in mind that the displeased person that considers himself treated by injustice may raise in the future a more serious conflict. On the other if someone during the process of conflict recognises that is wrong then through this style he can minimize losses.

Competing Conflict handling style also called dominating more with autocratic leadership style and refers to an aggressive behavior someone tries to attain his own goals without caring about other’s concerns. So we are talking about a Win - Lose situation where the use of power is obvious to enforce someone’s aims. This style can harm relationships and block collaboration. It can be used in situation that an unpleasant decision has to be applied without having another option, or when you have to save time during a crisis. As a conclusion we can say that early recognition conflict reasons and a deep assessment of the situation can lead to select the best style trying to preserve relationships and collaboration between all members.

## 2.2 CRISIS THEORITICAL FRAMEWORK

### 2.2.1 CRISIS DEFINITION

The crisis within an organization can be defined as threat usually with low probability but with high impact to the organizations core functions which in turn may affect even organizations existence.

According to Pearson and Clair (1998) “*Organizational crisis are relatively low-probability, high impact situations that threaten the competitiveness and viability of an organization and is characterized by ambiguity of cause, effect, and means of resolution*”

As we have seen in the above definitions crisis can cause serious harm to organizations operations and it is obvious that Crisis management is a critical organizational function which targeting to overcome a negative event. Failure can result in serious harm to stakeholders, losses for an organization, or end its very existence. For Chinese people the word crisis is perceived as a moment of opportunity. We are starting the analysis of the crisis by defining critical concepts.

A crisis is defined here as a significant threat to operations that can have negative consequences if not handled properly. In crisis management, the threat is the potential damage a crisis can inflict on an organization, its stakeholders, and an industry. We can classify crisis in three different types according to the consequences:

- ✚ public safety having to do with events that includes injures and damages form accidents (fires, etc.), physical phenomenon like earthquakes
- ✚ financial loss like credit loss, bankruptcy etc. and
- ✚ reputation loss like a faulty product that the company has to recall

Obviously each one of the above crisis type can fire the others. For instance reputation crisis can also affect earnings of the company and thus to turn to a financial crisis

### 2.2.2 CRISIS CLASSIFICATIONS

Within Organizations the interaction between people and technologies is a common source for crisis. To prevent crisis we have to deeply understand all the underline factors that slip into and affect people, organizations and technologies. The difficulty in crisis management is the variation of the different parameters that someone has to consider in order to prevent a crisis. Since the cause could be an unforeseeable or unpredictable event it may overturn basic considerations that the Organization has been made.

The interaction and the influence of each factor will be described next:

Regarding people the leadership style have to do with the decision making process and the way that groups are collaborating to achieve their objectives

- ✚ The efficient management of conflict that can help to prevent crisis but is also of vital importance during crisis in order to be able to minimize the consequences is fully dependant on people

Regarding organizations that usually have a complex structure and often complicated operations we have to consider:

- ✚ Each organization has a predefined strategy and policies that have to be assessed and re-evaluated getting the feedback of previous failures and harmful situations
- ✚ The structure of the organizations is a critical factor that affects its performance and its capability to cope with a crisis
- ✚ The structure, the levels of hierarchy, the communication channels and the policies regarding the management of the organization is closely depended on its flexibility and adaptability to difficult situation



Figure 1 Relationship between Organizations, Technologies and people <sup>1</sup>

Crisis can be analysed in terms of the following key factors:

Crisis Types: As we have stated crisis can be grouped according to their characteristics and this classification helps the organization to have a strategic and systematic approach of managing the different types of crisis. In order to be prepared the organization has to formulate a “*Crisis Portfolio*” including all the different types of events that will be trained and prepared to face to.

Crisis mechanisms: The preparation and the level of readiness that can prove during a crisis depends on the crisis mechanisms that have developed. These mechanisms among other include the determination of the early warning signal detectors that will notify on time and damage control systems and business recovery systems that will be activate in order to succeed in damage containment

Crisis systems: as we have denoted the organization structure like levels of hierarchy, sections, departments and divisions affects the efficiency of the organization in crisis management. Efficient structure can operate as a facilitator whereas a rigid structure that doesn't help the others to make the right decisions on time, or blocks the communication preventing information to be distributed rough open channels could operate as a blocker in the whole process of crisis management..

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<sup>1</sup> Ian I. Mitroff Crisis Leadership *Planning for the unthinkable*

Crisis stakeholders: consist of all the involved parties that are affected by the crisis and the parties that are participating in the process of managing the crisis and limit the damages.

In the following table we are presenting a classification of major families of types of crisis

Economic	Informational	Physical	Human Resource
Labor strikes	Loss of proprietary and confidential information	Loss of key premises and facilities Loss of key equipment, plants and material supply	Loss of key executives
Labor unrest	False information	Breakdowns of key equipment etc.	Loss of key personnel
Labor shortage	Tampering with computer records	Loss of key facilities	Rise in absenteeism
Major decline in stock price and fluctuations	Loss of key computers, information with regard to customers, suppliers etc.	Major plant disruption	Rise in vandalism and accidents
Market crash Decline in major earnings			Workplace violence Loss of key partners or suppliers

Reputational	Psychopathic acts	Natural disasters
Slander	Product tampering	Earthquake
Gossip	Kidnapping	Fire
Sick jokes	Hostage taking	Floods
Rumors	Terrorism	Explosions
Damage to corporate reputation	Workplace violence	Typhoons
Tampering with corporate logos		Hurricanes

Table 1 Major Crisis Types /Risks

### 2.2.3 LEADERSHIP AND CRISIS MANAGEMENT

In our study we will have a careful look at many of the traits, characteristics and behaviours often associated with effective leadership in situations involving a crisis

focusing in crisis caused by conflicting situations. The effectiveness of the leadership referring to crisis is the successful addressing of the harmful consequences of the crisis in order the organization to survive continuing performing its functions. The leader is who will take care of the morale of the employees, advising and guiding subordinates to perform tasks needed to overcome the negative situation.

#### Behaviours of Crisis Leaders

The leaders who has established an open communication, the flow of information can reach everyone and the people are trained to participate and take decisions can cope better with the crisis. This leadership has a strategic point of view on crisis, has the ability to learn from similar situations in the past and to use lesson learned to rectify operations that failed in the past. This kind of charismatic leader will inspire team members to exceed themselves been able simultaneously to express compassion to weaker subordinates.

In the research of leadership is documented that transformational leader that encourages participation and collaboration have more effective teams that can cooperate and restore the failures. According to the situation and the objective conditions the leader has to choose the appropriate leadership style. It is not always feasible to have a well prepared and experienced team with the cohesion that is needed to perform as one member. There are different circumstances with younger people, not experienced and without knowing each other very well. In such cases the leader has to act more autocratically and he has to make the decisions himself formulating the plan as fast as he can guiding the others to follow him and using the situation as an occasion to educate them and bring them together expecting to function as a team. DeChurch et al.” *revealed that the flow of information is a key leadership process in multi team environments flow of information was described as a behavioural process which is associated with the action phase of the multi team process. It refers exchanging information in real time the management the flow and the timing of that information*”. During the crisis it is usually essential for the leader to quickly adapt to changing circumstances as the need to accomplish the same amount of work with reduced staff and less money to purchase other resources. When faced with a crisis the resilient leader will be resourceful enough to look for a solution.

#### Planning before and during crisis

A general guide to crisis planning according to Ian I. Mitroff (2002) is to “*think about the unthinkable*”. According to Mitroff leaders is not always feasible to prepare for every type of crisis. The creation of a crisis portfolio is exactly the idea of focusing on the most group of risks and limit preparation to these crises. The preparations consist of setting

up a plan to prevent the crisis and actions needed during the crisis. Haan (2012) stated that “*Contingency planning for a crisis involves such matters as providing backup for critical suppliers, key personnel, computer systems and any phase of the enterprise that is essential for continuous operation*”. (During the crisis the leader has to act quickly having in mind the plans that has been implemented during preparation phase but has also be able to adapt this plans according to the current state.

#### **2.2.4 CRISIS MECHANISMS**

Scholarship on Crisis Management recognizes that the best Crisis Leadership is preparation for crisis before they occur. The plan has its own significance, but the most important thing is an Organization’s Crisis Leadership capabilities. The execution of the plan requires also capabilities are realized through various mechanisms for preventing, reacting to, learning from and redesigning procedures whenever are consider ineffective or insufficient for the organization.

An important tool for preparation against crisis that has started to be part of Crisis Leadership, it is the signal detection. Signal Detection is at the heart of the new organizational structures for Crisis Leadership.

### **2.3 LEADERSHIP THEORITICAL FRAMEWORK**

#### **2.3.1 LEADERSHIP DEFINITION**

There are many definitions in the bibliography for leadership. Starting with a simple definition, leadership can be considered as “the process of influencing an organized group toward accomplishing its goals”. We have referred that some people confuse leadership with management. According to the definitions, leadership is the process that focuses on influencing people to achieve their goals and objectives. For instance, leadership focuses on strategic needs of the organization, on influencing, empowering and coaching people to help them perform their tasks instead of directing and monitoring the team. Hence management focuses more on tactical aspects whereas leadership has a strategic long term view.

Another definition of leadership that reveals the above-mentioned traits is: “*an interpersonal influence directed toward the achievement of a goal or goals*” (Allen, 1998). This definition stresses the fact that a leader influences more than one person toward a goal.

Leadership is “*the ability of an individual to influence, motivate and enable others to contribute toward the effectiveness and success of the organization . . .*” (House et al., 1999, p. 184).

According Gardner (1990, p 38) “*leadership is the accomplishment of group purpose, which is furthered not only by effective leaders but also by innovators, entrepreneurs, and thinkers; by the availability of resources; by questions of value and social cohesion.*” Since in this study we are focusing on the performance of the teams and how the leader influences the team and manages conflicts establishing a trustful environment, we are selecting this definition in order to analyse the characteristics of the effective leadership. Gardner denotes that leadership is a group goal, introducing thus the idea of collaboration and participation considering that the results come from the team work and not only from leaders (Horner, 1997). It is obvious that both leadership and management skills are required for the consistent direction and overall strategy, but also for the execution and monitoring of the plans that in the short term accomplishes specific tasks.

### **2.3.2 LEADERSHIP STYLES**

Cultural diversity of the workforce within organizations is increasing as well. To build cooperative relationships requires considerable empathy, respect for diversity, and understanding of the values, beliefs, and attitudes of people from different cultures.

From the above definitions of leadership, it appears that a group of traits and behaviors compose leadership. We have noticed that the effective leader influences subordinates in a way that helps them to achieve desired goals.

Different scholars have classified these traits and behaviours, formulating different styles of leadership. Different leadership styles may affect organizational effectiveness or performance. Many studies correlate subordinate perceptions of participative leadership with the criteria of leadership effectiveness, such as subordinate satisfaction, effort, and performance. The leadership styles applied in an organization influence the culture of the organization and as a consequence affect its performance.

Leadership style refers to the manner that the leader uses to provide directions, execute plans, decide between alternatives in order to resolve problems, motivate people, etc. The four well-known leadership styles introduced by Reinke (2009) are based upon a basic characteristic that is the participation of the subordinates mostly in the decision process



and further in other management tasks. Following, we describe each style, emphasizing that each style has a fundamental foundation, and that most leaders practice some form of leadership or combination of styles during their normal work routine.

Autocratic Leadership Style. Less participation and delegation. These leaders hold all the authority and responsibility and constrain their subordinates not allowing any autonomy during the execution of their duties. In some cases, they inflict their perceptions and their ideas upon them. Such leadership restricts participation, minimizes initiatives, and creates passive subordinates waiting for instructions in order to proceed to their tasks. Although this leadership approach seems less attractive under some circumstances could be the only appropriate. Taking into consideration that in certain conditions such as a crisis, the speed of acting is critical for the entire group. Then clear and direct instructions are needed without different challenging opinions in order to avoid diffusing the crisis and to reduce the impact. Bureaucratic Leadership style focuses on procedures, rules, policies, standards, hierarchy, and written documentation, in order to control subordinates and monitor performance (Brian 2006). Bureaucratic leaders are considering to have less dependency by employees and need to control through documentation. As in the previous style initiatives are minimized and as Reinke (2009) noted “*Bureaucratic leaders produce followers that do only what is expected and nothing more*”

Democratic Leadership style is the most participative style because leaders that follow this style transfer part of their power to their subordinates allowing them to participate in the management process. They delegate responsibilities to their subordinates. The democratic leader uses open and active communication and encourages creativity and intelligence. There are times when allowing followers to participate in management decisions can cause some democratic leaders to fear loss of control. Richard (2001) suggests “*in democratic leadership, the role of the leader is not just solving problems but more importantly is to identify the conditions for effective solutions*”. Democratic leaders are motivated by highly skilled and experienced employees who are not afraid to express their opinions.

Laissez-Faire Leadership Style is actually the absence of any leadership. Laissez-faire leaders are those who avoid taking responsibilities, providing instructions and monitoring tasks providing feedback. Usually there do not try to motivate employees, avoid the conflicts and the resolutions of the problems and do not pay any attention to employee’s expectations. This leader is indifferent in communicating with others and does not make any effort to coach them. This leadership can be applied effectively only in case

of self-managed teams with educated, skilled and experienced members that can work together without the supervision of a leader.

James MacGregor Burns (1978) classifies leadership in two big categories: transactional and transformational. Transactional leadership involves the exchange process through rewards on meeting objectives or by lack of reward or even penalizing on failure of meeting goals and objectives. The reward can be a financial reward, e.g. a better wage or an ethical reward, like a promotion. Transformational leadership is composed by a set of behaviours such as intellectually stimulating subordinates, making them able to use creativity and imagination in solving problems. Transformational leaders impel followers to find and use new ways more efficient to resolve problems or to accomplish their assignments. The individualized consideration for the subordinates focuses on the differences of personalities and thus the leader acts as a mentor providing guidance helping employees to grow their own skills and competences. The transformational leader is the charismatic leader who can communicate better the vision of the organization and succeed in aligning the objectives and goals of all the stakeholders. According to Bass (1985, 1998a) “*transformational leadership can move followers to exceed expected performance, as well as lead to high levels of follower satisfaction and commitment to the group and organization*” (Bass). Transformational leadership has as a major aspect of the decision-making process consultation, joint decision making, power sharing, decentralization, empowerment, and democratic management. Environments that innovation is a requirement all the above properties are critical to help employees to reach exceptional performance.

