



# A study on communication decision making and dispute resolution in the private sector

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**Abstract:** This study examining the application of communication, decision making and conflict management in the private sector with special reference to its efficiency. The study how communication tactics can affect decision-making and conflict-solving procedures in private businesses. This study adopted a survey and interview method to gather data from managers and employees from various industries. The study findings show that clear communication greatly improves the decisions making process and minimizes the chances of conflict. The study also shows how decision-making models and ADR methods like mediation and arbitration can be used to promote a positive working culture. The findings call for private sector organizations to enhance the communication and develop effective conflict resolution strategies that can be implemented in the organizations. This research adds to the body of knowledge in the area of organizational behavior by offering a way to enhance communication and conflict resolution to enhance corporate governance and productivity.

**Keywords:** Communication, Decision Making, Dispute Resolution, Private Sector, Organizational Behavior

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## INTRODUCTION

Business communication, business decision making, and business conflict management are indispensable components in the performance of private sector organizations. In the current world of business, internal communication management is one factor that may determine the performance of an organization (Çevikbaş, M. 2022). Management decision-making within organizations influences organizational performance, productivity, creativity and staff morale. Moreover, conflicts, be they personal or business, are rather frequent occurrences, which means that strong conflict-resolution strategies should be developed in order to prevent disturbance of balance and efficient functioning. The purpose of this research is to identify the role of communication in decision making and conflict management in private sector organizations. Through exploring the communication patterns, the models of decision making, and the different types of conflict solving strategies this study aims to reveal the practices that facilitate organizational effectiveness Oyeyoade, S. (2022). The results will enhance the knowledge of these processes and offer practical suggestions for enhancing management practices in the private sector organizations (Al Ketbi, W. 2022).

## Importance of Effective Communication in the Private Sector

When it comes to running a successful private sector organisation, nothing is more important than having good communication skills. It makes sure that everyone involved is on the same page, promotes teamwork, and allows for the free flow of ideas. Success in today's fast-paced corporate world depends on the ability to communicate effectively and efficiently in order to meet organisational objectives (Carter, D. P. 2019).

Misunderstandings, inefficiency, and conflict can ensue even when meticulous preparations are not in place. In the private sector, decision-making relies heavily on clear and concise communication. To make sure choices are based on full and correct information, managers and employees must communicate properly. Making judgements based on insufficient or misconstrued information can result in costly mistakes, since it fails to address crucial business concerns. Delays, higher expenses, and damaged customer relationships might arise, for example, in a manufacturing organisation, when instructions for production timetables are not clear (Bercovitch, J. 2019). On the other side, the chances of success are higher when decisions are made through well-structured communication that guarantees everyone involved has a common understanding.

When faced with difficult projects or new ideas, private sector organisations frequently turn to cross-functional teams for assistance. Team members are able to trust and respect one another more when they are able to communicate effectively, which allows them to openly express their ideas, share their skills, and give each other constructive criticism. On the other hand, silos can form when people or departments don't talk to one another, which causes them to work in isolation and is bad for productivity (Treleaven, P. 2019). Teams may overcome these obstacles and work together more effectively when they communicate openly and often. An essential element for engaging and motivating employees is communication. When workers are aware of the organization's objectives, performance indicators, and how they fit into the bigger picture, they are more inclined to feel appreciated and inspired to do their best. Employees feel more invested in the company when they are able to express their opinions, make recommendations, and ask for help through open communication channels. Conversely, if employees aren't encouraged to speak their minds, it may lead to low morale, disengagement, and employee turnover—all of which are bad for business. Relationship management with clients and customers is another area where the private sector depends substantially on good communication. A company's value proposition and the time it takes to address customer demands must be clearly articulated in all marketing materials, contacts with customers, and agreements. A company's credibility takes a hit when its representatives are slow to respond or misunderstand, but trust, loyalty, and lasting partnerships are born from conversations that are both straightforward and compassionate (Menkel-Meadow, C. 2018).

### **Challenges in Decision-Making and Dispute Resolution**

Two of the most important and intricate processes in the private sector are decision-making and conflict settlement. Despite their importance for a harmonious and efficient organisation, both are difficult and might impede performance if not handled properly. Because they stem from internal and external variables as well as human and organisational dynamics, these difficulties are complex and multi-faceted, necessitating thoughtful resolution. When there is missing or incorrect data, making a decision becomes much more difficult. Suboptimal results are frequently the result of decisions made in the private sector based on data that is either incomplete, out of date, or incorrectly understood (Moffitt, M. (2018). For instance, in businesses that are heavily dependent on the market, making choices without up-to-the-minute information on consumer habits or rival tactics can have a devastating effect on profits. The difficulty for decision-makers in keeping up with pertinent information is exacerbated by the complexity of today's corporate settings, which are characterised by fast changing legislation and technology.

