



Evaluation of Conflict Management Strategies in Multi-Tenanted Property

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ABSTRACT

Property management deals with the selection of goals and the planning, procurement, organization, coordination, and control of the necessary resources for their development. The management and supervision of an interest in landed property is usually very challenging to the property manager. In the course of management, some issues sometimes led to misunderstandings that may lead to conflict between the tenants, property owner, and the management team. Therefore, the research work is based on the appraisal of conflict management strategies in property management. To achieve the aim, the meaning of management and conflict as well as causes of conflict in property shall be examined. The necessary information required for the work is obtained through the administration of a questionnaire administered to the occupants. The data collected is presented in the form of frequency distribution and percentage in a tabular form. It was observed that the facility provided is electricity only but no provision is made regarding waste disposal, cleaning, and maintenance of the premises, staircase, and parking space. It was also observed that the occupier's response to electricity bill payments is poor. It is recommended that a proper understanding of the needs of the tenant must be known and properly met in order to make them stay in satisfactorily.

INTRODUCTION

Initially, the management of Urban Estate was very much a matter of elementary bookkeeping. However, as the development of large landed estates by way of building leases gained pace, more intricate systems allowing for taxation, obsolescence, and replacement were required. A more professional approach towards measurement, valuation, the construction of leases, and the subsequent management of premises became necessary. (Fisher, 2000).

Property management can be defined as the selection of goals and the planning, procurement, organization, coordination, and control of the necessary resources for their achievement.

Management is defined as the science of organization and operation of or at the practical level, the act of directing and conducting affairs while property is any physical or intangible

entity that is owned by a person or jointly by a group of person(s). Depending on the nature of the property, the owner of the property has the right to use, sell, rent, mortgage, transfer, and exchange the properties and to exclude others from doing it (Aibanghee, 2003).

The management and supervision of an interest in the landed property is usually very challenging for the property manager. An interest in land assets as freehold or leasehold interest. Whatever interest is to be managed, in the course of management, there are some deliberations or issues that sometimes lead to misunderstanding that may lead to conflict between the tenants, property owner, and the management team. This often occurs in the management of housing estates.

The management of large housing estates like the management of most properties is problem-oriented due to the tripartite nature of property management (occupants, landlord, and the management team) (Olayonwa, 2000):

The interest of parties often conflict in terms of incessant increases in rent, and inadequate provision of facilities to justify the increase in the rent paid by the tenant. The relationship that exists in a housing estate can be between the property owner and tenant, tenants and tenants, property owner and property owner, property owner and estate manager, and tenants and estate manager. The areas of conflict are failure to abide by terms in the lease agreement, change of use to which the land or property is put, service charge administration, the default of payment of rent, non-remittance of rent, unreasonable frequent rent review, nuisance, religious differences, inconsiderate routine inspection, lack of prompt attendance to complain and so on.

Conflict is an inescapable part of life; it is an inevitable result and outcome of a complex competitive-oriented society. Conflict is defined as a struggle or contest between people with opposing needs, ideas, beliefs, values, and goals. This may result, as different people perceive incompatible differences resulting in some form of interference and opposition. Conflict is a result of dissatisfaction, frustration, and incompatibility in the relationship between individuals, groups, or between an individual and a group (Olalonde, 2006). Conflict management is the ability to recognize a problem, analyze its features, procure some alternative to its impacts, and provide opportunities for its reconciliation and promotion of the means of establishing or attacking the goals that were initially anticipated. Conflict management is based on the principle that conflict well-managed decreases in the odds of non-productive conflict escalation.

AIM AND OBJECTIVES

The aim of this paper is to examine conflict management strategies in the management of property. To achieve this aim, the following objectives shall be followed.

1. Identify the causes of conflict in property management

2. Examine the procedures settling disputes in the management of property.

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

Marquis and Huston (1996) defined Conflict as “the internal discord that results from differences in ideas, values Or feelings between two or more people. Conflict is an expression of natural disagreement between people, groups, or organizations. Conflict may also be in the form of organized activities in terms of debates and struggles, interest and perception regarding needs, wishes, ideas, and interests of people, conflict arises when individuals or groups compete for viable purposes, objectives, and goals that both parties try to obtain by displaying the most viable means.

Property management is a product of shelter. That is, if there are no shelters, there will be no property to manage. The definition of property management depends on the perspective from which the writer is looking at it. It is of utmost importance to bring into focus what different people have written or expressed generally on the management of property.