Transactional leadership utilizes rewarding or discipline methods depending on goals attainment by the follower. Since transactional leadership depends on exchanging methods, contingent reward is the basic concept be also supplemented by management-by-exception (active or passive)

***Contingent Reward.*** Rewarding employees can be very motivating and may result in better performance in some cases. Although this practice may be effective under specific circumstances, it does not improve team work and collaboration. It may develop competitive reflexes and feelings when someone tries to win the reward and promotes atomicity instead of cooperative spirit. Between the leader and subordinates there is an exchange in the form of a promise that according to the results, a reward will be provided. Otherwise, no reward or even a penalty will be imposed. An assessment for the outcome is necessary in order to judge the successful attainment of goals and provide the reward. This

is usually done by the leader with minimum participation. In some cases a mixed approach of transformational and transactional leadership may also use rewarding like a predefined agreed bonus, which is jointly decided between members, enhancing team cohesion “*Contingent reward can be transformational, however, when the reward is psychological, such as praise*” (Antonakis, Avolio, & Sivasubramaniam, 2003).

***Management-by-Exception (MBE)***. There are two modes of management by exception. The active (MBE-A) or passive (MBE-P). In active MBE, the leader monitors errors and any kind of deviances from standards, during a subordinate’s tasks execution and suggests corrective actions when required. The difference of MBE-P is waiting passively for the error to occur, then taking corrective action for deviances, mistakes. Active MBE may be required and effective in some situations, such as when safety is paramount in importance. Leaders sometimes must practice passive MBE when required to supervise a large number of subordinates who report directly to the leaders. Sample MLQ items for management by-exception are “The leader directs attention toward failures to meet standards” (active) and “The leader takes no action until complaints are received” (passive).

***Laissez-Faire Leadership (LF)***. As mentioned, in laissez-faire leadership, the leader avoids his responsibilities takes no action or delays to take action when needed, avoiding getting involved .

**Transactional Leadership styles**: Transactional leadership relies more on "trades" between the leader and follower by which followers are compensated for meeting specific goals or performance criteria. The transactional leader will first validate the relationship between performance and reward and then exchange it for an appropriate response that encourages subordinates to improve performance. Transactional leadership in organizations plays an exchange role between managers and subordinates. Transactional leadership style is understood to be the exchange of rewards and targets between employees and management. Bass and Avolio postulated that transactional leaders motivate subordinates through the use of contingent rewards, corrective actions and rule enforcement. Bass Bernard et al explained that transactional leadership depends on contingent reinforcement, either positive contingent reward or the more negative active or passive forms of management-by-exception. Transactional leaders motivate followers through exchange; for example, accomplishing work in exchange for rewards or preferences. Kahai et al found that group efficacy was higher under the transactional leadership condition. According to Burns, the transactional leader tends to focus on task

completion and employee compliance and these leaders rely quite heavily on organizational rewards and punishments to influence employee performance.

- ✚ The choice of objectives and strategies to pursue.
- ✚ The motivation of members to achieve the objectives.
- ✚ The mutual trust and cooperation of members.
- ✚ The organization and coordination of work activities.
- ✚ The allocation of resources to activities and objectives.
- ✚ The development of member skills and confidence.
- ✚ The learning and sharing of new knowledge by members.
- ✚ The enlistment of support and cooperation from outsiders.
- ✚ The design of formal structure, programs, and systems.
- ✚ The shared beliefs and values of members

Autocratic	Participative	Delegative
<ul style="list-style-type: none"> <li>• Autocratic leadership, otherwise known as authoritative, is a leadership style by which leaders have absolute control over a group, make choices and all decisions in the organization based on their own ideas and judgments and rarely accept any advice from followers.</li> </ul>	<ul style="list-style-type: none"> <li>• Participative, which is also known as democratic is a leadership style that allows and encourages members of the group to share, express their ideas, and take a more participative role in the decision-making process of the organization.</li> </ul>	<ul style="list-style-type: none"> <li>• Laissez-faire leadership, also known as delegative, also known as laissez-faire is a type of leadership style in which leaders by providing the tools and resources needed ( with little guidance) are hands-off and allow group members to make the decisions in their organizations.</li> </ul>

Figure 2 Kurt Lewin's three major leadership decision making styles

### 2.3.3 THE ROLE OF COMMUNICATION

According to Shannon (1948), the communication model consists of the sender, the encoder, the communication channel, the decoder and the receiver of the message. It is obvious that all these components are fundamental to the effectiveness of communication. Thus, communication consists of two functions. The first function is the transfer of the message and the second one is the understanding of the meaning of the message circulated. The decoding of the message in a language that is understood by both sides is vital for

effectiveness of the communication since, without the understanding of the message, there is no communication.

According to the conflict theories, communication is in the center of the conflict process, since through communication different arguments are formulated. Disagreement and disputes start with verbal interchange. Hence communication is the substrate for every conflict and determines also the quality of the conflict.

Since communication is a two-way process, to be effective there must exist active listening and hearing between the participants. The participants must understand each other after the messages have been imparted. The key in good communication is the clear understanding of the message. Open communication is the carrier of feedback that is crucial for the leader to extend his knowledge and experience. A key point is that communication has to be open and use of any negative feedback is an opportunity for learning. Communication is the enabler of many in management and is the canal through which the vision, orders, ideas, opinions can be transferred.

Communication is the basic tool for many organizational functions. Conflict management types and styles, leadership styles are directly related to communication style. Effective communication has as a result

- ✚ The effective procedure design Communication facilitates the feedback of stakeholders as customers, vendors, employees helping design effective procedures and operations.
- ✚ optimized decision-making effective communication facilitates the information circulation that is critical factor in decision making
- ✚ better leadership open communication provides feedback to the leader and help him to learn and to apply a more effective leadership
- ✚ accuracy in coordination, effective communication transfers orders and directives to the subordinates in a way that can be understood
- ✚ immediate motivation, (communicating the vision)
- ✚ employee's satisfaction, (coaching and empowerment of employees)
- ✚ improved relationships with the stakeholders (ex. Customers, vendors, partner's, etc.) allowing the feedback reach the management

Effective and accurate communication act as an instrument that can be used by the leader to successfully manage his team. Communication facilitates motivation by

clarifying to employees what is to be done and provide feedback on how well they're doing, and what can be done to improve performance. Many leadership actions, such as inspirational motivation, empowerment, coaching intellectual stimulation, rewarding, monitoring failures, giving feedback and corrective instructions, can be accomplished only by using effective communication. Communication is required to provide feedback on progress towards set goals. The information that is critical for decision-making can be delivered only through effective communication. For a leader to be able to act as a mediator in resolving conflicts and disagreements, as well as to influence and persuade others, must be an effective and convincing communicator. In order to achieve high cohesion, the team has to communicate perfectly and use the communication to resolve disagreements and establish the necessary trustful environment needed to improve the performance of the group and organization. The leader has to use all types of communication (top down, bottom up, horizontal and also formal and informal) to be able to communicate the vision and the strategy of the organization clearly. For achieving the objectives of communication, the leader has to share interest, see how the others feel by trying to perceive the feelings of the other, during a verbal communication examine the facial expressions. He delivers the well-planned messages with persuasion and relates them to the aim and objectives to be achieved with the help of communication. He has to insist on understanding the weak points and analyse the usefulness of the communication. The role of the leader requires is to try to find mistakes in case of miscommunication, the blocking factors and to remove the obstacles (like unclear goals and objectives, erroneous messages, lack of trust, bad choice of time and place, lack of interest, hasty conclusions, hidden agendas etc.) driving communication to level that will satisfy all the participants. In order for the leader to effectively manage the team, the conflicts, to ask participation and to delegate responsibilities to his subordinates, he must be able to communicate effectively with them. Hence, for effective leadership, effective communication serves as a significant ingredient.

#### *2.3.4 THE DECISION MAKING*

In this section we examine a special function that managers and leaders perform in their day to day jobs, impacting the effectiveness of the teams, collaboration, creativity, commitment of employees and finally the accomplishment of the organizational goals. This important function is decision-making. The process of evaluating a problem,

examining the alternatives, choosing and implementing the alternative chosen are some of the steps involved in the decision-making process. Many of the activities of managers and leaders involve making and implementing decisions. So one part of the parameters in the decision-making process is the problem itself and the alternatives that will be examined. The other part is the people that will be involved, since it plays a central role to the organizational activities. Participative leadership is defined according to the grade of the subordinate's participation in the decision procedures. According to the situation and the particular problem, the leader has to decide the grade of power that will be transferred to the subordinates. The conditions of each situation may require different approach. For instance, a very urgent decision during a crisis may require less participation whereas a disagreement because of different opinions may require a common decision. According to the scaling of the participation, Vroom and Yetton in their model describe the following four decision procedures

*Autocratic Decision. The manager makes a decision alone without asking for the opinions or suggestions of other people and these people have no direct influence on the decision; there is no participation.*

*Consultation. The manager asks other people for their opinions and ideas and then makes the decision alone after seriously considering their suggestions and concerns.*

*Joint Decision. The manager meets with others to discuss the decision problem and make a decision together; the manager has no more influence over the final decision than any other participant.*

*Delegation. The manager gives an individual or group the authority and responsibility for making a decision; the manager usually specifies limits within which the final choice must fall, and prior approval may or may not be required before the decision can be implemented”*

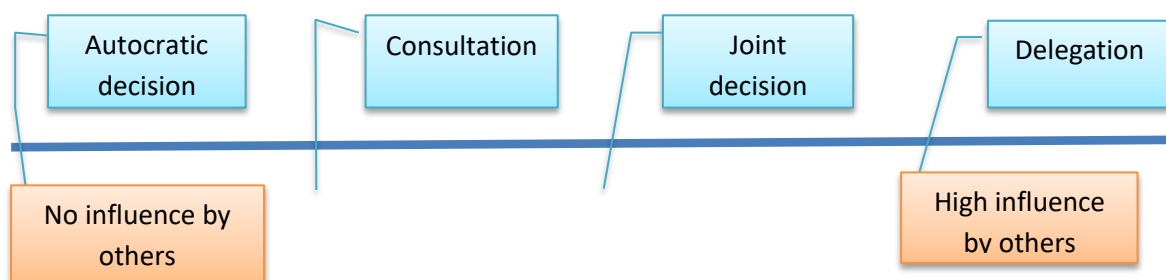


Figure 3 Continuum of Decision Procedures

The participation in the decision-making process can be used by the leader in combination with functional conflict, improving the effectiveness of the team. Involving other people in deciding and trying to find the best solution to a problem is likely to increase the quality of a decision when participants have information and knowledge lacked by the leader and are willing to cooperate in finding a better solution to a decision problem. Knowledge sharing and collaboration among the members of the group will depend on the extent to which participants trust their leader and they believe that there will be benefits from the cooperation. If participants and the leader have incompatible goals, cooperation is unlikely to occur and will require more effort to avoid conflicts. In order for participation to be effective and have the desired results, there must exist willingness of reaching a decision with high quality. On the other hand, if there is contribution in the decision-making process, even if the decision is not made jointly, the quality will be better. In order to reach a decision incorporating the knowledge and expertise of the team members, an alignment of the priorities, goals, interests and perceptions must occur in order to achieve collaboration and then the participation in making the decision. Someone has to have in mind that according to the situation and the conditions such as the urgency of making a decision, a large number of participants, may lead to less individual participation. So it is based upon the leader's competences to create the appropriate environment to develop trust, cohesion, commitment and satisfaction with the decision participation, keeping conflict at the desired level. Victor Vroom and Philip Yetton in their 1973 book, "*Leadership and decision making*" describe a model to identify the best decision-making approach and leadership style to take, based on the current situation.

Vroom and Yetton (1973) distinguished between "individual problems" and "group problems". An individual problem is one that has potential effects on only one person. On the other hand, a group problem, by definition, has effects on more than one person.

In this model each problem or decision is thought to represent a distinctive combination of characteristics that ought to influence the leader's choice of leadership style. For example different leadership styles or amounts of participation may be prescribed for complex decisions than for simple ones even though both might be faced within the course of a given day. We will discuss the part of the model that applies to group problems. At the core of the model is a method for choosing among five decision process ranging from A1 (most autocratic) to G2 (most participative).



Symbol	Definition
A1	You solve the problem or make the decision yourself using the information available to you at the present time
A2	You obtain any necessary information from subordinates. Then decide on a solution to the problem yourself. You may or may not tell subordinates the purpose of your questions or give information about the problem or decision on which you are working. The input provided by them is clearly in response to your request for specific information. They do not play a role in the definition of the problem or in generating or evaluating alternative solutions.
C1	You share the problem with the relevant subordinates individually, getting their ideas and suggestions without bringing them together as a group. Then you make a decision. This decision may or may not reflect your subordinate's influence
C2	You share the problem with your subordinates in a group meeting. In this meeting you obtain their ideas and suggestions. Then you make a decision that may or may not reflect your subordinate's influence
G2	You share the problem with your subordinates as a group. Together you generate and evaluate alternatives and attempt to reach agreement (consensus) on a solution. Your role is much like that of chairperson coordinating the discussion, keeping it focused on the problem and making sure that the critical discussed.

**Table 2 Decision Process**

As we have referred according to the conditions of the situation to determine the most effective decision-making process, the leader has to take into consideration the following factors.

**Factor A: High Quality Decision is required**

We define as a high quality decision the one consistent with the organizational goals to be achieved. This first factor is based upon which all the other factors are evaluated. That means if decision quality is important, then other qualities become critical to an effective decision – most notably, where information exists pertinent to achieving a high-quality decision and how that information is to be processed. A second function of this factor is a more direct one. All other things being equal, major decisions in which the quality of the decision is of considerable importance warrant more participative processes.

Factor B: Leaders information relevant to the problem

When a high-quality decision is required, the leader must have the available and reliable information needed to evaluate and to choose the appropriate alternative in order to apply and resolve the problem, without depending on the aid of subordinates.

Factor C: Structured or unstructured product

A structured problem is one in which the leader having make the decision knows the parameters of the problem, all the data that will help to reach the solution are available, and has faced similar problems in the past. Unstructured problems are new problems with lack of information since there no experience from the past.

Factor D: Importance of Acceptance of Decision by Subordinates to effective implementation.

The acceptance of the decision by subordinates is crucial in order to achieve the necessary engagement that will permit effective implementation. The best way to succeed in the commitment of subordinates is to introduce as much involvement as it is required. The delegation that is a kind of power transfer is the last grade in the scale of participation and through this the leader manages to have a co-responsibility in order to achieve the total commitment. But even if there is involvement through interchanging and evaluating the different opinions, the subordinates will feel that they have influenced the process and will have the desire to succeed in the implementation as it would be their own exclusive

Factor E: Probability that the Leader's Decision will be accepted by Subordinates.

Of the three of power that the leader can use to get the acceptance of his decision are (1) Legitimate power, (2) expert power and (3) attraction or referent power. As already referred the participation in the decision process and the substantial involvement in making decisions brings the acceptance and the engagement of the subordinates

Factor F: Congruence of Organizational and Subordinate Goals.