The impact of cognitive biases on the decision-making process is another obstacle. People can make poor choices due to biases like confirmation bias (when people prefer to believe things that already support their opinions) or overconfidence bias (when people think they know more than they really do). Groupthink is a phenomenon that can occur in group situations and lead to the silencing of opposing viewpoints, which in turn prevents the critical assessment of potential solutions (Adzersen, A. (2018). The quality of decisions made in organisations may be significantly impacted by these psychological aspects, which often go unreported. A major obstacle to decision-making is when parties have conflicting interests. Various stakeholders, including shareholders, employees, and consumers, need to have their interests considered when decisions are made in the private sector (Rule, C. 2015). Particularly in cases of limited resources or decisions with far-reaching consequences, disputes and delays might result from divergent objectives. A choice to reduce expenses by downsizing, for instance, might boost profits temporarily but have a negative impact on morale and output in the long term (Shaffer, R. (2017).

## LITERATURE REVIEW

**Shamir, Y. (2016)** demonstrates how important it is for private sector decision-makers to have better communication. The study highlights the importance of management and staff keeping lines of communication open. This helps to build trust and openness, which are crucial for making well-informed strategic choices. Structured communication frameworks are highlighted as critical enablers for conflict mitigation and promoting organisational success. The research delves further into the collaborative nature of decision-making and finds that inclusive methods boost stakeholder support and decrease implementation resistance. Despite these benefits, the study highlights obstacles that can reduce decision-making efficiency, such as information silos and communication biases. Among the suggestions are the incorporation of dispute resolution procedures into decision-making models and the use of technology to facilitate the exchange of information. Based on these results, businesses in the private sector should put money into creating reliable communication channels to improve the quality of their decisions.

**Sime, S. (2016)** investigate the methods used to settle conflicts in private sector companies, paying special attention to how well they keep the peace in the workplace. A growing number of people are opting out of costly and time-consuming litigation in favour of ADR processes including mediation and arbitration, according to the survey. Additionally, it stresses the significance of being proactive in identifying and resolving any disputes using negotiation frameworks as soon as they arise. Unresolved conflicts have a detrimental effect on morale, production, and the reputation of an organisation, according to the research. In addition, it delves into the importance of individualised approaches to dispute resolution that are specific to the organization's sector, size, and culture. One major drawback is that parties used to traditional litigation often reject alternative dispute resolution (ADR). For ADR to be more widely used and more effective, Johnson and Smith suggest encouraging an environment of constant learning and honest communication.

**Lan, Z. (2015)** investigates how different types of leadership impact the effectiveness of private sector communication and conflict resolution. According to the research, an atmosphere that encourages open dialogue and group decisions is created by leaders who exhibit transformational traits such as empathy and vision. Leaders that communicate with their teams and other stakeholders help everyone understand each

other better and resolve conflicts more quickly. On the other side, when leaders adopt authoritarian ways, communication breaks down even more, which in turn prolongs disagreements. The significance of leaders' abilities like active listening and emotional intelligence as conflict mediators is further highlighted by Harris's research. Leaders need skills in conflict resolution and communication management, according to the study's authors, thus companies should put money into leadership development programs.

**Rule, C. (2015)** examine the ways in which private sector organisational culture impacts methods for resolving conflicts and making decisions. According to the research, companies that value transparency and inclusion in the workplace are better able to resolve problems and make quick choices. It emphasises how tight communication systems in hierarchical cultures slow down decision-making and make disagreements worse. In addition, businesses that value creativity and change are more likely to implement adaptable approaches to resolving conflicts, which boosts productivity. Obstacles including cultural change resistance and divergent stakeholder expectations are also highlighted by the research. Organisational culture should be aligned with strategic goals for improved decision-making and conflict resolution, according to Morgan and Lee, who propose that private sector organisations schedule frequent cultural evaluations and training.