According to Thorncroft (1972), property management is the direction and supervision of an interest in landed property with the aim of security optimum returns, the returns need not always be financial but in some other terms such as social benefit, status, prestige, political power or some other goals or group of goals. Thomcroft’s definition includes two keywords, direction, and supervision. The word direction means estate plan, which directs the activities of the parties concerned with the management of the property. Supervision involves the exercise of control and routine supervision.

Olalonpe (2006) citing Ratcheliffe sees property management as an act of managing the resources of the people out of land or more specifically a study of the economic and social consequences of applying resources to the development of land whether by political direction or proprietary actions within the framework of laws. Aibamgbe (2003) quoting Allsop, defined property management as the selection of goals and the planning procurement, organization, or coordination and control of the necessary resources in landed property for their achievement.

Olalonpe (2006) referencing cross, defined property management as the branch of real estate composed of renting, supervising collecting, and the overall maintenance and management of real estate for others. Olayonwa (2000) citing the royal institute of chartered surveyors policy review defined property management as “all facets of the use, development of urban land, including the sale, purchasing and letting of residential, commercial and industrial property and the management of urban estates and advice to the client on planning.

In Olalonpe (2006) conflict is based on the incapability of goals which arises from opposing behaviors and beliefs that one part is attempting to deprive another of something which they value.

Managing conflict is a major responsibility of estate managers. Conflict management involves both stimulating functional conflicts and resolving dysfunctional ones. Recent development in conflict management stresses both conflict stimulation and conflict reduction techniques. It is noted that benefits are possible but not always achieved. If conflict stimulates diverse ideas and if it is well managed, it can have a positive influence on property management performance. However, unmanaged conflicts can have a detrimental effect on management, thus any effort to manage conflict must aim at promoting positive consequences while minimizing negative effects (Olalope, 2006).

PROPERTY MANAGEMENT FUNCTIONS

According to Chika (2006), the primary goals of property management are to;

- i. Achieve the objective of the property owners
- ii. Generate income for the owners and
- iii. Preserve or increase the value of the investment property.

However, the property management functions can be classified into two broad groups:

- i. Routine management functions
- ii. Property maintenance functions

ROUTINE MANAGEMENT FUNCTIONS

These functions are concerned with matters, which have to be attended to from time to time to ensure the smooth running of an estate. This can also be referred to as traditional functions of estate management.

The stages in the process are steps that must be carried out to perform the following functions.

1. Rent collection: It is the duty of the property manager to ensure that rent is paid in the manner stipulated when due. To this end, he ensures that notices for payment of rent are sent to all tenants before the rent falls due in order to avoid rental default; and in the event of default, he must take appropriate steps to remedy the situation.
2. Preparation and interpretation of the lease: The estate manager is responsible for advising solicitors on the terms that are needed for meeting the objectives of the owners. The estate manager must be knowledgeable in laws relating to property owners' and tenants' relationships to be able to interpret leases. Nevertheless, the solicitors rely upon the professional counsel of the estate manager in the following terms

- i. Description of properties
 - ii. Length of the lease term
 - iii. The rent payable
 - iv. Provision and restriction of sub-letting
 - v. Responsibility for service repair and insurance
 - vi. Payment of service charges
 - vii. Covenants between landlord and tenants
3. Tenant selection: a good tenant selection will lead to good property management thus making the selection of tenants very important in estate management; the means of reaching out to prospective tenants are:
 - i. Advertisement in newspapers
 - ii. Billboards
 - iii. Information technology such as the internet
 - iv. Handbills and bulletins

The criteria considered in the selection of tenants are;

 - a) Character
 - b) Financial ability and security
 - c) Agreement between the landlord and the tenant
 - d) Family size
 - e) Suitability of use
 - f) Landlord preference
4. Periodic inspections: The property manager undertakes periodic inspections of the property. The aim of this periodic inspection is to enable the manager to ascertain the nature, and extent of repair works to be carried out (if any), and the level of compliance of tenant covenant and to stop early enough any breach of such covenants.
5. Listening to tenant complaints: Listening to tenants' complaints and acting on behalf of the property owner to take immediate action on such complaints.
6. Action under lease: this is the enforcement of all covenants contained in the lease agreement, that is, property owner and tenant covenant. To ensure compliance, frequent inspection of the property is necessary. An estate manager should as well give adequate notice for rent payment, renewal, and meeting notice. An estate manager should avoid delay in enforcing a breach of the covenant as it can lead to problems in management.
7. Record keeping: The property manager ensures that records of all transactions concerning the property are well kept and that report of such records is rendered to

the property owner from time to time. Such records will include information about tenants, their leases, as well as service charge amount.

