

# Leadership and Decision-Making. And What is Behind Them

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*Abstract: The purpose of this paper is to examine the relationship between leadership decision-making and resolution of conflict. The aim of the study is to provide a comprehensive literature review of managerial decision-making and conflict management. Alternative dispute resolution methods are to support persons and expressly leaders with several levels of conflict solving. Reorganization, resolution, restoration, evaluation and conversion are available to provide persons, parties with methods. Not the same tools are used by different types of leaders from different dimensions, as transformational, transactional, and laissez-faire leader dimensions. This approach treated conflict styles as individual disposition, stable over time and across situations. It is argued and supported by literature that leadership styles or behaviors remain stable over time and are expected to be significantly related to conflict management styles (Hendel, 2005). Despite the universal acceptance of leadership importance in corporate settings, research so far investigated leadership styles as determinants of conflict management styles are population-specific, including nursing managers (Hendel, 2005), university academic staff (Paul, 2006) and healthcare professionals (Saeed, 2008). Furthermore, the findings in the referred studies are not consistent, and this issue seems to be at an exploratory phase that requires further investigation to establish the relationship. Blake and Mouton (1964) and Rahim (1992) tried to measure the strategies in which individuals typically deal with the conflicts.*

**Keywords:** leadership styles, conflict management styles, court procedure, mediation

## 1. Introduction

In legal relationships, in human relations, but also in organizational systems and in the relationships between legal persons, the conflict necessarily appears. The emergence of conflict is not necessarily a negative event in the life of a natural person or a legal person.

Conflict is definitely a collision, most often a conflict of interests - however, these collisions have many times the ability to transform, reorganize, and positively link our relations with human or legal relationships.

As much leaders - so many decisions? Or as much leadership styles -so many types of decisions?

The present study aims to investigate what categories of conflict settlement and management can be grouped in the field covered by literature and practice, depending on management styles.

## **2. Leaders and styles. Styles compared to conflicts.**

In order for an organization to be successful, its employees need to work in harmony to achieve their goals. (Saeed, 2014)

In the beginning, what is leadership? The leader's first responsibility is to define reality. The last one is to thank you. Between the two stages, the leader must become a servant and a debtor. This is a summary of the development of the artistic leader. Real leaders are sought after and educated. (De Pree, 2004)

There are countless theoretical works, writing, curriculum, discussion paper, website on leadership, direction, leadership concepts. It is not easy to determine what leadership means.

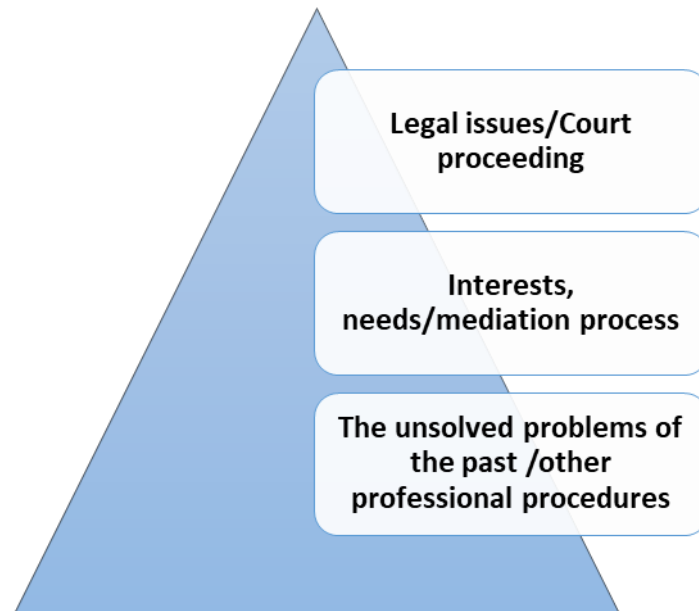
Leadership is any management, organizational, and control activity that a person has in relation to at least one additional person.

Different leadership styles are associated with conflict resolution styles. Leaders who are predominantly in the transformative leadership style have adopted integrative and mandatory conflict management styles. Leaders who are mostly transactional style leaders, represent a compromise (unified) conflict management style. While the laissez-faire management style has adopted the avoidance conflict management style. (Saeed et al, 2014)

From the iceberg model of the conflict to the top of it, in court proceedings, we can only encounter the matter, the dispute, the evidence - the law.