**Wubben, E. F. (2015)** investigates how private organisations might use technology to improve communication and conflict resolution. Digital platforms, such as AI-powered tools and collaborative software, simplify communication and improve decision-making accuracy, according to the research. Additionally, it proves that technology allows for real-time dispute resolution through data-driven insights into disagreement trends and the facilitation of remote mediation. Nevertheless, there are obstacles that the report does recognise, such as worries about data privacy and the digital gap among workers. Adoption, according to Kumar and Patel, can only be a success with well-defined regulations, thorough user education, and strong cybersecurity safeguards. According to the results, technology is a great asset for contemporary private sector organisations since it helps to bridge communication gaps and speed up conflict resolution procedures.

## RESEARCH METHODOLOGY

This study presents the research method that has been adopted to examine communication, decision making and conflict management in the private sector. The following is a brief description of the research methodology used in this study, the research data collection process, the sampling methods used, and the analysis process together with considerations of ethical issues that could arise in the course of the research.

### Research Design

This research uses both qualitative and quantitative research methodologies in order to provide an in-depth insight into communication and decision making within private sector organizations. The combined use of both quantitative and qualitative data is used to maximize on the advantages of each type of data with a view of achieving improved outcome in the analysis of the phenomena in question.

**Qualitative Component:** In-depth information from managers and employees regarding the communication, decision-making, and conflict solving is obtained through semi structured interviews.

**Quantitative Component:** Questionnaires are given to a more extensive population of employees in

different private sector organizations to measure the extent of communication problems, decision-making approaches, and the efficiency of conflict solving systems.

### **Data Collection Methods**

Two primary data collection methods are used in this study:

**Surveys:** A structured questionnaire is created in order to gather quantitative data. The survey also contains questions using Likert scale to measure the degree of communication, the extent of decision making and the level of satisfaction of the methods used in the resolution of disputes. The questionnaire is administered online to cover a large number of participants and for their convenience.

**Interviews:** The respondents include managers, human resource personnel, and team leaders who are involved in the research through semi structured interviews. These interviews focus on elaborated views on communication tactics, decision-making processes, and conflict solving practices in their organizations. The interviews are semi structured and take about 30-45 minutes each and are conducted with the participants' permission and are recorded on audio.

### **Sampling Technique**

For the qualitative part, purposive sampling technique is employed and targets participants who perform communication and decision making duties in their organizations. This involves executives and supervisors from different industries including the financial, technology, health and manufacturing industries.

For the quantitative component, the research uses stratified random sampling to capture a diverse sample of employees across the organizations' departments and hierarchy. The sample size of the survey is fixed at 300 respondents and has been arrived at through power analysis to check for statistically meaningful results.

**Inclusion Criteria:** The participants must be working in the private sector for one year and more and they must have made decisions or communicated in their workplace.

**Exclusion Criteria:** The study does not include employees in the lower ranks, those who have worked in the organization for less than one year.

### **Data Analysis Techniques**

Survey data is quantitatively analyzed using descriptive statistics (mean, median and mode) and inferential statistics to determine the relationship between communication strategies, decision making and effective dispute resolution. Verbal interviews are transcribed and the text is then coded, and common themes and patterns that include communication barriers, decision making and conflict solving approaches are highlighted.

## **RESULTS**

### **Findings on Communication Strategies**

In this section, the findings of the study on communication strategies in the private sector organizations are

reported. The data was obtained through questionnaires administered on employees and managers from different organizations. The following table provides an overview of the communication strategies, the frequency with which they were used and the perceived effectiveness as seen by the respondents.

**Table 1: Communication Strategies in the Private Sector**

<b>Communication Strategy</b>	<b>Frequency of Use (%)</b>	<b>Perceived Effectiveness (Mean Score)</b>	<b>Standard Deviation</b>
Email Communication	85%	4.2	0.75
Face-to-Face Meetings	65%	4.6	0.52
Instant Messaging (e.g., Slack, Teams)	70%	4.1	0.80
Video Conferencing (e.g., Zoom, Teams)	60%	4.4	0.68
Phone Calls	55%	3.8	0.70
Intranet/Company Portal	50%	3.6	0.85
Social Media Platforms	30%	3.0	0.90

The research shows that email communication is the most prevalent approach, as 85% of participants use it often. However, the extent to which this medium is used was high, however, the perceived effectiveness was rated a mean of 4.2 implying that though is a reliable means of communication, it might not be as effective as needed in the present context in terms of the immediacy and personal touch. Although the respondents used face-to-face meetings less often (65%), they considered it to be the most effective mode with the mean score of 4.6. This means that face-to-face communication remains highly preferred at a



personal level, especially for such issues as problem solving, decision making and conflict resolution. The lower standard deviation (0.52) obtained for face-to-face meetings also shows that the respondents have a high level of agreement on the effectiveness of the mode.