8. Settlement of rates and taxes: it is the function of the property manager to ensure that all rates and taxes levied on the property are remitted to the appropriate authorities when due.
9. Insurance: The property manager will ensure that adequate insurance coverage is taken out on the property. He also ensures the regular payment of insurance premiums on the insured property. When properties are not adequately insured, they may soon be out of existence because certain mishaps can affect them. The best basis of insurance coverage should always be reinstatement; that is when total cost is lost; the property will be put back into its former position as soon as possible. The property manager must ensure regular payment of premiums on the insured properties (Marquis and Huston)

MEANING OF CONFLICT

The term conflict carries a variety of definitions depending on the usage and the context of its usage. The Oxford Advanced Learner's Dictionary (2000) defined conflict as a situation in which people, groups, or countries are involved in a serious disagreement or argument, a situation in which there are opposing ideas, opinions, feelings, or wishes. Oni (2008), citing the Chambers English Dictionary, defined conflict as a crucial or decisive movement, a turning point, a time of difficulty or distress an emergency. It is also defined as chaos between parties resulting from selfish interests or misunderstanding of the parties involved.

Also, Oni (2006), quoting Morgan, defined conflict as a situation in which an effort is deliberately made by a party to prevent the effort of another party from realizing his goals or interests. The view of Olalonpe (2006) quoting Rahim is that conflict as an interactive process is manifested in incompatibility, disagreement to differences within or between social entities. In addition, conflict is viewed as tension within the organizational system.

Olalonpe also defines conflict as quoted by Gardinor and Simmons as any divergence of interest, objectives, or priorities between individuals, groups, or organizations or non-conformity to the requirement of a task activity or process.

Olalonpe (2006) explains conflict to imply some types of hostility and perhaps some desires to do harm which may be considered an extreme case of competition. Conflict can be seen to differ from competition. Conflict situations denote both incompatible goals and opposing behavior whereas competition may still arise when there is a greater commonality of goals and may involve only limited opposing or even some cooperative behavior. In competition, individuals or groups do not obstruct or interfere with each other in attempting to satisfy their goals.

Olalonpe explained further, that conflict could be more readily understood if it is considered a dynamic process. Conflict relationships between two or more individuals in an organization can be analyzed as a sequence of conflict episodes. Conflict begins with a condition characterized by certain conflict potentials. The parties to the relationship may not be aware of any basis of conflict and they may not develop hostile affection for one another. Depending on a number of factors, their behavior may show a variety of conflict traits.

IMPORTANCE OF CONFLICT

The negative side of conflicts is often identified but it can also produce some positive outcomes for the organisation. Some potential benefits of conflict are:

- Conflict clarifies the real issue when people in a group express their concerns and differences. It helps to sharpen the real issue involved in a problem.
- Without conflict, many problems in the management of property go unnoticed and remain unsolved.
- Conflict increases innovation. It generates a diversity of ideas and viewpoints; such diversity can stimulate innovation in property management practice.
- Conflict serves as a relief. Conflict can provide an outlet through which tenants, property owners, or the property manager can express their feelings without jeopardizing the property management objectives (Thomas and Kuman, 1974).

CONFLICT MANAGEMENT PROCESS IN PROPERTY MANAGEMENT

EVALUATION OF THE CONFLICT PARTIES

Olalonpe (2006) states that if one chooses to manage a conflict situation, it is important that one should take time to know the parties who are involved in the conflict; what interest does each party represent? What are each party's values, personalities, feelings, and resources? In managing conflict, it is important to view the conflict situation through the eyes of the conflicting parties. The possible conflict parties in the management of large housing estate are the occupant or tenant, the management crew, the landlord, or their agents. The interest of these parties should be evaluated.

ASSESSMENT OF THE CAUSE OF CONFLICT

Conflicts do not just arise without reason. They have causes. The approach to managing conflict is likely to be determined largely by its causes.

- **Functional conflict:** This is a disagreement between two or more parties that improves or benefits the organization's performance. It brings about efficiency and effectiveness of their current operation and leads to the effectiveness or the

organization as a whole. Functional conflict is of constructive nature - they support the goals of an organization.

- **Dysfunctional conflict:** Prevents an organization from achieving its goals and is destructive in form. This can also be termed destructive conflict. Fisher (2000) defines destructive conflict as a social situation in which there are perceived incompatibilities in goals or values between two or more parties. Attempts by the parties to control one another and have antagonistic feelings toward other.

