

Policy on Conflict Management

Purpose

The purpose of this policy is to help associates of Nagarjuna Fertilizers and Chemicals Limited (NFCL) understand the different alternatives available to deal with conflict in the workplace in a timely, fair and satisfactory way. The goal of the Conflict Management System (CMS) is to resolve conflicts at the lowest possible level using procedures that address and respect the needs, interest and rights of NFCL associates.

Policy

A respectful workplace is a right and a responsibility of all associates at NFCL. Treating people with civility and respect is an important workplace responsibility and all associates are expected to be proactive in handling conflict in the workplace. To help associates carry out this responsibility the company provides safe, fair, efficient and accessible processes, both formal and informal. These processes will be coordinated through NFCL's conflict management system. Associates should not be retaliated against for using this system to try to resolve problems and conflicts.

Objectives:

To establish a company-wide dispute-handling plan that:

- Provides for the timely and satisfactory resolution of conflict at the lowest possible level and in the most cost-effective manner
- Embodies principles of fairness, equity, respect and accessibility
- Decrease the reliance on adversarial processes
- Is proactive (not reactive)
- Respect the rights and interests of all stakeholders
- Values conflict as a source of information and change

Applicability

This policy applies to all the associates of the company.

Conflict Management System Introduction

Conflict is a normal part of the life of any organization. This is because members have different and often opposing views and goals based on their own beliefs and value system. These differences, if well managed, keep the organization vibrant by stimulating creativity, promoting innovation and bringing about change. Organizations devoid of conflict would become apathetic.

While conflict is unavoidable, anger, grudges, hurt and blame do not have to be. These are the symptoms of badly handled conflict, which can discourage collaboration and sour working relationships.

At NFCL we are committed to learn how to avoid the negative side of conflict, while using the positive side to help ourselves and the organization grow and learn. There are *two basic things we need to accomplish* to achieve the goal of effective conflict management:

From NFCL: the availability of policies, guidelines and processes to help associates resolve their problems and conflicts at the lowest possible level in a safe, fair and efficient manner. This is attained through informal and formal conflict management processes. These tools will be effectively coordinated through the conflict management system (CMS).

From associates: a respectful and positive attitude towards others and a proactive approach towards the handling of conflict in the workplace. Associates are encouraged to develop the skills necessary to initiate discussions, listening, communicating, empathizing, learning, compromising and seeking out resources to resolve the conflict in a safe, fair and efficient manner. To achieve this, the company offers the opportunity of skill building through training. These skills and a respectful attitude in the workplace is considered an important part of the associates' performance evaluation

Basic Communication rule:

This policy is a commitment to attempt to resolve disputes and problems at the lowest level possible. As a general rule, **people having conflicts or problems with other(s) have a duty to first try to resolve their issues directly.** If direct communication fails to resolve the conflict or problem, it is appropriate for them to request that a supervisor assist in the communication process.

First: Direct communication:

As a general rule, anyone with a problem or conflict with coworker(s) or a supervisor should first bring it to the attention of the other(s) and try to resolve it in a positive manner.

The other person(s) receiving the request for direct communication should agree to meet as soon as possible, try to resolve the problem or conflict in a positive manner and refrain from any type of retaliation.

When direct communication cannot resolve the problem or when direct communication does not hold much promise or can do more harm than good, parties can request assisted communication with a common supervisor or a mediator.

Then- Assisted Communication:

When direct communication between the parties is not successful in resolving the conflict, the parties can request the assistance of their immediate supervisor. If the conflict is with their immediate supervisor, the assistance of the next common supervisory level can be requested.

The supervisor(s) of the parties should meet with them and try to resolve the issue by helping them find a solution that is fair and efficient for the problem or conflict.

If the parties fail to reach a solution by themselves and even with the assistance of immediate supervisor, the same need to be escalated to the Head of the Department (HOD). The decision of the HOD is final and binding on all parties.

Apart from the above set procedure for conflict management, if the associate is highly aggrieved, he may directly approach the Managing Director of the company for resolving the conflict.