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Resolving Business Disputes: The Crucial Role of Conflict Management in Holding Company Restructuring

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ABSTRACT
This research discusses conflict management and business dispute resolution in the context of holding companies, with an emphasis on the impact of restructuring. Using a qualitative analytical approach, this research carefully explores the conflict management strategies implemented to overcome differences among business entities incorporated in a holding company. The objectives of this study include analyzing the internal and external factors that trigger conflict within the holding company, with a particular focus on the impact of restructuring on conflict dynamics. In addition, this study aims to assess the effectiveness of various conflict management strategies applied in resolving business disputes under restructuring situations, understand the impact of restructuring on relationships between business units within the holding company, analyze the role of leadership in reducing conflict and facilitating dispute resolution, and explore the impact of leadership policies on restructuring situations. The results illustrate that restructuring within a holding company affects conflict dynamics, where structural changes and corporate policies can create tension between business units while opening up opportunities for more effective conflict resolution.
***Keywords**: Holding Company, Conflict Management, Restructuring*

INTRODUCTION

Business conflicts and disputes are an inevitable phenomenon in a dynamic global business environment. Diverse interests, differing values, and intense competition can trigger conflict at various levels of an organization. However, when conflicts are not managed properly, they can be potentially detrimental to business health, employee performance, and corporate image. This research focuses on the broader context of holding companies, where conflict management and dispute resolution become more complex with the impact of restructuring. Holding companies, as entities that own subsidiaries or business units, often face unique challenges in managing conflicts and disputes. Restructuring processes, such as mergers, acquisitions, or other strategic changes, can create situations where internal and external interests intersect, providing room for conflicts to arise that require effective handling. The importance of conflict management and dispute resolution in the context of holding companies becomes even more critical as restructuring can trigger significant uncertainty and change. How companies within a holding company identify, manage and resolve business conflicts amid the restructuring process is a central question that needs to be answered.

This research aims to investigate conflict management and dispute resolution practices within holding companies, with an emphasis on the impact of restructuring. Through a qualitative desk-based approach, we seek to gain an in-depth understanding of the various strategies, methods and best practices that have been adopted by holding companies in managing conflicts during the restructuring process. The results of the study are expected to provide insights for business practitioners, managers and other stakeholders on how to deal with conflicts and business disputes in the context of holding companies. By understanding the impact of restructuring, companies can develop better strategies to mitigate risks and ensure optimal operational continuity. This research covers the concepts of conflict management, business disputes, restructuring, and the interaction between the three in the context of a holding company. By integrating related theories and empirical findings, we hope to build a solid understanding of these dynamics. This research uses a qualitative method of literature, by examining literature related to conflict management, business disputes, restructuring, and holding companies. Critical analysis of the literature will help identify patterns, trends and best practices that can be adapted in the context of this study.

This research is different from previous studies because previous studies have mostly discussed conflict management and business dispute resolution in ordinary companies, not in holding companies. This research will also discuss the impact of restructuring on conflict management and business dispute resolution in holding companies, which has not been widely discussed in previous studies.

Given the complexity of the relationship between conflict management, business disputes and restructuring in a holding company, this research is expected to contribute to both academic and practical understanding of these challenges. By understanding the factors that influence conflict management in restructuring situations, companies can be better prepared to manage risks and maximize opportunities for long-term growth and sustainability.

THEORETICALFRAMEWORK

1. Conflict Management Theory: "Rahim's Organizational Conflict Model"

In this framework, it is outlined that there are five modes used in managing conflict, namely avoidance, competition, accommodation, collaboration, and compromise. This model was developed by Rahim in 1993. (Rahma Safitri et al., 2014)

2. Corporate Restructuring Theory: "Lewin's Change Management Theory"

Lewin's change management theory recognizes three phases in the process of organizational change: the unfreezing stage (preparing the organization for change), the changing stage (implementing change), and the refreezing stage (crystallizing change). This theoretical approach can be used to analyze restructuring. Lewin's theory is considered a classic concept in organizational change management that can be relied upon to help organizations cope with various disruptions in today's business environment. (Mellita & Elpanso, 2020)

3. Theory of Business Dispute Resolution: "The Thomas C. Schelling Model: Game Theory"

Thomas C. Schelling, known primarily through his work "Micromotives and Macrobehavior," developed a game theory that can be used to analyze strategies for resolving inter-unit business conflicts within a holding company. Schelling is also famous for his concept of the segregation model, which is studied from a game theory perspective. In Schelling's game, agents strategically seek to maximize profits by moving their position to the region with the largest fraction of neighbors from similar groups. This model provides an understanding of how agents' strategies and preferences can affect the final outcome in situations of business conflict between units within a holding company. (Martin, 2016)