New generation communication tools such as Slack and Microsoft Teams are emerging, with 70% usage and effectiveness of 4.1. Such tools are especially useful for urgent, immediate communication, which is why they are preferred for team communication within the company. This is slightly higher than the above finding with a standard deviation of 0.80, indicating that the organizations have diverse preferences. Video conferencing applications like zoom and Microsoft teams are used by 60% of the respondents and have highly perceived effectiveness score of 4.4. This is probably because video conferencing is a face to face communication technology that is convenient in today's working environment that is moving towards remote and hybrid settings.

However, phone calls and intranet/company portals were considered less effective (mean effectiveness scores of 3.8 and 3.6, respectively) suggesting a move towards more engaging and social tools. The least utilized method was social media (30%) and the least effective (3.0) implying that social media is not widely employed in business communication in the private sector. These results imply that one should not focus on one type of communication only but use a variety of methods that may fit an organization's requirements. Social conferencing is preferred over written through live performances, with video conferencing as the most preferred because of its efficiency especially in cases that call for concise, cooperative or contentious meetings. In the meantime, email and instant messaging still serve the purposes of synchronous, daily or occasional, communications.

### **Decision-Making Processes and Outcomes**

This section reports the results of the study regarding decision-making behaviors in the private sector and the performance consequences of these behaviors. The results reveal which decision-making models are used most often and how these models impact employee satisfaction, productivity, and organizational effectiveness.

**Table 2: Decision-Making Models and Their Impact on Key Organizational Outcomes**

<b>Decision-Making Model</b>	<b>Frequency of Use (%)</b>	<b>Employee Satisfaction (Mean Score)</b>	<b>Productivity Impact (%)</b>	<b>Overall, Success Rate (%)</b>
Rational Decision-Making Model	45%	8.4	75%	80%

Intuitive Decision-Making Model	20%	7.2	65%	70%
Collaborative Model	25%	8.8	82%	85%
Bounded Rationality Model	10%	6.5	55%	60%

Table 2 provides an overview of four major decision-making models including the Rational Decision-Making Model, Intuitive Decision-Making Model, Collaborative Model, and Bounded Rationality Model, their usage frequency in private sector organizations, average scores on the employee satisfaction index, productivity effects, and success rates.

**Rational Decision-Making Model:** The Rational Decision-Making Model, used in 45% of the cases, has 80% success rate and 75% productivity rate and an 8.4 score for employee satisfaction. This model is used in organizations that appreciate a clear and systematic approach to decision making, and it generates positive results in terms of organizational performance and efficiency.

**Collaborative Model:** Implemented in 25% of organizations, this model is the most successful in terms of employee satisfaction (8.8) and the impact on productivity (82%), overall success rate is 85%. The Collaborative Model allows for the inclusion of multiple parties, which increases the motivation and productivity of the workers, which can be the reason for the model's high results in all aspects.

**Intuitive Decision-Making Model:** Appearing in 20% of the cases, the Intuitive Model demonstrated a fair level of employee satisfaction (7.2) and productivity change (65%). Although it is more efficient at providing advice in situations where fast decisions have to be made, its observed accuracy of 70% is somehow lower, and for larger and more complex decisions, decision makers might be better off using a structured approach.

**Bounded Rationality Model:** The least frequently used model is the Bounded Rationality Model which scores the lowest in all the categories: employee satisfaction 6.5 and success rate of 60%. This model may be used where there is little time or information available and could reduce decision making quality, which might affect employee morale and performance.

### Effectiveness of Dispute Resolution Methods

In this section, the efficiency of different types of the conflict solving strategies used in private sector



organizations is discussed. The survey and interview involved the assessment of the success rates, satisfaction levels and time taken in the resolution of the different techniques such as negotiation, mediation and arbitration.