The alignment with organizational goals and objectives may be achieved with joint decision-making. Involving others in decision making is more likely to result synergy when differences exist. The participation in the decision-making process and the collaboration required for that can maximize the benefits for the organization since there won't be conflicting views that will not allow the application of the organizations strategy

Factor G: Conflict or Disagreement among Subordinates

Vroom – Yetton model deals with conflict or disagreement among subordinates considering its importance in the decision making mechanism.

According to the Vroom – Yetton model

*“There are four positions that one might make about the consequences of conflict, each of which has implications for participative decision making.*

- ✚ Conflict among people increases the time that they will require to make joint decisions.*
- ✚ Conflict among people may polarize and be a source of divisiveness in subsequent relationships.*
- ✚ Conflict among people can lead to clearer thinking and better decisions.*
- ✚ Conflict among people is a sign that should interact more (rather than less) frequently in an attempt to resolve their differences.”*

The first two of the above statements refer to counterproductive conflict, which should be avoided. On the other hand, the third and fourth refers to functional conflict, the presence of which should be a sign to utilize more participative practices, encouraging those with different opinions to interact with one another in the context of solving problems.

The following figure represents a decision tree which concentrates all the above ideas of the Vroom-Yetton model. One enters the decision tree at the extreme left, states the problem and asks the first question: Does the problem possess a quality requirement? The answer, yes or no, denotes a path that leads to another box signifying another question by the letter immediately above the box. The process continues until one encounters a “terminal node” designated by a number and one or more of the alternative decision processes. At this point all seven rules have been applied and decision processes that threaten either decision quality or acceptance have been eliminated. What is left over is called the *feasibility set*.

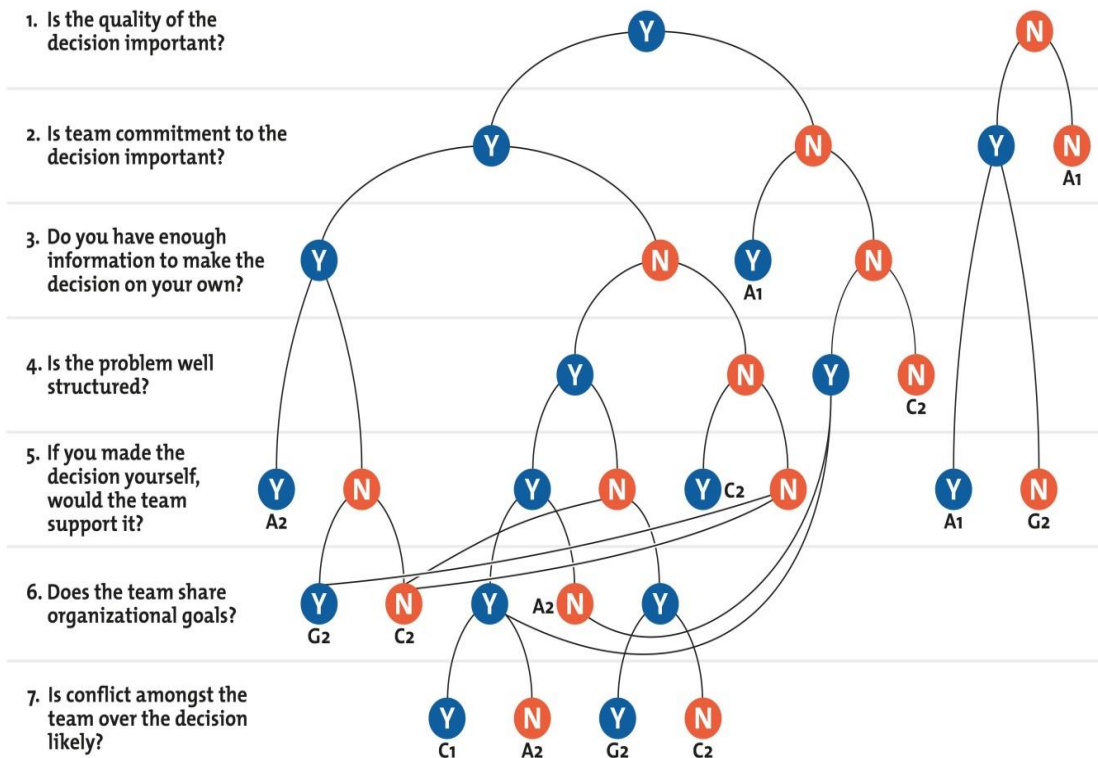


Figure 4 The Vroom-Yetton Decision Model

Vroom-Yetton is a useful model, but it cannot answer all questions. In some cases this systematic approach cannot be applied effectively due to specific features, such as task complexities and peculiarities or because of the emotions and dynamics of the team. There is no always straight answer to the above questions of the model.

The amount of participation has to be carefully decided by the leader according to the current conditions. For instance, when a conflict has been escalated to a crisis, during the crisis the leader may choose less participation in the decisions to be taken in order to save precious time.

### 2.3.5 THE MEDIATION AND ARBITRATION

Negotiation is a way to resolve conflicts or disagreements carried out willingly by free choice. The leader has often to play the role of the moderator in order to assist in resolving a disagreement, a dispute or even a conflict acting as a neutral member facilitating the conflict management process. This is possible even when blocking factors do not permit to find constructive ways forward (Ropers, 1995). In the case of identity-based conflict, we refer to misdiagnosed conflict where the actual reasons have not been

identified correctly and so the leader acting as facilitator has discovered the underlying causes and moved the parties toward negotiations slowly, having restored the lost trust. To facilitate this process, he or she has to establish an open and sincere communication line that will be the carrier of the messages between the parties, helping them understand each other and to end up having a common point of view of all the issues that concern them. Having gained understanding of each other, both parties are prepared to explore the causes and the possible solutions, feeling comfortable to accept a resolution. The mediator has to reveal that both parties will benefit from the conflict resolution and order to participate in the process.

According to Moore (2003) the negotiator can use different roles that will enable him to choose the best approach according to the nature of the conflict. Roles usually selected are:

- ✚ *communication channels provider, provides the means necessary for the open communication, removing possible obstacles and helping through clarifications to establishing an effective communication at can lead to a resolution;*
- ✚ *the guarantor of the legal framework that will ensure the rights of both parties and assuring that everyone understands the rights of the other side.*
- ✚ *the facilitator, who provides help in the process, helping communication organizing the meetings that will be required for the opinion interchange and the solution investigation*
- ✚ *the alternatives offeror having an open mind and a fresh view of the things can explore problems and offer different point of views that could lead to examine more alternatives making the resolution easier;*
- ✚ *the equalizer , who tries to establish a realistic environment for resolving problems, avoiding unreasonable proposals for solution and trying to keep the mediation process into a balanced framework that will be more possible to reach a solution;*
- ✚ *the networker, whenever an expert opinion or assistance is needed the mediator is who has to ensure the technical assistance, the legal assistance that will help to reach to a valid solution that will be accepted by both sides.*

### 2.3.6 LEADERSHIP AND TEAM PERFORMANCE

IT Industry globalization, information availability in terms of speed and volume as well as increased competitiveness have changed the way organizations function and

respond. A major contributor to a company's success is the effectiveness of the different teams working to deliver products and services. These groups are the building blocks of an organization. These groups also provide the primary mechanism for the attainment of organizational goals. There are different types of groups in organizations. Here we are examining formal groups that can be classified as task and project groups. Task groups are functional groups that are formed to accomplish certain tasks or functions of the company. It is a structural and stable part of the organization. On the other hand project teams are formed for the completion of specific projects or tasks. This team has a task to accomplish and endeavour that has a defined start and end. A phase-out takes place after the closing of the project. Working together to provide the services required can be intense and difficult and can easily lead to conflict. To reduce the chance of unnecessary conflict, leaders must pay attention to relationship issues and create and keep an open and honest context for the work.

One of the measurements of a leader's effectiveness is the quality of group processes, as perceived by the stakeholders of the organization. The leader enhances group cohesiveness, member cooperation, member commitment, and member confidence in order for the group to achieve its objectives. Moreover, the leader enhances problem-solving and decision-making by the group, and help to resolve disagreements and conflicts in a constructive way. The leader contributes to the efficiency of role specialization, the organization of activities, the accumulation of resources, and the readiness of the group to deal with change and crises.

Small groups working in teams are a common feature of organization structure and process in companies dealing with information technology (IT). The Project Manager makes the assignments according to the plan and monitors the progress. In such small groups, *"leadership is viewed as a process that includes influencing people to implement the strategies and achieve the objectives"* (Yukl, David & Fleet, 2002). The desire of a single individual to bring about a change/transformation may not be adequate to push the organization ahead. There is a need for this desire to be planted in a larger number of individuals in the enterprise (Singh, et al., 2000).

# **CHARTER 3**

## ***3.1 RESEARCH HYPOTHESES***

In the previous sections we have analysed the important parameters that the leader has to take into consideration for the effective management of the conflicts and crisis in Information Technology organizations.

The different styles of Leadership are related to the conflict management styles. In this study we will emphasize the influence of leadership in the intragroup and intergroup conflict in IT companies and organizations since teams are a structural part of the organization and are increasingly required to perform in complex and dynamic environments successfully integrating their individual actions.

Due to the rapid development of the contemporary IT market, IT companies are choosing the collaboration with other companies in order to join their forces to achieve economies of scale. In today's business environment, more companies are taking extraordinary steps to protect their areas of core competence while outsourcing those functions least central to their competitive advantage. More and more IT business is now characterized by relationships of multiple partners seeking the gain of mutually beneficial goals.

Companies are forming strategic partnering relationships between suppliers-vendors and clients - customers. This relationship is more complicated. When someone manages his own team, he has more control in the direct communication he has between team members and can use these opportunities to refocus efforts towards the common goal. Leaders have to take care of the health of these reciprocal relationships acting as a mentor, mediator, arbitrator, public relations expert, sociologist, therapist or all of the above. Due to the globalization of the IT industry it is very common practice the use of cross functional teams with multinational members with different cultures, ethics etc.

In intragroup conflict the leader can influence the sources of the conflict such as task structure, group composition, size of the group, cohesiveness, group thinking and external threats. The team effectiveness is a critical point to successful handling of the conflict between the members of the group. So the team building is a key factor and the leader has to go through by revising the goals and tasks, revise the allocation of revised tasks, and assess the effectiveness of the team processes (such as communication, decision making, motivation, etc.).

In intergroup conflict the sources that the leader has to influence are the system differentiation, the task interdependence and the scarce of resources. In IT Companies priorities between different departments or priorities among the delivery time for products and services to the stakeholders are common sources of conflict.

Disagreements and tension into work not properly and timely handled resulting the escalation to disputes can lead to job dissatisfaction creating an employee turnover crisis. Disagreements between different teams in the company or between teams of different companies that work together on the same project or task can lead to a crisis of the relationships between the companies or partners.

IT organizations are companies based on mental work so they need to constantly ensure the satisfaction of their employees. Organizations tend to be more effective when they satisfy their employees (Robbins & Judge, 2007). According to Vroom (1964), job satisfaction is a positive direction an employee moves toward in his presently occupied working roles. Many studies have signaled that among the determinants of job satisfaction and organizational behavior (Cheng & Yang, 1977; Darwish, 2000; Euske & Jackson, 1980), comprehensive management encouragement (Burke, 2003; Burke & Greenglass, 2001) is mentioned as a significant foreteller. (Rude, 2004) asserted that organizational support is highly linked to commanding behavior, hence, defined support from a manager is a significant factor in labor turnover.

Team leadership represents also another characteristic of effective team performance. Most teams contain certain individuals who are primarily responsible for defining team goals and for developing and structuring the team to accomplish these missions. Zaccaro et al., (2001), suggested that effective teams integrate four fundamental processes: cognitive, motivational, affective, and coordination. Zaccaro et al., (2001), proposed that leadership influences on team effectiveness occur in part through their effects on these four processes. A central responsibility of team leaders is to raise the collective efficacy of the team (Kane, Zaccaro, Tremble, & Masuda, 2002). If team members believe their team is capable of achieving its goals, i.e., being successful, they are more likely to choose to engage the task (Zaccaro, Blair, Peterson, & Zazanis, 1995). Team efficiency also emerges from leaders who exhort their members to work hard and do well. This is related to the empowerment processes of transformational and inspirational leaders (Bass, 1985; Burns, 1978). By their actions (see Bass, 1985; House, 1977), such leaders fuse each member's personal goals with the team or organizational mission. Team members identify at a personal level with the purpose and goals of the collective as a



whole and are therefore more committed to their accomplishment (House & Shamir, 1993). Thus, transformational leadership is fundamentally directed at aligning the motive states of individual members with the purpose of the team as a whole (Burns, 1978; House & Shamir, 1993).

In this study we are focusing on how leadership utilizes the functional conflict for the improvement of groups and teams in their organization. Therefore, the research question is as follows: Which leadership characteristics lead to effective teams. How the functional conflict improve efficiency, collaboration and strong employee to employer relationships. In the research we will examine the relation of different leadership styles with the conflict management style.

Furthermore in the current study we will examine the two kinds of crisis with close relation to conflict management. The particular events belong to human resources category and have to do with the rapidly escalating employee turnover or the rupture of the relationships with a strategic partner. Since IT organization have a strong dependency form the mental work and the knowledge we are focusing on labor turnover as a potential threat to knowledge loss. Labor turnover results in an organizations inability to ensure knowledge continuity.

According to the previous analysis the factors that influence both intragroup and intergroup conflicts are:

- ✚ Team cohesion
- ✚ Open and effective Communication
- ✚ Participation in decision making
- ✚ Employee satisfaction
- ✚ Conflict Management Style
- ✚ Effective mediation

Based upon the previous concepts we can now formulate the hypotheses of our research:

H1. Collaborating and Compromise style is positively related with individualized consideration

H2. Collaborating and Compromise style is positively related with inspirational motivation

H3. Collaborating and Compromise style is positively related with intellectual stimulation

H4. Collaborating and Compromise style is positively related with management by exception (active or passive)

H5. Collaborating and Compromise style is positively related with contingent reward

H6. Avoiding and accommodating style is positively related with laissez faire leadership style

H7. Effective communication has a positive relationship with Collaborating and Compromise style of managing conflicts.

H8. Participation in decision making process is positively related with Collaborating and Compromise style of managing conflicts.

H9. Team cohesion has a positive relationship to collaborative and compromising style of conflict management

H10. Effective mediation has a positive relation with Collaborating and Compromise style of managing conflicts.

H11. Transformational and transactional leaders are considering conflicts with employees and partners or vendors are early warning signals for employee turnover crisis.