RESEARCH METHODS

This type of research is Qualitative Research (Literature). Qualitative Research (Literature) is a research method in which information is obtained through searching data from various sources of literature and relevant references in accordance with the topic being discussed. The research approach used is a qualitative approach that is normative in nature with the type of library research, namely the method used in legal research conducted by examining existing library materials. This method involves examining existing library material to gain insight into the topic under study. Researchers collect data by conducting a literature review that involves analyzing books, journals, websites, laws, and consulting with relevant experts. In addition, in this research, a qualitative method with a case study approach will be used. Case studies will be conducted on holding companies that have restructured. The data taken is sourced from literature such as scientific journals or books. By applying this methodology, this case study research aims to provide a holistic and in-depth understanding of the phenomenon being studied, so that it can make a meaningful contribution to general understanding or development in the field.

RESULTS AND DISCUSSION

Basic Concepts And Conflict Management

In business, conflict refers not only to disagreements or differences of opinion, but also includes differences in interests, values and goals among the individuals or groups involved. Knowing the various dimensions of business conflict is the first step to developing a thorough understanding.

Conflicts that arise within organizations can be caused by unclear communication processes and failure to follow through on agreements. It is not at all clear that poor communication is the cause of conflict. Conflict refers to disagreements or disagreements that **arise** between individuals or groups within an organization. Large and small-scale conflicts can be resolved in various ways (Fauzan Ahmad Siregar & Lailatul Usriyah, 2021). In general, conflicts that often occur are substantive conflicts and emotional conflicts, which can be described: (NB., 2021)

1. Substantive Conflict

Substantive conflict is related to differences in aspects such as goals, daily summaries, resource allocation, work processes, workflow, and employee turnover. Such conflicts usually arise in an organizational context.

2. Emotional Conflict

Emotional Conflict: Emotional conflicts arise due to jealousy, mistrust, anxiety, ridicule, slander, or other forms of discrimination. In general, psychological issues are the cause of emotional conflict.

That is, substantive conflict deals with differences over specific issues, while emotional conflict deals with disagreements and emotional interactions between the disputing parties.

Conflict management is the process of identifying and resolving conflicts in a fair, reasonable, and efficient manner by using three different conflict resolution techniques such as conflict stimulation, conflict expansion/reduction, and conflict resolution. Conflict resolution requires skills such as effective communication, problem solving, and negotiation with an emphasis on the needs of the organization. Conflict management can help improve self-efficacy, collaborate with others in the workplace to solve problems (with or without the support of others) or resolve disputes between parties. One approach that focuses on the process of conflict management highlights the role of communication (including negotiation) among participants and how they influence each other's perceptions and attitudes around conflict (Na'im, 2021). Conflict management in a business context is based on strategies and tactics aimed at identifying, confronting, addressing, and resolving conflicts within the organization or among various parties involved in business activities. In a business context, conflicts can arise due to differences in goals, values, priorities, or tensions between individuals, groups, or departments within the organization.

Internal Conflict

In a corporate context, internal conflict reflects an individual's inner conflict regarding his or her decisions or responsibilities within the organization. Moral struggles, business ethics, or conflicts between individual needs and organizational goals can be part of internal dynamics that require understanding and effective management handling to create a healthy work environment. Meanwhile, social conflict in companies arises from conflicts between individuals or groups and the social environment in the workplace, involving differences in values, attitudes, or views on certain issues. Effective human resource management and leadership are required to manage social conflict and encourage cooperation among team members or departments. On the other hand, natural conflicts in companies are related to disharmony between business activities and their impact on the surrounding natural environment. In this case, companies need to adopt responsible environmental policies to prevent disharmony and minimize negative impacts on the environment. Through effective problem-solving approaches and thoughtful conflict management strategies, companies can manage internal dynamics, enhance social interactions, and maintain a balance with the natural environment to achieve long-term sustainability and success. (Abijaya et al., 2021)

External Conflict

External conflict is a form of conflict or tension that occurs between an organization or individual and parties outside the entity. These conflicts include interactions or disputes involving relationships with entities or elements outside the organization or individual in question. External conflicts arise from differences in interests, goals, or actions between an organization or individual and external entities. Competition between organizations is considered an external conflict because it involves a conflict between the company and external parties, especially competitors in the market. This conflict occurs between entities that have separate ownership, interests, and operations, making it a related but independent form of conflict. Competition plays a key role in shaping business strategies, policies and decisions, as firms must respond to competitors' actions and adapt to external market dynamics. The impact of competition is not only limited to gaining market share or customers, but also includes influences on innovation, product development, pricing, and operational efficiency. (Yasiri & Almanshur, 2022)

Conflict in a business environment can occur suddenly and without process. Conflicts that arise in an organization can be caused by several factors, including the following:

1. Human Factors

Conflicts can arise due to human factors, namely because they are created by the aggressor due to leadership, individuals who maintain organizational rules in a kak, the existence of individual personality traits, such as fanatics, authoritarians, egoistic, and other personality traits.