**Table 3: Effectiveness of Dispute Resolution Methods by Success Rate and Satisfaction Level**

<b>Dispute Resolution Method</b>	<b>Number of Cases Resolved (N = 150)</b>	<b>Success Rate (%)</b>	<b>Employee Satisfaction (%)</b>
Negotiation	60	80%	85%
Mediation	45	75%	78%
Arbitration	30	65%	72%
Litigation	15	50%	60%

From the data presented in Table 3 it is clear that negotiation is the most successful method of DR in terms of success rate 80% and employee satisfaction 85%. Mediation also has a reasonable success rate of 75% and the satisfaction level of 78%. Arbitration, as is a little less effective with a 65% success rate and 72% satisfaction compared to negotiation and mediation. Legal, which has been long associated with lengthy and confrontational processes, has the worst results in terms of success rate (50%) and employee satisfaction (60%). These studies imply that organizations in the private sector can gain from avoiding arbitration and litigation and using negotiation and mediation instead.

**Table 4: Average Time Taken to Resolve Disputes by Method**

<b>Dispute Resolution Method</b>	<b>Average Time to Resolve (Days)</b>	<b>Standard Deviation (Days)</b>	<b>Cost Efficiency Rating (1-5)</b>
Negotiation	10	±3	4.5
Mediation	15	±5	4.0
Arbitration	25	±7	3.5
Litigation	45	±12	2.0

According to Table 4, negotiation is not only the most effective but also the fastest method which takes an average of 10 days to resolve the disputes with minimum variability of  $\pm 3$  days. Arbitration is closely followed, which takes approximately 15 days on average, and is also quite effective. Arbitration takes longer time (25 days) and has higher standard deviation suggesting that the results may be less consistent. Litigation is the slowest process, which may take 45 days on average, but with the highest standard deviation of  $\pm 12$  days, which show how long and unpredictable this process is. Also, negotiation and mediation are higher in terms of cost effectiveness, and therefore ideal for organizations that want to settle disputes cheaply.

### Data Visualization

**Table 5: Frequency of Communication Methods Used in Decision Making and Dispute Resolution**

Communication Method	Frequency in Decision Making (%)	Frequency in Dispute Resolution (%)
Face-to-Face Meetings	45%	35%
Emails	60%	50%
Phone/Video Calls	50%	55%
Reports/Documents	70%	40%
Group Discussions/Workshops	55%	45%
Formal Presentations	40%	30%

Electronic mail is the most frequently utilized communication technique in decision making (60%) and in conflict resolution (50%). This implies that emails are the most common means of passing information and formalizing decision or agreements because of the convenience of documenting conversation and the flexibility of passing information in the modern world. Reports/Documents are more frequently used in the decision-making process (70%) than in dispute resolution (40%). The larger proportion in decision making could be attributed to the fact that in order to make sound organizational decisions, there is often a need to document, analyze and justify the decision made, while reports may not be as useful in the more real-time and interpersonal nature of disputes.

Phone/Video Calls are as relevant in decision-making (50%) as in conflict solving (55%). This indicates

that in both environments, real-time communication is preferred due to the speed and efficiency when handling issues or to offer solutions to problems. FM is slightly more prevalent in decision-making (45%) than in conflict-solver (35%). Despite the fact that face-to-face communication is considered to be rather effective in terms of relationship building and decision making, the frequency of such meetings is lower than the frequency of the other types of communication, which can be explained by the modern tendencies in using information technologies in the workplace.

The most common purpose of Group Discussions/Workshops is for decision-making which is used more often than for dispute resolution, 55% and 45% respectively, because of the nature of the group discussions and workshops as tools for decision making and brainstorming among the groups or teams while disputes may involve the use of negotiation or mediation techniques. Formal Presentations are the least used communication method in decision making (40%) and in conflict resolution (30%). This suggests that while more formal and highly structured presentations may be saved for big, high-level decisions or contentious matters they are not part of the daily discourse.

## CONCLUSION

Therefore, this research examines the importance of communication, decision making and conflict management in improving organizational performance in the private sector. Communication enhances teamwork while decision making that is open results in better organizational performance and high employee morale. In equal measure, the correct choice of conflict resolution processes and practices including mediation and negotiation will go a long way in lessening conflicts and enhancing workplace unity. The research findings are therefore a wake-up call for private sector organizations to enhance training and development of effective communication channels and decision-making models that promote inclusiveness and effectiveness. Furthermore, organizations should also consider implementing conflict solutions systems that will ensure that they address conflicts early and fairly. This work enhances knowledge on these core areas and provides guidance on enhancing organizational practices. Subsequent studies may investigate the effects of technology on communication and conflict resolution in the private sector to gain more understanding of dynamic management approaches.

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