H12. Transformational and transactional leaders are better prepared to manage a crisis caused by employee turnover or key partners and vendor relationship breaking

# **CHARTER 4**

## ***4.1 RESEARCH SCOPE***

In this section we will present the methodology that was applied for the collection and the analysis of the research data. For instance:

- ✚ We will refer to the main points of the methodology applied for the survey that was conducted.
- ✚ We will present the survey questionnaire which is the main tool for the collection of the data.
- ✚ We will present the sample and the criteria of selecting the particular sample. We will present the methodology of the quantitative analysis performed using the collected data

## ***4.2 RESEARCH METHODOLOGY***

Information Technology Organizations are open and dynamic systems with a complex structure. Their matrix organizational structures make them to continuously service providing organizations. IT Companies are one of the institutional structures in which conflicts are a common phenomenon. Environments with communication problems due to the hierarchy in the administration of the Organization, target and role differences, common source utilization, dependence between individuals, differences in values and perceptions, non-application of efficient performance evaluation and awarding, disorders in organizational tasks and responsibilities, non-application of efficient team work, educational differences of the personnel employed in the Informational Technology Company cause the generation of conflict environments.

For the survey we have selected a diversified sample of Information Technology professionals who lead teams and groups of people in different types of organizations. We have tried to include different sizes of companies, people with different leading positions and different levels of experience leading groups of different sizes and synthesis.

Regarding the sample and criteria of the selection of the participants in the survey we have to refer that the survey was designed to cover different categories of professionals that are managing people, working in different kind of companies (public and private sector companies) in order to assure a representative and reliable sample.

A group of professionals was targeted working in well-known Information Technology Companies and Organizations with different sizes, different clientele and different policies to assist the collection of reliable data. The method used for the sampling is a mix of stratified data collection (stratifying companies in small, medium and large, public and private) and purposive sampling, addressing the questionnaire to companies and senior employees with experience in leading people in complex IT environments.

The questionnaire was addressed to professionals working in the following companies or IT Divisions of Organizations

- ✚ Accenture
- ✚ IBM
- ✚ Intrasoft International
- ✚ Singular Logic
- ✚ Alpha Bank IT Division
- ✚ Eurobank IT Division
- ✚ Noon Informatics
- ✚ ATC
- ✚ Synelixis Solutions SA
- ✚ Spark Works ITC LTD
- ✚ OPTIMUM SA Information Technology
- ✚ General Secretariat of Information Systems
- ✚ Hellenic Open University

### *4.3 THE QUESTIONNAIRE STRUCTURE*

The questionnaire consists of 5 different parts. Each part has as a subject an investigation area.

The Likert scale was used for the evaluation questionnaire. The responses of the Likert scale range from "strongly disagree", "disagree", "neutral", "agree" and "strongly agree", which they scored as 0, 1, 2, 3, 4. All items in the questionnaire are positive.

The first part aims to collect demographics data

1. Number of employees is considered to be a metric of the size of the company. According to the collected answers there is a 33,9% of small size companies with an employee number 1-500, 56.2% of medium sized companies and the a rest 9,9% of very large companies.

2. In order to study differences in the behavior between private and public sector, in the survey we have selected employees from both public and private sector organizations. Most of the companies / organizations are private sector companies. The 82,6% are private sector companies and the rest 17,4% are public sector companies.
3. The next 3 questions refers to the Position, the Organizational Type and the experience asking whether the position refers to a manager, a team leader or a Section Leader in a IT Company, or it refers to a position in a IT Division of a Company of a different activity sector.
4. The last demographic questions refer to the size (most of the leaders were asked are leading groups of 1 to 20 members) and the synthesis of the group / team examining the impact of intra company and multinational teams in our study.

The second part aims to collect data regarding the preferred conflict management style. It based upon the Rahim Organizational Conflict Inventory–II (ROCI–II) is a 28 item questionnaire measuring conflict management styles. It is designed to measure five independent dimensions of the styles of handling interpersonal conflict: Collaborating (or Integrating - IN), Accommodating (or obliging - OB), Competing (or Dominating - DO), Avoiding (AV), and Compromising (CO). The instrument measures how an organizational member handles her (his) conflict with her (his) supervisor, subordinates, and peers, respectively. The five styles of handling conflict are measured by 7, 6, 5, 6, and 4 statements, respectively, selected on the basis of repeated factor and item analyses. An organizational member responds to each statement on a 5–point Likert scale. A higher score represents greater use of a conflict style. 1. Collaborating (IN)-involves high concern for self as well as the other party involved in the conflict. Concerned with collaboration between parties to reach a solution. (7 items) 2. Accommodating (Obliging OB)-low concern for self and high concern for the other party involved in the conflict. Attempts to play down the differences and emphasize the commonalities to satisfy the concerns of the other party. (6 items) 3. Competing (Dominating - DO)-high concern for self and low concern for the other party. It is a win-lose orientation and forces behavior to win one’s position. (5 items) 4. Avoiding (AV)-low concern for self as well as the other party.

In the following table we describe the questions classified according to the different conflict styles

1. I explore/investigate issues with others so as to find solutions that meet everyone's needs and are acceptable to the whole team.	Collaborating
4. I try to integrate my ideas with those of my subordinates and peers to come up with a decision jointly.	Collaborating
5. I try to work with my subordinates to find solution to a problem that satisfies our expectations	Collaborating
12. I exchange accurate information with my subordinates to solve a problem together.	Collaborating
22. I try to bring all our concerns out in the open so that the issues can be resolved in the best possible way keeping the lines of communication open.	Collaborating
23. I collaborate with my subordinates to come up with decisions acceptable to us.	Collaborating
28. I try to work with my subordinates for a proper understanding of a problem.	Collaborating
29. I try to see conflicts from both sides. What do I need? What does the other person need? What are the issues involved?	Collaborating
2. I generally try to satisfy / meet the needs of others	Accommodating
10. I usually accommodate the wishes and expectations of others	Accommodating
11. I give in to the wishes of others.	Accommodating
13. I usually allow concessions to my subordinates.	Accommodating
19. I often go along with the suggestions of my subordinates	Accommodating
24. I try to satisfy the expectations of my subordinates	Accommodating
8. I use my influence to get my ideas accepted	Competing
9. I use my authority to make a decision in my favor	Competing
18. I use my expertise to make a decision in my favor.	Competing
21. I am generally firm in pursuing my side of the issue.	Competing
25. I sometimes use my power to win a competitive situation	Competing
30. I find conflicts challenging and exhilarating; I enjoy the battle of wits that usually follows.	Competing
3. I attempt to avoid being "put on the spot" and try to keep my conflict with my Subordinates to myself.	Avoiding
6. I usually avoid open discussion of my differences with my subordinates.	Avoiding
16. I try to stay away from disagreement with my subordinates.	Avoiding
17. I avoid an encounter with my subordinates.	Avoiding
26. I try to keep my disagreement with my subordinates to myself in order to avoid hard feelings.	Avoiding
27. I try to avoid unpleasant exchanges with my subordinates.	Avoiding
7. I try to find a middle course to resolve an impasse.	Compromising
14. I usually propose a middle ground for breaking deadlocks.	Compromising
15. I negotiate with others so that a compromise can be reached (adopting a give and take approach to problem situations).	Compromising

**Table 3 Rahim Organizational Conflict Inventory**

The third part aims to collect data regarding the preferred leadership style. It is based upon the Multifactor Leadership Questionnaire by Bruce Avolio and Bernard Bass keeping a part of the questions required in our survey. The Multifactor Leadership Questionnaire is the standard instrument for assessing transformational and transactional leadership behavior (Bass & Avolio, 2000; Avolio & Bass, 2004).

In detail, five transformational, three transactional, one laissez-faire, and three outcome scales are included in the MLQ. The first of the transformational scales is Inspirational Motivation. Central to this subscale of transformational leadership is the articulation and representation of a vision by the leader. Consequently, by viewing the future with a positive attitude, followers are motivated. Next, Intellectual Stimulation includes challenging the assumptions of followers` beliefs, their analysis of problems they face and solutions they generate. Individualized Consideration is defined by considering individual needs of followers and developing their individual strengths. On the side of the transactional leadership scales, Contingent Reward is a leadership behavior by which the leader focuses on clear defined tasks, while providing followers with rewards (material or psychological) on the fulfillment of these tasks. In Active Management-by-Exception, the leader watches and searches actively for deviations from rules and standards in order to avoid these deviations; if necessary, corrective actions are taken. In contrast, in Management-by-Exception passive intervening only occurs after errors have been detected or if standards have not been met.

An even more passive approach is Laissez-Faire, which is basically defined as the absence of leadership. As such, Laissez-faire is used as a no leadership contrast to the more active forms of transformational and transactional leadership approaches.

In the following Table 4 we describe the questions classified according to the different leadership styles

I avoid getting involved when important issues arise	G	Laissez-faire	Laissez faire
I delay responding to urgent questions	G	Laissez-faire	Laissez faire

I discuss in specific terms who is responsible for achieving performance targets	A	Contingent Reward	Transactional
I direct my attention toward failures to meet standards	H	Management-by-Exception (Active)	Transactional
I wait for things to go wrong before taking action	I	Management-by-Exception (Passive)	Transactional
I show that I am a firm believer in "If it ain't broke, don't fix it"	I	Management-by-Exception (Passive)	Transactional
I spend time teaching and coaching	D	Individualized Consideration	Transformational
I consider an individual as having different needs, abilities, and aspirations from others	D	Individualized Consideration	Transformational
I talk enthusiastically about what needs to be accomplished	E	Inspirational Motivation	Transformational
I express confidence that goals will be achieved	E	Inspirational Motivation	Transformational
I seek differing perspectives when solving problems	F	Intellectual Stimulation	Transformational
I suggest new ways of looking at how to complete assignments	F	Intellectual Stimulation	Transformational

**Table 4 Multifactor Leadership Questionnaire by Bruce Avolio and Bernard Bass**

The fourth part aims to collect data regarding Group / team efficiency examining factors that are related with conflict management and leadership style as effective communication, effective mediation, team cohesion and participation in decision making process.

Following is the Table 5 that classifies the questions according to the above mentioned factors.

I exchange accurate information with my subordinates to solve a problem together.	Effective Communication
I try to bring all our concerns out in the open so that the issues can be resolved in the best possible way keeping the lines of communication open	Effective Communication
I find conflicts challenging and exhilarating; I enjoy the battle of wits that usually follows	Effective Communication
I try to work with my subordinates for a proper understanding of a problem	Effective Communication
We are able to communicate and to collaborate effectively with team members from different countries	Effective Communication
I try to bring all our concerns out in the open so that the issues can be resolved in the best possible way keeping the lines of communication open	Effective Mediation
I sometimes use my power to win a competitive situation	Effective Mediation



I try to work with my subordinates for a proper understanding of a problem	Effective Mediation
I try to integrate my ideas with those of my subordinates and peers to come up with a decision jointly	Participation in decision making
I often go along with the suggestions of my subordinates	Participation in decision making
I collaborate with my subordinates to come up with decisions acceptable to us.	Participation in decision making
I explore/investigate issues with others so as to find solutions that meet everyone's needs and are acceptable to the whole team.	Team Cohesion
I usually propose a middle ground for breaking deadlocks	Team Cohesion
I consider an individual as having different needs, abilities, and aspirations from others	Team Cohesion
Team appreciate one another's unique capabilities	Team Cohesion
We are able to resolve conflicts with other teams collaboratively	Team Cohesion
Members of our team trust each other	Team Cohesion
Our team has established trusted and supportive relationships with other teams	Team Cohesion
Team members help one another deal with problems or resolve issues	Team Cohesion
We work toward integrating our plans with those of other work groups	Team Cohesion
We are able to work through differences of opinion without damaging relationships	Team Cohesion
We are able to communicate and to collaborate effectively with team members from different countries	Team Cohesion

**Table 5 Team performance attributes**

The last part aims to collect information regarding the perception of the leaders regarding the risk of a sudden employee turnover or a key partner's relationship deterioration and also to study the approach regarding preparation against a crisis caused by the abovementioned factors.

We have prepare substitutes for key members of our teams	crisis management
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We have prepare substitutes for key employee's in order to manage a crisis caused by employee turnover	crisis management
We are prepared against a crisis caused by a sudden disruption of the collaboration with key partners	crisis management
We are considering employee turnover as a risk in our team	early warning signals
We are considering relationships with key partners as a risk	early warning signals
Disputes and Conflicts have as a result team members to leave the team or even the company	early warning signals
Deterioration of relationships with key partners (vendors, customers etc.) have as a result the disruption of the collaboration with strategic partners	early warning signals

**Table 6 Risk and Crisis management factors**

The questionnaire was sent through an e-mail to the chosen sample of senior employees with a cover letter asking them to complete the attached document or to follow a link in google forms where there they would be able to fill in and submit the questionnaire electronically. They were also asked and distribute the mail to other employees that are in the same position inside the company or in other company invite them to participate in the survey.

The respondents that return a completed questionnaire were 121.

# **CHARTER 5**

## *5.1 ANALYSIS AND RESULTS*

According to the previous description the questionnaire dealt with questions based on the demographic characteristics of the company (number of employees in your company/organization, company/organization sector, IT Unit type, current position in the company/organization, years in the position, the size of the groups/teams that you lead, the synthesis of the groups/teams that you lead) and on questions that determine the conflict styles, the leadership styles, the group management and the risk and crisis management of the company.

The reliability of the questionnaire scale was tested with Cronbach's alpha estimator, with a range of 0 to 1. Values higher to 0.7 indicate good internal consistency of the items. Statistical analysis was conducted in IBM SPSS version 22.

Continuous variables are presented as mean values  $\pm$  standard deviation whereas categorical variables as frequencies (relative frequencies). The scoring was based upon Likert scale assigning a number from 0 to 4 scoring the answers from strongly disagrees to strongly agree. The result was divide by the number of question of each category.

All datasets were tested for normality and homogeneity of variances using the Shapiro Wilk W (when the sample size was  $n < 30$ ) and Kolmogorov- Smirnov (when the sample size was  $n > 30$ ) normality test. Kruskal Wallis non-parametric analysis of variance and Mann-Whitney U test were used to assess differences among the subgroups of demographic variables and conflict style. Since Kruskal Wallis test was statistically significant, a Dunn Bonferroni approach followed so as to determine the subgroups where the differences were found. (Green, S. B. & Salkind 2005)

## 5.2 DEMOGRAPHICS

The basic demographic characteristics for the companies are presented in Table 1. As we can see, most of the companies were "private sector company/organization" (N=100, 82.6%) with the majority of the number of employees being "1 - 500 employees" (N=41, 33.9%). As far as the current position in the company / organization is concerned, (N=47, 38.8%) were section "leaders / supervisors", while (N=40, 33.91%) were "managers". Regarding the years in the position, (N=48, 39.7%) were working "6 - 10 years" and (N=52, 43%) were leading "1 - 10 members, 11 - 20 members". The synthesis of the group / team that they lead was up to (N=44, 36.4%) "Consists of members of a particular Unit / Section of the Company" and up to (N=26, 21.5%) "Consists of members of a particular Unit / Section of the Company, Consists of members of different Units / Sections of the Company".