What does not appear in the court proceedings - the top of the iceberg - is already apparent at the next level - the level of mediation, the conflict management possibilities provided by the mediation procedure. Here, the interests of the parties come to the surface, they get into communication, they are in use.

However, there is even one of the peaks, also invisible to the conflicts, that contain unresolved issues of the past, untreated - other, non-legal-settable conflicts.



1. Graph: The Iceberg-model of conflict  
Source: edited by the author

In Rahim's (2011) typology, organizational conflict management styles are:

- Integrating
- Obliging
- Compromising
- Dominating
- Avoiding

Leadership styles of leaders in the organization system are:

- Transformational
- Transactional
- Laissez-faire

Saeed and his co-workers (2014) consider integrative and obligatory, while destructive conflict management as dominant and bypass styles as constructive conflict management.

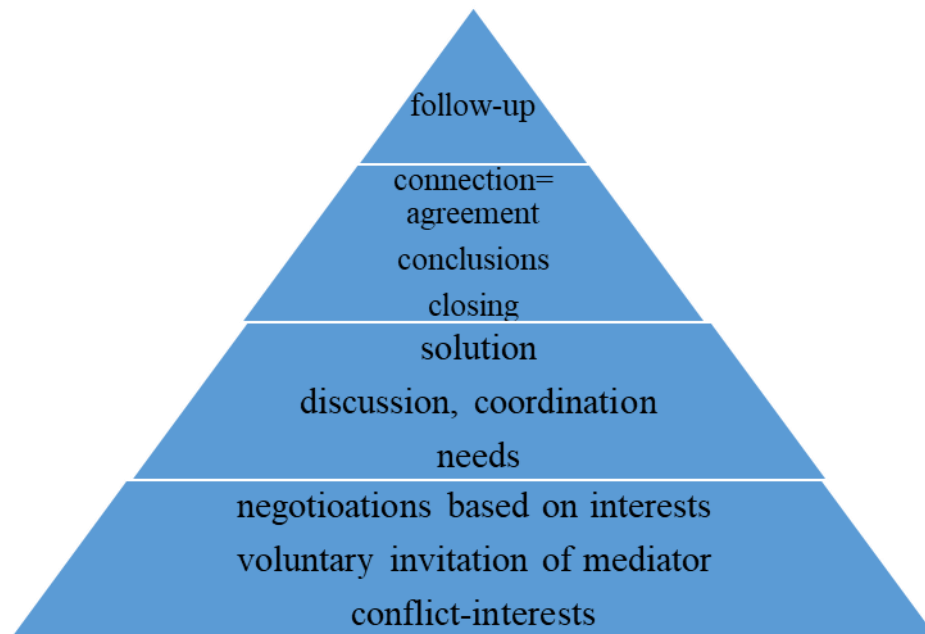
Their assertions have been confirmed in their study, according to which the transformational leadership style has a positive relationship with a constructive

conflict segmentation and a negative connection to this style of leadership in the destructive conflict management style.

There is also a link between transaction management style and compromise conflict management style.

Partial connectivity can be demonstrated by the identification of laissez-faire leadership with a destructive conflict management style. However, the laissez-faire leadership has a negative relationship with constructive conflict management styles.

Going through the levels of mediation, compromise, and consensual conflict management, it can be seen that this process is not the final step in the process, but the conclusion of the conclusions, future engagement, and follow-up.



2. Graph: From the conflict to the connection  
Source: edited by the author

### **3. Court decision or settlement agreement? Conflict management in leadership.**

The conflict is everywhere. Can be found in human relationships and in business relationships. The businesses involved in the formal conflict are, of course, interested in the effective resolution of the conflict.

It is not only a matter of conflict that needs to be resolved, but a solution must also be found to make the best use of the resources of the leaders and to ensure that their solutions not only provide short-term solutions but also, if possible, final solutions.

Recently, Alternative Dispute Resolution (ADR) has become an increasingly effective and popular strategy for conflict resolution. The most well-known alternative dispute resolution methods include mediation, conciliation, negotiation and arbitration (Lieberman, 1986).

Litigation is a disadvantage for businesses - the parties lose control, lawyers and the judiciary have power over the timing and procedure of conflict resolution, and as a result, the debate may take years.