CONFLICT MANAGEMENT STRATEGIES

This is also referred to as the way in which conflict is handled or managed. When an estate manager is faced with a conflict situation, he can handle it in a number of ways depending on the conflict situation; these range from full cooperation to outright confrontation as explained by Olalonpe (2006) quoting Blake and Mouton (1964) and Rahim (1983).

Olalonpe (2006) citing Thomas (1976) suggested the dimension of assertiveness and cooperatives in classifying the strategies for managing conflicts.

- i. Accommodating
- ii. Avoiding
- iii. Collaborating
- iv. Compromising
- v. Forcing

ACCOMMODATING

This requires high cooperation and low assertion of the other party. This happens when people of different classes and lifestyles co-habits. The accommodating strategy simply encourages the parties to cover up and avoid the expression of their feeling and therefore is not typically effective as an overall style.

The goal of accommodating is to maintain a harmonious relationship by pacing another's needs and concerns above their own. Important to the other party but insignificant to the accommodating party (Asubiojo *et al*, 2005).

AVOIDING

Avoiding shows little assertion or cooperation if it is withdrawing from or suppressing the conflict. The management mostly applies this conflict strategy when the conflict at hand is between two or more of the occupants. It is most appropriate when the conflict is not serious (Asubiojo *et al.*, 2005)

COLLABORATING

This is also referred to as confrontation. Confrontation involves considerable assertion and cooperation in an attempt to satisfy the need of both parties. A major task of managing group conflict is to find a set of common goals that can be achieved by the competing parties and

benefit them both. All parties to the conflict seek to satisfy their interest. It is typically characterized by open and honest discussion among parties active listening to understand the differences and careful deliberation over a full range of alternatives to find a solution that is advantageous to all.

COMPROMISING

This requires some assertion and cooperation in an attempt to satisfy the needs of both parties. It requires each party to give up something of value. Compromising is necessary when the two parties find no ground for collaboration but want to avoid competition (Howand, 2001).

In addition, compromise can be an optimum strategy when;

- It is desirable to achieve a temporary solution to a complex issue.
- Both parties perceive the possibility of reaching an agreement in which each party would be better off or no worse off than if no agreement is reached.
- Time pressure demands an important solution.

FORCING

This is characterized by high assertion and low cooperation based on coercive power where the solution reached is satisfactory to only one of the parties. It is referred to as competing in some books. This is also called a zero-sum game, that is one party wins at the expense of the other and when one win is added to the other loss, the sum amount to zero. In the management of large housing estates, this strategy may be the best to deal with conflict. It is a mode that can bring about force payment of charges.

RESEARCH METHODOLOGY

The population of the study comprises the management surveyors of some selected multi-tenanted commercial properties. Data for the study were gotten from both primary and secondary sources. The primary data were gotten from the questionnaires administered on conflict management in multi-tenanted commercial properties. The secondary data were derived from relevant journals and books. The retrieved questionnaires were analyzed using table frequency and percentage.

THE DEGREE OF OCCURRENCE OF CAUSES OF CONFLICT IN PROPERTY MANAGEMENT

Causes of conflict	Always	Rarely	Never	(%)
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Parking space	-	3	-	8.33
Waste disposal	4	-	-	25
Cleaning of the premises	4	-	-	25.0
Maintenance of common parts	4	3	-	25.0
Payment of utility bills	4	-	-	25
Total	16	06	-	100

Source; Field Survey 2018

Table 1.0 Show the degree of occurrence of causes of conflict in property management. 3 respondents admitted that conflict arises rarely from parking space, 4 respondents agreed that conflict arises always from waste disposal, 4 responded that conflicts arise due to cleaning of the premises, 4 and 3 respectively responded that conflict arises always and rarely from maintenance of common parts and 4 responded that conflict arise always from payment of utility bill.

THE CAUSES OF CONFLICT IN THE COMPLEX

Causes of conflict	Frequency	Percentages
Payment of electricity	-	-
Parking space	-	-
Waste disposal	-	-
Cleaning of the premises	-	-
Payment of utility bills	-	-
All	22	100
Total	22	100

Source; Field Survey 2018

CONCLUSION

Most multi-tenanted commercial properties were only provided with electricity but no provision is made regarding waste disposal, cleaning, and maintenance of the premises, staircase, and parking space. This is responsible for putting on action or activities that disturbed the management properties also the occupier response to electricity bill payment is very poor, which led to frequent or often disconnection of electricity. This led to frequent or often disconnection of the electricity supply to the complex.

Therefore, there is a need for the adoption of other means of conflict management such as arbitration, negotiation, conciliation, and bargaining for effective management of multi-tenanted properties to foster good property owner and tenant relationships.

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