Variables		N (%)
<b>Company / Organization Sector</b>		
Public	Sector	21 (17.4%)
Private	Sector	100 (82.6%)
<b>Company/ Organization Number of employees</b>		
1 - 500 employees		41 (33.9%)
501 - 1.000 employees		35 (28.9%)
1.001 - 5.000 employees		33 (27.3%)
5.001 - 10.000 employees		11 (9.1%)
> 10.000 employees		1 (0.8%)
<b>IT Unit type</b>		
Information Technology	Company /	61 (50.4%)
Organization	IT Division / Unit inside a Company	60 (49.6%)
<b>Current Position in the Company / Organization</b>		
Team Leader		34 (28.1%)
Manager		40 (33.91%)
Section Leader	/	47 (38.8%)
<b>Supervisor</b>		
<b>Years in the Position</b>		
1 - 5 years		44 (36.4%)
6 - 10 years		48 (39.7%)
11 - 20 years		26 (21.5%)
> 20 years		3 (2.5%)
<b>The size of the Groups / Teams that you lead</b>		
1 - 10 members		38 (31.4%)
1 - 10 members, 11 - 20 members		52 (43.0%)

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<b>1 - 10 members, 11 - 20 members, 21 - 30 members</b>	2 (1.7%)
<b>1 - 10 members, 21 - 30 members</b>	1 (0.48%)
<b>11 - 20 members</b>	16 (13.2%)
<b>21 - 30 members</b>	7 (5.8%)
<b>&gt; 30 members</b>	5 (4.1%)
<b>The synthesis of the Group / Team that you lead</b>	
<b>Consists of members of a particular Unit / Section of the Company</b>	44 (36.4%)
<b>Consists of members of a particular Unit / Section of the Company , Consists of members of company employees and collaborators from other companies</b>	3 (2.5%)
<b>Consists of members of a particular Unit / Section of the Company, Consists of members of company employees and collaborators from other companies, Consists of multinational team members</b>	1 (0.8%)
<b>Consists of members of a particular Unit / Section of the Company, Consists of members of different Units / Sections of the Company</b>	26 (21.5%)
<b>Consists of members of a particular Unit / Section of the Company, Consists of members of different Units / Sections of the Company, Consists of members of company employees and collaborators from other companies</b>	11 (9.1%)
<b>Consists of members of a particular Unit / Section of the Company, Consists of members of different Units / Sections of the Company, Consists of members of company employees and collaborators from other companies, Consists of multinational team members</b>	15 (12.4%)
<b>Consists of members of a particular Unit / Section of the Company, Consists of members of different Units / Sections of the Company, Consists of multinational team members</b>	5 (4.1%)
<b>Consists of members of company employees and collaborators from other companies</b>	7 (5.8%)
<b>Consists of members of different Units / Sections of the Company</b>	2 (1.7%)

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Consists of members of different Units / Sections of the Company, Consists of members of company employees and collaborators from other	2 (1.7%)
Consists of multinational	5 (4.1%)

Table 7 Demographic characteristics (N=121).

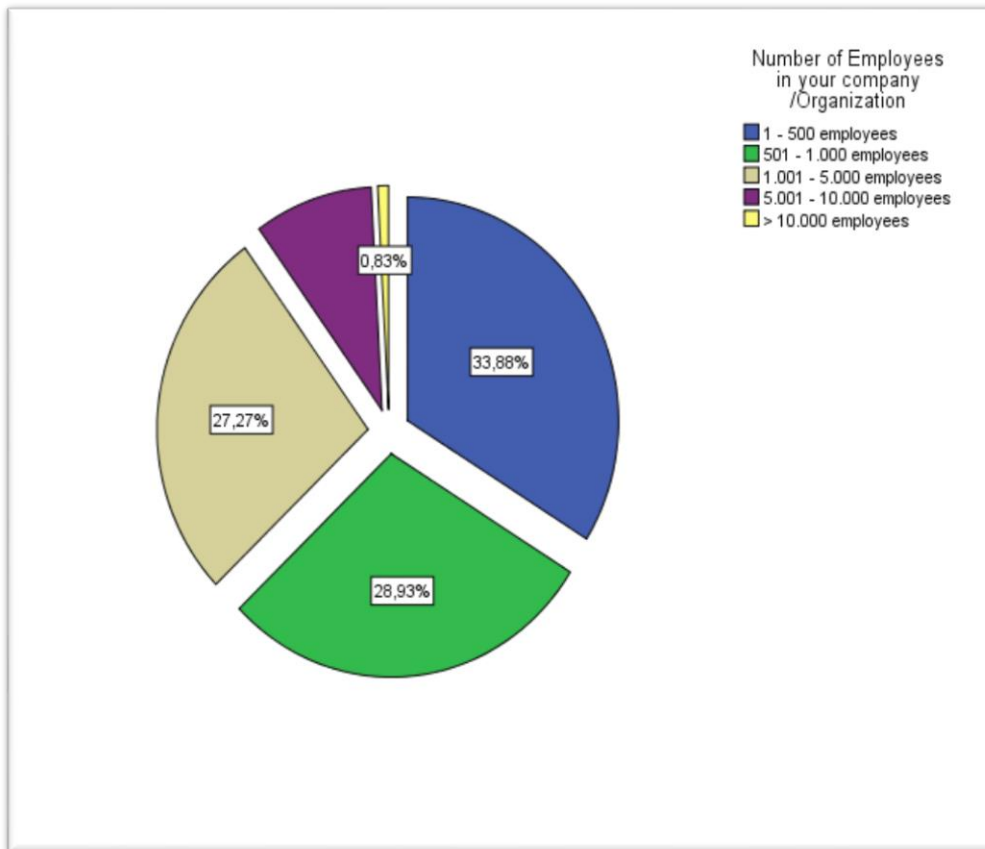


Figure 5 Distribution of number of Employees in the companies.

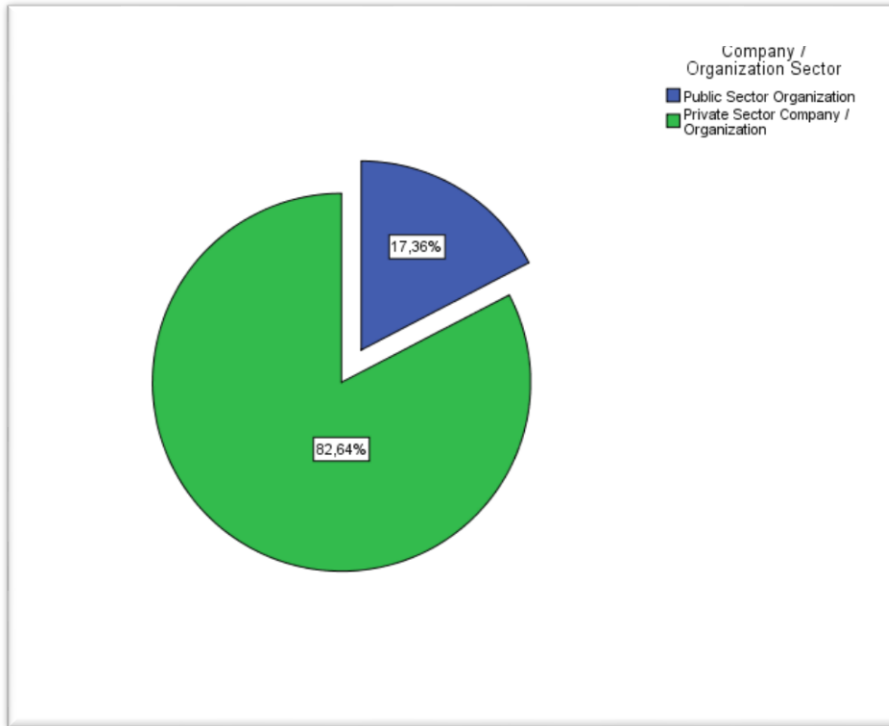


Figure 6 Distribution of the companies/organizations sectors

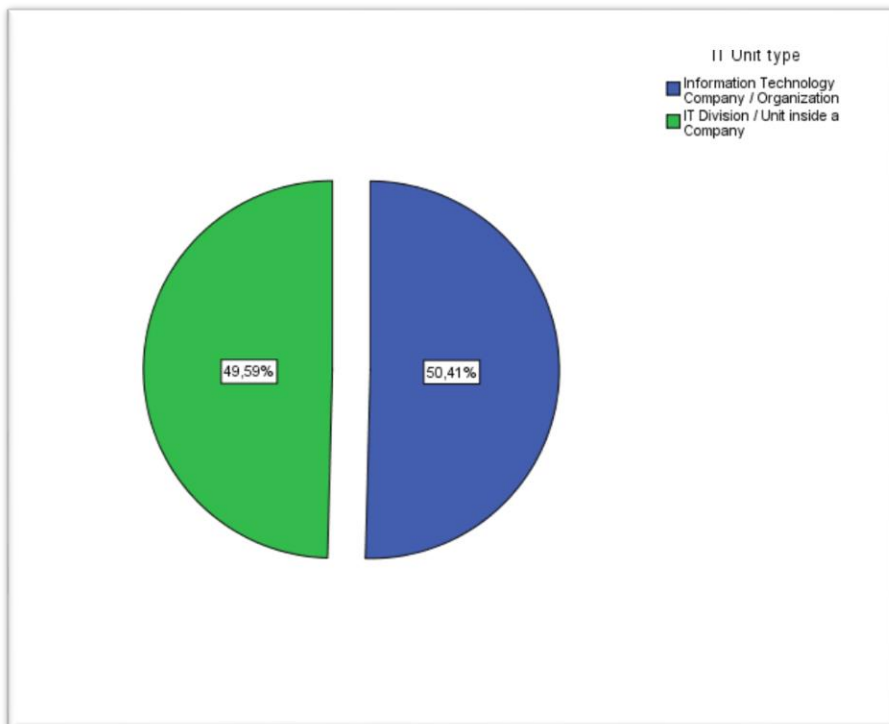


Figure 7 Distribution of the IT Unit type of the companies.

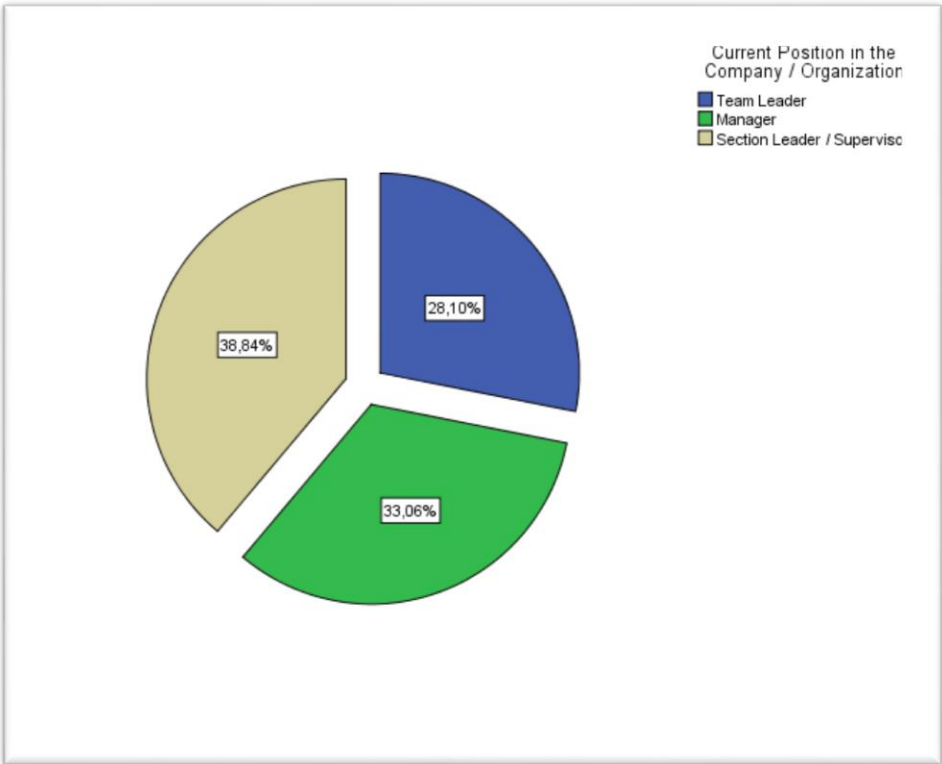


Figure 8 Distribution of the current position which they have in the company

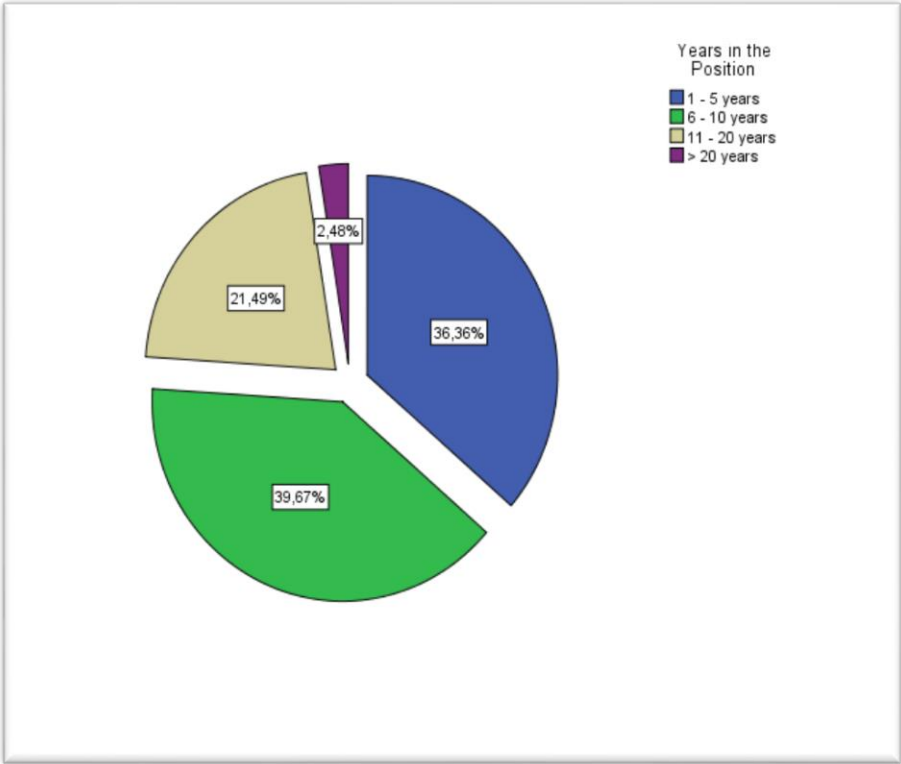


Figure 9 Distribution of the years that they work in the specific position.