The participants in the conflict lose their ability to communicate with each other in the process of resolving the problem. This damages most business relationships and undermines trust and cooperation.

In addition, the costs of litigation, court fees, litigation costs and lawyers' fees are significant to settle the conflict. Companies that participate in court proceedings may lose their competitive advantage.

On the other hand, alternative dispute resolution procedures have become increasingly common due to the benefits. Costs are lower, the process is simpler, less formalized, and communication between the parties is more sustainable and managed.

If alternative dispute resolution methods are used, the agreement is reached only if both parties agree to voluntarily participate in the mediation procedure. Expressing their own intent on conflict management is a rationalized approach to conflict.

Although there are some remarkable differences between the various ADR procedures, a common feature can be identified: the dispute is mostly determined by the parties involved and the third party (the intermediary) has less power.

While in court cases the court has absolute jurisdiction to resolve the conflict and to enforce the decision, the parties will determine the outcome of the dispute through mediation, of course, in accordance with the rules and applicable law. In alternative dispute resolution, when the result is reached, that is, at the conclusion of the settlement, the parties may take into account a wider range of rules, especially their business interests (Bercovitch, 2001).

Therefore mediation and arbitration are procedures based on interests and rights. The fact that the business interests are taken into account also means that the parties may decide on the result based on their desired future relationship, and not only on the basis of their past behavior.

According to Abraham Lincoln, the role of lawyers and advocates in conflict management is the role of mediator and negotiator. If lawyers or advocates do not do this, they will only become part of the division and the problem, and not part of the solution (Reavley, 1990; Nies, 1991).

This transforms the conflict into a devastating phase in which contradictory and confrontational parts alternate. This destructive phase is a result that the parties do not want and results in cost, resource growth and dispute resolution.

The settlement of alternative dispute resolution can help to rebuild relationships, restore the original state, establish new relationships, and maintain communication between the parties.

The results of the analysis of the Hungarian data indicate that the statement recorded in the title of Abraham and Eörsi (2003) can be confirmed. Is it bad to litigate? Based on mediator experience, two statements have to be recorded.

The mediator, the procedure of the mediator is not against the court procedure. The two procedures are linked to the question of enforceability - if the parties of the dispute submit the settlement of the mediation procedure to the competent court with jurisdiction, to include in the decision - enforceability is a common issue, a common matter.

The term conflict (Coser, 1956; Dahrendorf, 1959; Pondy, 1967; Fink, 1968) has no single meaning. Most of the confusion around the definition was created by scientists from different disciplines who are interested in studying conflicts. The literature review of the conflict shows the conceptual complexity of the commonly accepted definition of conflict.

The term „conflict“ has no single clear meaning. Much of the confusion has been created by scholars in different disciplines who are interested in studying conflict. Reviews of the conflict literature show a conceptual sympathy for, but little consensual endorsement of, any generally accepted definition of conflict. There is tremendous variance in conflict definitions that include a range of definitions for specific interests and a variety of general definitions that attempt to be all-inclusive. Conflict can be considered as a breakdown in the standard mechanisms of decision making, so that an individual or group experiences difficulty in selecting an alternative. (Rahim, 2011)

Authors analyze conflicts from the point of view of peace: "Peace is nothing but a conflict change in the person of the opponent or the subject of the conflict or ultimately the chances of the election." (Coser, 1998)

## Conclusions

This paper aims to be forward-looking in the sense that it emphasizes the importance of leadership styles in conflict, in conflict management, connectivity and peaceful settlement. In trust based relationships liability has a significant role, to be liable for our decisions we may be recognized as a profit in society, and look at Alternative Dispute Resolution (ADR) approach as a progress, society is going to focus on in the way that this process can bring for the individual as well as for the community the greatest benefit.

*Leadership styles can vary from one person to another, and one has to consider that there are no two identical cases, no two identical decisions.*

*In the future, the relationship between different management styles and conflict resolution will be measured with a questionnaire for managers. Which leadership style prefers the judiciary, which is the alternative dispute resolution.*

*Leadership decisions, the possibilities of settling legal relationships (corporate law disputes, disputes between companies, labor law conflicts) play an important role in the alternative dispute resolution practice and while working with students in education.*

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