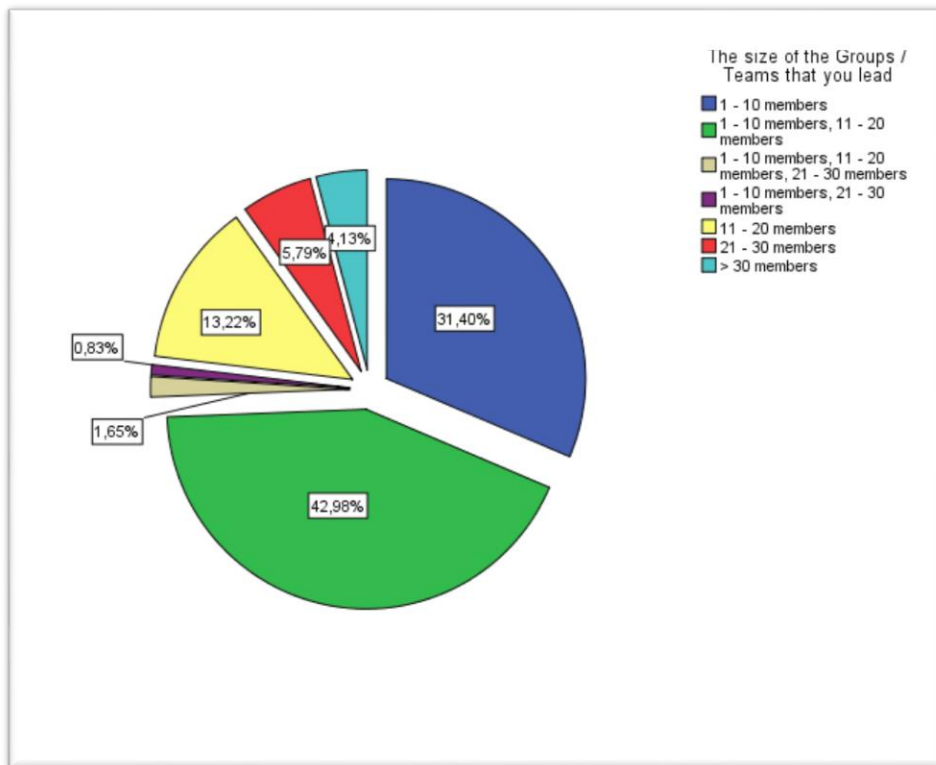


Figure 10 Distribution of the size of the groups/teams that they lead in the company.

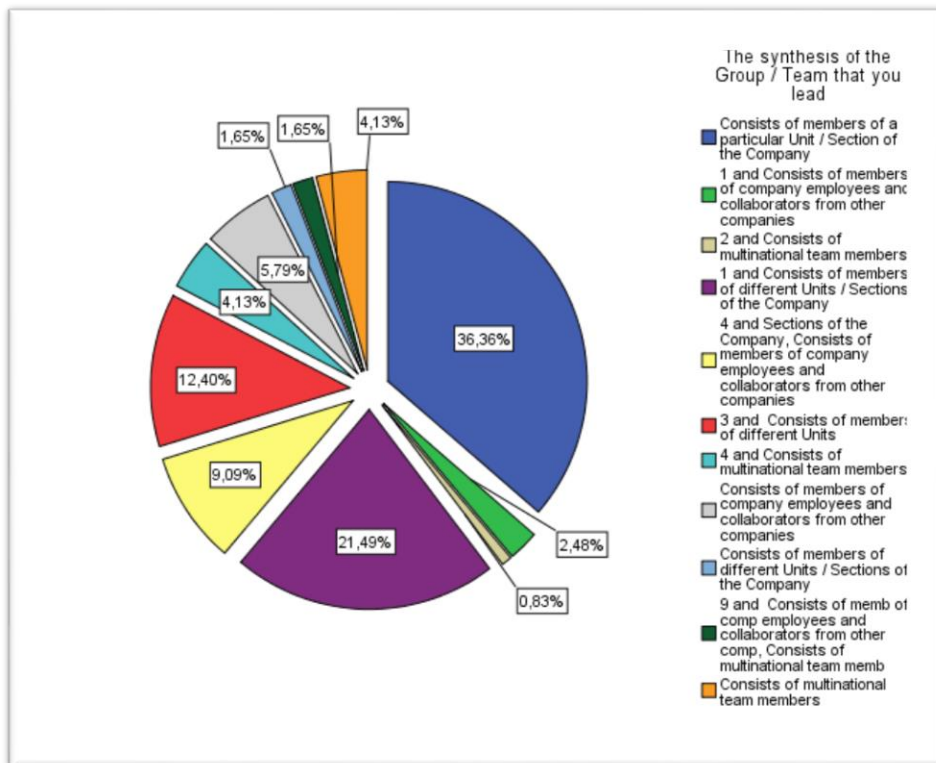


Figure 11 Distribution of the group synthesis managed

According to the grouping of the questions into the different parameters that represent the conflict style, the leadership style, the group management and risk and crisis management we are providing in the Table 8 the means and standard deviations of the variables resulted by our analysis.

	<b>Mean (sd)</b>
<b>Conflict styles</b>	
<b>Collaborating</b>	3.44 (0.730)
<b>Accommodating</b>	1.84 (0.691)
<b>Competing</b>	1.68 (0.463)
<b>Avoiding</b>	1.45 (1.074)
<b>Compromising</b>	3.14 (0.591)
<b>Leadership styles</b>	
<b>Laissez faire</b>	0.94 (1.277)
<b>Transactional</b>	2.26 (0.803)
<b>Transformational</b>	3.05 (0.754)
<b>Group management</b>	
<b>Effective Communication</b>	3.06 (0.682)
<b>Effective Mediation</b>	2.82 (0.638)
<b>Participation in decision making</b>	3.21 (0.592)
<b>Team Cohesion</b>	2.90 (0.520)
<b>Crisis management</b>	
<b>Crisis management</b>	2.51 (0.817)
<b>Early warning signals</b>	2.75 (0.975)

**Table 8** Descriptive analytics for the Organizational Variables of the study

### 5.3 RELIABILITY ANALYSIS

The internal consistency of each questionnaire was examined using Cronbach's  $\alpha$  coefficient. The respective values for each questionnaire are presented in Table 3. For all but three sections of the questionnaires, the internal validity is defined as at least acceptable (Cronbach's  $\alpha \geq 0.7$ ). In the Conflict styles' questionnaire, poor internal consistency was observed in the section "Competing" and in the Group managements' questionnaire, poor internal consistency were observed in the section "Effective Mediation" and in the section "Participation in decision making".

	Number of items	Cronbach's $\alpha$
<b>Conflict styles</b>		
Collaborating	8	0.958
Accommodating	6	0.787
Competing	6	0.546
Avoiding	6	0.929
Compromising	3	0.754
<b>Leadership styles</b>		
Laissez faire	2	0.947
Transactional	4	0.754
Transformational	6	0.931
<b>Group management</b>		
Effective Communication	5	0.831
Effective Mediation	3	0.641
Participation in decision making	3	0.616
Team Cohesion	11	0.875
<b>Crisis management</b>		
Crisis management	3	0.937
Early warning signals	4	0.886

Table 9 Cronbach's alpha reliability

\*Notes: LRF – Likert Response Format (Five point: 0 = strongly disagree to 4 = strongly agree)

\*\*Sample size N = 121

#### *5.4 DIFFERENCES BETWEEN DEMOGRAPHIC CHARACTERISTICS ACCORDING TO THE ORGANIZATIONAL VARIABLES OF THE STUDY*

The leaders' answers in each category of conflict style were compared with the categories of the demographic variables, in order to examine, if the profile of the company (number of employees, kind of company, synthesis of the team that they lead) is related to their answers.

To compare the variable's scores among the four groups of number of employees, Kruskal-Wallis Test was used to test the data with abnormal distribution. All statistical tests were two-tailed, and a p-value < 0.05 was considered statistically significant.

As shown in Table 4, results of these test suggested that there was a significant difference (p-value < 0.05) among "number of employees" and the conflict styles "accommodating", "competing" and "avoiding". As for leadership style, statistically significant differences (p-value < 0.05) were found for "laissez faire" and "transformational" style. Last but not least, table 4 shows that both "group management" subgroups, apart from "effective mediation" and "participation in decision making", and "crisis management" subgroup have statistically significant differences with the variable of number of employees.

As observed in the data presented in the next table, the four identified employee groups (clusters) differ markedly and significantly in terms of the important organizational categorical variables. The size of the organization affects the conflict style and leadership style mostly for accommodating and competing styles.

Accommodating conflict management is encountered more in small enterprises (2.25) than the large ones (1,75). On the other hand competing style is encountered more in large than the small one. Large companies mostly use the collaborative and compromising styles of managing conflicts but there is no so big significance in the difference (p < 0,066, p < 0,084) indicating that collaborating and compromising are applied as styles for managing conflicts in all company sizes.

On the other hand avoiding is mostly encountered in small companies indicating that management in larger companies does not prefer to avoid and cover conflicts.

The skills necessary for entrepreneurship are quite different from that running a large and diverse organization, large organizations requires more concern for people controlling specialized departments and talent for sensing issues buried deep in the organization. Amount of task specialization increases with size, the work design is focused and require individuals and teams to deliver a well-defined quality of task.

Increased size results in more specialization and decentralization of decision making, the tasks are delegated to teams and are managed to lower level manager or supervisors.

Management skill sets are another important factor to consider when defining leadership structure. Using a well-known theory from Katz (1955) which was again outlined by Northouse (2012), larger organizations often require leadership to focus primarily on human skills and conceptual skills, while smaller organizations require a greater technical focus. It is common for larger organizations to retain highly skilled employees for longer employment times while smaller agencies may require a Director to apply his technical, conceptual, and human knowledge often wearing many hats throughout the course of his work

Examining the size of an organization, in coordination with the skills and attributes of leadership we are reaching to the findings appearing in the next table.

There is a significant difference ( $p < 0,027$ ) in transformational leadership between small and large organizations denoting that the participative practices, individualized consideration the intellectual stimulation and the inspirational motivation that characterizes transformational leaders are applied more in large organizations than in the small ones.

One the other hand laissez faire is significantly applied in small enterprises with minimal layers of hierarchy and less control over the employees.

Because of the hierarchal structure of the large organizations and the work based on teams and groups we can see a significant ( $p < 0,001$ ) difference with higher team cohesion in large organizations (3,29).

We are discovering also that the institution that would adopt mediation is a moderate to large size organization. Large organizations invest more in education and will house enough staff create a pool of mediators to assist in resolving disputes. According to the results of the survey the effective mediation is significantly (0,006) higher in large organizations (3,12 and 3,05 whereas for small companies the mean is calculated to 2,61 and 2,71 respectively).

We have already mentioned that conflict situations increases stress and anxiety levels of employees contributing among other reasons to job dissatisfaction. The employee's dissatisfaction will affect their commitment to work and lead them to turnover from the organization physically and/or mentally. Tracey and Hinkin (2008) stated that employee turnover rates are influenced by employee dissatisfaction within the job environment and reduce their contribution to the job (Lok & Crawford, 2004).

A consequence of conflict is also the impact that may have in the relationships with key partners as vendors, customers and other important stakeholders which may also lead to a crisis based on the stakeholder trust.

In our research in the following table we are noticing that large organizations considering employee turnover as a risk (with a significance of  $p < 0,001$ ). The perception that the employee turnover or key partners relationship deterioration is a signal for an upcoming crisis is higher in large organizations (3,27 and 3,09).

The detection for early warning signals is very important in crisis management since the detection of them may lead to the avoidance of the crisis.

Even with the best of Signal Detection Mechanisms, crises are still inevitable. For this reason, one of the most important aspects of Crisis Leadership is Damage Containment. The react of the organization to such crisis originated by the above cause, it is related with the preparation against that types of risks. Having prepared substitutes for key employees or vendors may reduce the shock of crisis and lead to damage containment. From the results presented in the next table we are concluding that the large organizations are considering these tasks as a part of their practices (3,27 and 3,09 against 2,38 and 2,57)

	<b>1 -500 employees</b>	<b>501-1.000 employees</b>	<b>1.001-5.000 employees</b>	<b>&gt;5.001 employees</b>	<b>p-value</b>
	<b>Mean (s.d.)</b>	<b>Mean (s.d.)</b>	<b>Mean (s.d.)</b>	<b>Mean (s.d.)</b>	
<b>Conflict styles</b>					
Collaborating	3.26 (0.84)	3.27 (0.86)	3.75 (0.32)	3.7 (0.37)	0.066
Accommodating	2.25 (0.66)	1.79 (0.67)	1.43 (0.51)	1.75 (0.58)	<b>&lt; 0.001</b>
Competing	1.60 (0.46)	1.68 (0.61)	1.70 (0.30)	1.86 (0.31)	<b>0.007</b>
Avoiding	2.03 (1.20)	1.42 (1.14)	0.88 (0.44)	1.17 (0.61)	<b>&lt; 0.001</b>
Compromising	2.99 (0.58)	3.06 (0.75)	3.37 (0.36)	3.28 (0.47)	0.084
<b>Leadership styles</b>					
Laissez faire	1.46 (1.56)	1.06 (1.39)	0.33 (0.39)	0.50 (0.48)	<b>0.006</b>
Transactional	2.00 (0.56)	2.37 (1.00)	2.56 (0.84)	2.02 (0.36)	0.057
Transformational	2.98 (0.77)	2.79 (0.80)	3.23 (0.68)	3.52 (0.32)	<b>0.027</b>
<b>Group management</b>					
Effective Communication	2.91 (0.78)	2.97 (0.80)	3.25 (0.40)	3.32 (0.42)	0.226
Effective Mediation	2.61 (0.74)	2.71 (0.71)	3.12 (0.30)	3.05 (0.37)	<b>0.006</b>
Participation in decision	3.06 (0.62)	3.13 (0.69)	3.41 (0.44)	3.36 (0.39)	0.059
Team Cohesion	2.80 (0.66)	2.78 (0.54)	3.02 (0.22)	3.29 (1.14)	<b>0.001</b>
<b>Crisis &amp; Risk management</b>					
Crisis management	2.15 (0.97)	2.40 (0.82)	2.89 (0.38)	3.00 (0.35)	<b>&lt; 0.001</b>
Early warning signals	2.38 (1.00)	2.57 (1.01)	3.27 (0.36)	3.09 (1.23)	<b>&lt; 0.001</b>

**Table 10** Differences in number of employees (Kruskal-Wallis Test) according to the organizational variables.

A Dunn Bonferroni approach followed so as to determine the subgroups where the differences were found. By using this approach, a statistically significant difference was found in the fields:

#### **Accommodating-number of employees**

- "1 - 500 employees" and "1.001 - 5.000 employees" (p-value<0.001)
- "1 - 500 employees" and "501 - 1.000 employees" (p-value=0.024)

#### **Competing-number of employees**

- "1 - 500 employees" and ">5.001 employees" (p-value=0.005)
- "1 - 500 employees" and "501 - 1.000 employees" (p-value=0.018)

#### **Avoiding-number of employees**

- "1 - 500 employees" and "1.001 - 5.000 employees" (p-value<0.001)

#### **Laissez faire -number of employees**

- "1 - 500 employees" and "1.001 - 5.000 employees" (p-value=0.003)

#### **Transformational -number of employees**

- "501 - 1.000 employees" and ">5.001 employees " (p-value=0.065)

#### **Effective Mediation-number of employees**

- "1 - 500 employees" and "1.001 - 5.000 employees" (p-value=0.006)

#### **Team Cohesion-number of employees**

- "501 - 1.000 employees" and ">5.001 employees " (p-value<0.001)
- "1 - 500 employees" and ">5.001 employees " (p-value=0.005)
- "1.001 - 5.000 employees" and ">5.001 employees" (p-value=0.012)

#### **Crisis management-number of employees**

- "1 - 500 employees" and "1.001 - 5.000 employees" (p-value=0.003)
- "1 - 500 employees" and ">5.001 employees " (p-value=0.002)
- "501 - 1.000 employees" and "1.001 - 5.000 employees" (p-value=0.050)
- "501 - 1.000 employees" and ">5.001 employees " (p-value=0.013)

#### **Early warning signals -number of employees**

- "1 - 500 employees" and "1.001 - 5.000 employees" (p-value=0.004)
- "1 - 500 employees" and ">5.001 employees " (p-value=0.009)
- "501 - 1.000 employees" and "1.001 - 5.000 employees" (p-value=0.033)
- "501 - 1.000 employees" and ">5.001 employees " (p-value=0.039)



For the analysis of the differences between the subgroups (clusters) of the variable "Company / Organization Sector" and the organizational parameters we are studying we used Mann-Whitney U test. According to the data in table 5, there are statistically significant differences between the "Company / Organization Sector" and the conflict style "accommodating". More specifically, "Public Sector Organization" are more positive associated with the "accommodating style" compared with "Private Sector Company/ Organization" (Mean=3.32 vs. 1.79).

	Public Organization Mean (s.d.)	Sector	Private Company/ Organization Mean (s.d.)	Sector Mean	p-value
<b>Conflict styles</b>					
Collaborating	3.32 (0.82)		3.46 (0.71)		0.622
Accommodating	2.12 (0.57)		1.79 (0.70)		<b>0.034</b>
Competing	1.65 (0.47)		1.68 (0.46)		0.473
Avoiding	1.88 (1.26)		1.36 (1.01)		0.109
Compromising	3.03 (0.57)		3.16 (0.59)		0.394
<b>Leadership styles</b>					
Laissez faire	1.40 (1.47)		0.84 (1.22)		0.116
Transactional	2.29 (0.74)		2.25 (0.82)		0.709
Transformational	2.95 (0.76)		3.07 (0.75)		0.412
<b>Group management</b>					
Effective Communication	3.01 (0.77)		3.07 (0.66)		0.945
Effective Mediation	2.59 (0.74)		2.87 (0.60)		0.093
Participation in decision making	3.23 (0.55)		3.20 (0.60)		0.805
Team Cohesion	2.76 (0.62)		2.93 (0.49)		0.194
<b>Crisis management</b>					
Crisis management	2.22 (0.98)		2.57 (0.77)		0.128
Early warning signals	2.43 (1.02)		2.81 (1.96)		0.090

**Table 11** Differences in (Mann Whitney) according to Company / Organization Sector with the organizational variables.

The next part of the research has to do with the of the teams and groups to find relations.

We have grouped the possible answers in the particular question into three categories

Category 1 (the team consists of employees of the same company):

Consists of members of a particular Unit / Section of the Company, Consists of members of different Units / Sections of the Company

Category 2 (the team consists of employees from different organizations constructing group to accomplish a task / project):

Consists of members of a particular Unit / Section of the Company, Consists of members of company employees and collaborators from other companies, Consists of members of different Units / Sections of the Company

Category 3(the team is again an inter organizational group but also contains people with different nationalities):

Consists of members of a particular Unit / Section of the Company, Consists of members of company employees and collaborators from other companies, Consists of multinational team members.

In the previous sections we have mentioned the importance of the team and group performance for organization's functions. Team members have specific and unique roles, where the performance of each role contributes to collective success. This means that the causes of team failure may reside not only in member inability, but also in their collective failure to coordinate and synchronize their individual contributions. Team processes become a critical determinant of team performance, and often mediate the influences of most other exogenous variables.

Second, teams are increasingly required to perform in complex and dynamic environments like IT industry. This characteristic applies particularly to organizational teams, and especially to top management teams. The operating environment for today's organizational teams features multiple stakeholders with sometimes clashing agendas, high information load, dynamic situational contingencies, and increased tempo of change. Advances in communication technology have made the use of virtual teams (i.e., teams whose members are not physically collocated) more practical and prominent in industry. These performance requirements heighten the need for member coordination. Further, because of the greater rate of change in today's environment, team members need to operate more adaptively when coordinating their actions.

As shown in Table 6, results of these test suggested that there was a significant difference ( $p$ -value  $< 0.05$ ) among “the synthesis of the Group / Team that you lead ” and the conflict styles "collaborating", "accommodating" and "avoiding". As for leadership style, statistically significant differences ( $p$ -value  $< 0.05$ ) were found for "transactional" and "transformational" style. Last but not least, table 6 shows that both "group management" subgroups and "crisis management" subgroup have statistically significant differences ( $p$ -value  $< 0.05$ ) with the variable of "the synthesis of the Group / Team that you lead".

We can notice that regarding conflict style collaborating and compromising styles are mostly related with complex and mixed synthesis of teams where collaboration is vital for the success of a project (collaborating 3,70 and 3,78 for the categories 2 and 3 respectively and compromising 3,20 and 3,25). The avoiding style is significantly lower for categories 2 and 3 (category 1 - 1.71 (1.24), category 2 -1.18 (0.59), category 3 - 0.98 (0.56)) since the resolution of the conflict is critical or the business continuity.

An important role of team leaders is to moderate the degree of affect in the team by fostering a climate where disagreements about team strategies can be surfaced constructively. Cognitive conflict refers to conflict among team members that “is generally task oriented and focused on judgmental differences about how best to achieve common objectives. Such conflict is considered helpful to team decision quality because it results in diversity and integration of multiple perspectives. Affective conflict “tends to be emotional and focused on personal incompatibilities or disputes”. Such conflict inhibits decision consensus, impairs decision quality, and contributes to lower unit effectiveness (Katz, 1977). Thus, for leaders to help teams be more effective, they need to manage the climate of the team so that cognitive conflict is supported but affective conflict is discouraged.

The results of our analysis demonstrating that transformational leadership is more required in complex teams consisting of team members coming from both the company and other partners. Team efficacy also emerges from leaders who exhort their members to work hard and do well. This is related to the empowerment processes of transformational and inspirational leaders. Actually transformational style with a significance of  $p < 0,001$  has a mean 2.83 (0.80) for category 1, 3.22 (0.53) for category 2 and 3.46 (0.54) for category 3.

Transactional leadership has higher scores in category 1 and 2 and lower in category 3 which contains multinational members.

Next in our analysis we are noticing that all the factors of the group management process are considerable higher in complex heterogeneous groups. In order for the leader to facilitate team effectiveness, the communication, the mediation the participation in decision making and the cohesion of the team that results the trust between team members are required. The outcome of the analysis is that the score significantly raises from categories 1 to category 3 for all the four factors.

The last part of the table refers to the relations between the three categories representing the complexity of the teams and the risk and crisis parameters. The findings of the investigation are similar representing that complex teams are more sensitive in the risk of turnover and partnership collapse. In joint teams the collaboration exists to cover specific areas and the knowledge, skills, abilities, and other characteristics may be difficult to replace. We found out that the perception of leaders, managing teams belonging to three categories, regarding risk of employee turnover raises from 2.52 (1.02) for category 1, then 2.96 (0.76) for category 2 and finally 3.17 (0.82) for the third category.

The crisis management functions as preparation and the management during the crisis is also significantly higher in complex teams where the risk identification is also high denoting the need to consider these factors critical.

	<b>1<sup>st</sup> category*</b> Mean (s.d.)	<b>2<sup>nd</sup> category**</b> Mean (s.d.)	<b>3<sup>rd</sup> category***</b> Mean (s.d.)	<b>p- value</b>
<b>Conflict styles</b>				
Collaborating	3.22 (0.85)	3.70 (0.34)	3.78 (0.28)	<b>0.011</b>
Accommodating	2.01 (0.73)	1.59 (0.48)	1.60 (0.60)	<b>0.003</b>
Competing	1.60 (0.50)	1.82 (0.34)	1.77 (0.40)	0.052
Avoiding	1.71 (1.24)	1.18 (0.59)	0.98 (0.56)	<b>0.049</b>
Compromising	3.08 (0.67)	3.20 (0.31)	3.25 (0.51)	0.828
<b>Leadership styles</b>				
Laissez faire	1.24 (1.53)	0.48 (0.49)	0.54 (0.57)	0.233
Transactional	2.24 (0.85)	2.57 (0.71)	2.08 (0.69)	<b>0.038</b>
Transformational	2.83 (0.80)	3.22 (0.53)	3.46 (0.54)	<b>0.001</b>
<b>Group management</b>				
Effective Communication	2.89 (0.78)	3.20 (0.45)	3.39 (0.35)	<b>0.004</b>
Effective Mediation	2.65 (0.73)	3.09 (0.35)	3.07 (0.35)	<b>0.006</b>
Participation in decision making	3.08 (0.66)	3.44 (0.37)	3.34 (0.46)	<b>0.034</b>
Team Cohesion	2.78 (0.61)	3.02 (0.26)	3.13 (0.20)	<b>0.035</b>
<b>Crisis and risk management</b>				
Crisis management	2.32 (0.91)	2.82 (0.49)	2.77 (0.34)	<b>0.012</b>
Early warning signals	2.52 (1.02)	2.96 (0.76)	3.17 (0.82)	<b>0.001</b>

**Table 12 Differences in the synthesis of the Group / Team that you lead (Kruskal-Wallis Test) according to the organizational variables.**

\*1<sup>st</sup> category : Consists of members of a particular Unit / Section of the Company - Consists of members of a particular Unit / Section of the Company, Consists of members of different Units / Sections of the Company - Consists of members of different Units / Sections of the Company

\*\*2<sup>nd</sup> category: Consists of members of a Unit / Section of the Company, consists of members of company employees and collaborators from other companies- Consists of members of a Unit / Section of the Company, consists of members of different Units / Sections of the Company, consists of members of company employees and collaborators from other companies - Consists of members of company employees and collaborators from other companies.

\*\*\*3<sup>rd</sup> category : Consists of members of a particular Unit / Section of the Company, Consists of members of company employees and collaborators from other companies, Consists of multinational team members - Consists of members of a particular Unit / Section of the Company, Consists of members of different Units / Sections of the Company, Consists of members of company employees and collaborators from other companies, Consists of multinational team members - Consists of members of a particular Unit / Section of the Company, Consists of members of different Units / Sections of the Company, Consists of multinational team members - Consists of members of different Units / Sections of the Company, Consists of members of company employees and collaborators from other companies, Consists of multinational team members - Consists of multinational team members.

A Dunn Bonferroni approach followed so as to determine the subgroups where the differences were found. By using this approach, a statistically significant difference was found in the fields:

**Collaborating**

- 1<sup>st</sup> category and 3<sup>rd</sup> category(p-value=0.015)

**Accommodating**

- 1<sup>st</sup> category and 2<sup>nd</sup> category(p-value=0.016)
- 1<sup>st</sup> category and 3<sup>rd</sup> category(p-value<0.001)

**Avoiding**

- 1<sup>st</sup> category and 3<sup>rd</sup> category(p-value=0.045)

**Transactional**

- 2<sup>nd</sup> category and 3<sup>rd</sup> category(p-value=0.036)

**Transformational**

- 1<sup>st</sup> category and 3<sup>rd</sup> category(p-value=0.001)

**Effective Communication**

- 1<sup>st</sup> category and 3<sup>rd</sup> category(p-value=0.003)

**Effective mediation**

- 1<sup>st</sup> category and 2<sup>nd</sup> category(p-value=0.034)
- 1<sup>st</sup> category and 3<sup>rd</sup> category(p-value=0.034)

**Participation in decision making**

- 1<sup>st</sup> category and 2<sup>nd</sup> category(p-value=0.054)

**Team cohesion**

- 1<sup>st</sup> category and 3<sup>rd</sup> category(p-value=0.029)

**Crisis management**

- 1<sup>st</sup> category and 3<sup>rd</sup> category(p-value=0.044)

**Early warning signals**

- 1<sup>st</sup> category and 3<sup>rd</sup> category(p-value=0.001)

## 5.5 HYPOTHESIS TESTING

	<b>Independent</b>	<b>Dependent</b>	<b><math>\beta</math></b>	<b>t-statistic</b>	<b>p-value</b>	<b>R<sup>2</sup></b>
<b>H1</b>	Individualized Consideration	Collaborating	0.730	11.669	<b>&lt;0.001</b>	0.530
	Individualized Consideration	Compromise	0.429	5.183	<b>&lt;0.001</b>	0.177
<b>H2</b>	Inspirational Motivation	Collaborating	0.653	9.399	<b>&lt;0.001</b>	0.421
	Inspirational Motivation	Compromise	0.326	3.759	<b>&lt;0.001</b>	0.099
<b>H3</b>	Intellectual Stimulation	Collaborating	0.634	8.950	<b>&lt;0.001</b>	0.397
	Intellectual Stimulation	Compromise	0.385	4.552	<b>&lt;0.001</b>	0.141
<b>H4</b>	Management by exception (active)	Collaborating	0.358	4.178	<b>&lt;0.001</b>	0.121
	Management by exception (active)	Compromise	0.466	5.739	<b>&lt;0.001</b>	0.210
	Management by exception (passive)	Collaborating	-0.050	-0.543	0.588	-0.006
	Management by exception (passive)	Compromise	0.092	1.005	0.317	0.000
<b>H5</b>	Contingent reward	Collaborating	0.635	8.977	<b>&lt;0.001</b>	0.399
	Contingent reward	Compromise	0.661	9.609	<b>&lt;0.001</b>	0.432
<b>H6</b>	Laissez faire	Avoiding	0.882	20.418	<b>&lt;0.001</b>	0.776
	Laissez faire	Accommodating	0.761	12.811	<b>&lt;0.001</b>	0.576
<b>H7</b>	Effective communication	Collaborating	0.900	22.521	<b>&lt;0.001</b>	0.808



	Effective communication	Compromise	0.622	8.673	<0.001	0.382
<b>H8</b>	Participation in decision making process	Collaborating	0.831	16.268	<0.001	0.687
	Participation in decision making process	Compromise	0.538	6.963	<0.001	0.284
<b>H9</b>	Team cohesion	Collaborating	0.842	17.057	<0.001	0.707
	Team cohesion	Compromise	0.698	10.633	<0.001	0.483
<b>H10</b>	Effective mediation	Collaborating	0.867	18.987	<0.001	0.750
	Effective mediation	Compromise	0.535	6.903	<0.001	0.280
<b>H11</b>	Transactional	Early warning signals	0.344	3.223	0.002	0.073
	Transformational	Early warning signals	0.766	8.010	<0.001	0.345
<b>H12</b>	Transactional	Crisis management	0.295	3.311	0.001	0.077
	Transformational	Crisis management	0.702	9.275	<0.001	0.415

**Table 13** Linear regression analysis of factors associated with the conflict style.

This part of the analysis will examine the predicting powers of the established constructs on the dependent variable using linear regression, and inspect if the established hypotheses can be confirmed or disconfirmed.

Table 7 shows the results of the regression analysis which covers all twelve hypothesis and the whole sample (N=121). Significant relations are marked. For dependent variables all the subgroups of "conflict style" were used and for independent variables all the subgroups of "leadership style", "group management" and "crisis management".

All the independent variables show a positive influence on the dependent variable, and the predictor was statistically significant (p-value<0.05), apart from the variable "management by exception (passive)" which failed to show any significant predicting power on the dependent variable "collaborating"(p-value = 0.588) and "compromise" (p-value =0.317).

The ability of leaders to intellectually stimulate employees and encourage them to solve task-oriented problems in new and different ways make employees face challenges. These leaders promote employee's ability to analyze and solve organization problems. Also, the individualized consideration supports employees in achieving self-actualization through fulfilling their expectations by individual understanding. These in turn develops better interpersonal relationships among employees and avoid conflict.

The project leaders exhibiting transformational leadership communicate an inspirational vision, provide intellectual stimulation, and develop a high-quality leader-member exchange. The influence of manager's leadership style on both the level and the nature of conflicts at workplace reveal the role of transformational leaders in the process.

H1. Collaborating and Compromise style is positively related with individualized consideration

H2. Collaborating and Compromise style is positively related with inspirational motivation

H3. Collaborating and Compromise style is positively related with intellectual stimulation

In the three first hypothesis the attributes of the transformational leadership were related with collaborating and compromising style showing a positive relation indicating that transformational leaders in IT organizations applying the collaboration and compromising style for managing conflicts.

H4. Collaborating and Compromise style is positively related with management by exception (active or passive)

H5. Collaborating and Compromise style is positively related with contingent reward

As expected, significant correlations were found between Transactional Leadership and Conflict handling styles. Most of attributes (except management by exception – passive) were found to be positively related with collaborating and compromise style

H6. Avoiding and accommodating style is positively related with laissez faire leadership style

According to the results of the regression analysis the lack of leadership is positively related with the avoiding and accommodating style since the manager avoids to get involved to resolve the problem or prefers to satisfy the demands of others without trying to achieve a better solution.

H7. Effective communication has a positive relationship with Collaborating and Compromise style of managing conflicts.

H8. Participation in decision making process is positively related with Collaborating and Compromise style of managing conflicts.

H9. Team cohesion has a positive relationship to collaborative and compromising style of conflict management

H10. Effective mediation has a positive relation with Collaborating and Compromise style of managing conflicts.

We have already discussed that the increasing complexity in the modern workplace IT Organizations has coincided with both greater interdependence and specialization of job roles. Consequently, the use of teams and team-based organizations has become increasingly common. The critical factors that determine the team performance are related to Collaborating and compromising style of conflict management. The regression analysis shows a positive relation between effective communication that helps to overcome the blocking factors requiring effective speaking and listening, with collaborative and compromising style. We have also shown that the participative model fits better to the team performance and it is a requirement of the transformational and even of the

transactional leader. Participation in the decision making process creates a consensus and a better understanding of each other opinions and arguments eliminating the factors that would lead to a dysfunctional conflict. The outcome of our research is that there is a significant positive relation between participation in decision making and collaborative and compromising conflict resolution styles.

Affective and cognitive trust (trust: positive emotion that enables a person to take a leap of faith) is related to team cohesion. Trust is critical to organizational and behavioral outcomes at work. A person experiences high level of trust if he perceives the action of other's as favorable for him. To maximize the cohesion in team a trustful environment is needed among team members, among different groups and among team members and leaders. Team cohesion also refers to team identity and trust and especially to how team members consider team goals as their own. According to the results of the regression analysis there is a positive relation between collaborative and compromising management style in coherent teams based on trust and identity values. Collaborative and compromising styles keep conflict in functional levels and empower and strengthen team coherence.

The effective mediation is actually the necessary tool for the resolution of conflicts. We can argue through the results of our research that collaborative and compromising styles for managing conflicts are significantly positively related with effective mediation. Mediation aims to keep open the communication channels, to increase and build trust in order to reach a solution. The mediation is necessary to keep conflict in functional levels.

H11. Transformational and transactional leaders are considering conflicts with employees and partners or vendors are early warning signals for employee turnover crisis.

H12. Transformational and transactional leaders are better prepared to manage a crisis caused by employee turnover or key partners and vendor relationship breaking

As we have discussed in earlier sections anticipating these types of crisis as likely to encounter and include them into risk portfolio is the first step for establishing an official preparation and response plans that can be communicated throughout the organization. Preparation of this type helps reduce the chance of chocking when crisis arrives. The exercise of transformational leadership is a comprehensive approach to getting organizational members through a crisis. Transformational leaders engage in the types of behaviors that are especially important during crisis. These behaviors include establishing a vision challenging the status quo, inspiring and motivating followers and fostering the acceptance of group goals.

The transformational leadership is positively related with the risk awareness because of employee turnover or partnership breakdown, as it is provided from the results of the regression analysis indicating a better preparation against such type of crisis.

Components of managing a crisis effectively, related to transformational leadership are effectively managing emotions, having a well-established communication strategy, having a high degree of self-awareness and ability to learn from crisis. Exercising transformational leadership can result in followers developing confidence and trust in the leader's vision, developing psychological hardiness and being willing to make sacrifices in the service of a cause that is greater of themselves. This way the transformational leader could lead the rest of the team in a way to absorb the lack of resources caused by employee turnover for a period till the organization will be ready to replace the missing personnel.

## CONCLUSION

It is essential for the leaders to confront conflict and manage it. Discouraging counterproductive conflict while encouraging functional conflict can improve the performance either of the team or the Organization.

- In dynamic and innovative environments like large IT Organizations collaborating and compromising management style of conflict is considered to be the most appropriate, joined together with the transformational leadership style can ensure the best results in managing teams and companies.
- The participation in the decision making process empowers employees, improves the quality of the decision and creates a trustful environment minimizing dysfunctional Conflicts.
- For Large IT companies with complex structures, cross-functional teams the transformational leadership is a requirement which also provides the awareness and sensitivity for the risk of employee turnover or partnership breakdown.

For further study and research someone can elaborate more

- on group performance on special cases of work teams like functional, cross-functional, virtual, self-managed
- And also on the technics of evaluating signals of employee turnover or partnership deterioration (lack of commitment, absenteeism, losing milestones etc.).

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Εκδόσεις Πατάκη

## APPENDIX

### QUESTIONNAIRE



**UNIVERSITY OF AEGEAN DEPARTMENT OF BUSINESS**  
**ADMINISTRATION**

**EXECUTIVE MBA PROGRAM**

**Research for the Master Thesis of E. Orfanoudakis**

This questionnaire refers to a survey that is being conducted in the framework of my master thesis under the title:

*«LEADERSHIP AND CONFLICT – CRISIS MANAGEMENT IN THE CONTEMPORARY ENVIRONMENT OF INFORMATION TECHNOLOGY ORGANIZATIONS AND COMPANIES»*

The purpose of the survey is to elaborate on the relationship between the different leadership and conflict styles. In the scope of the study we are also examining the way that team effectiveness relates to conflict management and the relationship between leadership styles and the readiness to manage a crisis caused by conflict, like employee turnover or disruption of relationships with strategic partners.

Please complete the attached questionnaire by 5/2/2018.

You can also find the questionnaire in the following link

[https://docs.google.com/forms/d/e/1FAIpQLSfCMjEalbpkLVtPqtAevGxiDo-Qb8y\\_o\\_LWXXAAhuO0MZjKGg/viewform?usp=sf\\_link](https://docs.google.com/forms/d/e/1FAIpQLSfCMjEalbpkLVtPqtAevGxiDo-Qb8y_o_LWXXAAhuO0MZjKGg/viewform?usp=sf_link)

Thank you for your participation and for taking time to assist me in my thesis endeavor.



Sincerely,

Emmanouil Orfanoudakis (post graduate student)

Instructor Name : Dr. Dionysios Gerodogiannis (Visiting Professor)

## CONFLICT / LEADERSHIP MANAGEMENT SURVEY

The following questions describe your organization and your current position in the Organization. Please check the appropriate box.

### Company / Organization Size

Number of Employees in your company /Organization

*Mark only one box*

1 – 500

501 – 1.000

1.001 - 5.000

5.001 - 10.000

### Company / Organization Sector

*Mark only one box*

Public Sector Organization

Private Sector Company / Organization

### IT Unit type

*Mark only one box*

Information Technology Company / Organization

IT Division / Unit inside a Company

### Current Position in the Company / Organization

*Mark only one box*

Team Leader

Section Leader / Supervisor

Manager

### Years in the Position

*Mark only one box*

- 1 – 5 years
- 6 – 10 years
- 11 – 20 years
- >20 years

**The size of the Group / Team that you lead**

*Tick all that apply to the size of teams that you lead*

- 1 – 10 members
- 11 – 20 members
- 21 – 30 members
- >30 members

**The synthesis of the Group / Team that you lead**

*Tick all that apply to the synthesis of teams that you lead*

- Consists of members of a particular Unit / Section of the Company
- Consists of members of different Units / Sections of the Company
- Consists of members of company employees and collaborators  
from other companies
- Consists of multinational team members

Please check (X) the appropriate box after each statement, to indicate how you handle your disagreement or conflict with your subordinates, peers or supervisors. Try to recall as many recent conflict situations as possible in ranking these statements. Thank you!

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
<p><b>Conflict Style</b> Please check the appropriate choice after each statement, to indicate how you handle your disagreement or conflict with your subordinates, peers or supervisors. Try to recall as many recent conflict situations as possible in ranking these statements. Thank you!</p>					
I explore/investigate issues with others so as to find solutions that meet everyone's needs and are acceptable to the whole team.					
I generally try to satisfy / meet the needs of others					
I use my influence to get my ideas accepted					
I attempt to avoid being "put on the spot" and try to keep my conflict with my Subordinates to myself.					
I try to find a middle course to resolve an impasse.					
I try to integrate my ideas with those of my subordinates and peers to come up with a decision jointly					
I usually accommodate the wishes and expectations of others					
I use my authority to make a decision in my favor					
I usually avoid open discussion of my differences with my subordinates					
I usually propose a middle ground for breaking deadlocks					
I try to work with my subordinates to find solution to a problem that satisfies our expectations					
I give in to the wishes of others.					
I use my expertise to make a decision in my favor					
I try to stay away from disagreement with my subordinates					
I negotiate with others so that a compromise can be reached (adopting a give and take approach to problem					

situations)					
I exchange accurate information with my subordinates to solve a problem together.					
I usually allow concessions to my subordinates					
I am generally firm in pursuing my side of the issue					
I avoid an encounter with my subordinates					
I try to bring all our concerns out in the open so that the issues can be resolved in the best possible way keeping the lines of communication open					
I often go along with the suggestions of my subordinates					
I sometimes use my power to win a competitive situation					
I try to keep my disagreement with my subordinates to myself in order to avoid hard feelings					
I collaborate with my subordinates to come up with decisions acceptable to us.					
I try to satisfy the expectations of my subordinates					
I find conflicts challenging and exhilarating; I enjoy the battle of wits that usually follows					
I try to avoid unpleasant exchanges with my subordinates.					
I try to work with my subordinates for a proper understanding of a problem					
I try to see conflicts from both sides. What do I need? What does the other person need? What are the issues involved?					
<p><b>Leadership</b>  This part of the survey will help you describe your leadership style as you perceive it. Starting with the first question, judge how frequently each statement fits you.</p>					
I discuss in specific terms who is responsible for achieving performance targets I express satisfaction when others meet expectations					
I spend time teaching and coaching					
I consider an individual as having different needs, abilities, and aspirations from others					
I talk enthusiastically about what needs to be accomplished					

I express confidence that goals will be achieved					
I seek differing perspectives when solving problems					
I suggest new ways of looking at how to complete assignments					
I avoid getting involved when important issues arise					
I delay responding to urgent questions					
I direct my attention toward failures to meet standards					
I wait for things to go wrong before taking action					
I show that I am a firm believer in "If it ain't broke, don't fix it"					
<b>Team Effectiveness and Conflicts</b> In this section we are investigating the way that different factors of effective teams are related to conflict management					
Team appreciate one another's unique capabilities					
We are able to resolve conflicts with other teams collaboratively					
Members of our team trust each other					
Our team has established trusted and supportive relationships with other teams					
Team members help one another deal with problems or resolve issues					
We work toward integrating our plans with those of other work groups					
We are able to work through differences of opinion without damaging relationships					
We are able to communicate and to collaborate effectively with team members from different countries					
<b>Risks and crisis</b> In this section we are exploring particular risks related to conflict management that are potential crisis reasons for the company / organization					
We are considering employee turnover as a risk in our team					
We have prepare substitutes for key members of our teams					
We are considering relationships with key partners as a risk					
Disputes and Conflicts have as a result team members to leave the team or even the company					

Deterioration of relationships with key partners (vendors, customers etc.) have as a result the disruption of the collaboration with strategic partners					
We have prepare substitutes for key employee's in order to manage a crisis caused by employee turnover					
We are prepared against a crisis caused by a sudden disruption of the collaboration with key partners					

## Company and Personal Information (optional)

Following you can provide your personal and your company's information if you wish.

Your Name and surname :

Your Company's Name :

Position you own in the Company :