2. Organizational Factors

There are several organizational factors that can cause conflict, including:

a. Competition in the use of resources. There will be reduced usage if resources are reduced. This is a potential source of conflict between departments or units within an organization.
b. Dissimilarity of organizational goals between units. Each unit in an organization is specialized in its functions, tasks, and areas of expertise. This difference usually exacerbates internal conflict within the unit concerned.
c. Interdependent tasks. Conflict arises because of the significant dependency between one group (department/division, etc.) and another. One group cannot work because it undermines the work of another group.
d. Differences of opinion and judgment. It is likely that a group or grouping has a negative perception because it sees unfavorable circumstances. For example, relatively new managers tend to believe that they have a very difficult and unyielding task, in contrast to experienced managers who have a more difficult and consistent task.
e. Jurisdictional Blurring. Conflicts can arise due to unclear natural laws, i.e. lack of mutual understanding between individuals. (Na'im, 2021)

Various factors can contribute to conflict in an organization, and effective conflict management strategies should consider aspects such as organizational structure, leadership, and day-to-day operations. Below is a breakdown of the various factors and conflict management strategies that can be implemented:

1. Holding Company

This concept often creates organizational complexity, which can be a source of potential conflict. The main conflict factor in a holding company structure is the difference in goals, objectives and strategies between the subsidiaries or main business branches. Inconsistent discipline and competing resources can also cause disputes in this organization. To resolve potential conflicts, the parent company should implement a strong conflict management strategy. This policy ensures effective coordination between employees in the same company or division, clear communication, and gradual implementation of clear policies. Effective coordination can help in understanding the differences between the parties involved, while open communication serves as a guide to understanding each party's perspective and needs.

2. Culture in Organizations

Organizational culture is the laws, customs, and mutual aid that shape an entity's identity and way of working. In this context, factors that cause conflict in the daily operations of an organization usually arise from differences in values, customs, or organizational culture among its members. Tensions and conflicts can arise when participants have different understandings of how an organization should function or when individual beliefs are not acted upon. Conflict management strategies are needed to resolve conflicts arising from cultural differences. One effective strategy is to create an organizational culture that encourages teamwork and promotes inclusiveness. Organizations can reduce the potential for conflict caused by cultural differences by creating a community where all members feel respected and safe. (Praditya, 2022)

3. Organizations

An organization is any type of entity that is structured with the intent to achieve a specific goal. In organizational dynamics, there are factors that cause conflict that may arise from unclear organizational structure, inconsistent policies, or unclear leadership. Conflict can arise when organizational members do not have a clear understanding of their responsibilities and values, or when organizational policies are not consistently followed.

4. Leadership

A key principle of leadership is to direct and inspire members of a group or organization towards the achievement of a common goal. In leadership dynamics, there are several conflicting factors that can negatively impact a team's productivity and well-being. These factors exacerbate the tendency towards obtuse behavior, sluggish communication, or inability to handle conflict. For example, authoritarian leadership, which consistently raises awareness and maintains control, can lead to misunderstandings and hostility among team members. Effective communication can sometimes lead to misunderstandings and lack of understanding, which in turn can prevent conflict. In addition, incompetent leaders have the potential to exacerbate situations, create discord, and undermine teamwork. (Abijaya et al., 2021)

5. Structural Change

Structural adjustment refers to changes in organizational structure, such as internal reorganization, acquisition, or branching out of the company. In general, such changes have the potential to generate resistance and conflict among the affected organizational members. Factors contributing to conflict in structural changes may result in lack of focus, decreased work productivity, or inability to make decisions during the negotiation process. Thoughtful conflict management strategies are required to resolve conflict during structural change. First and foremost, it is crucial to have effective communication about the changes that are taking place. Providing a clear explanation of the purpose, benefits, and impact of the change can help reduce misunderstandings and curb speculative thinking, which can lead to conflict. (Julia & Jiddal Masyruroh, 2022)

Business Disputes And The Impact Of Restructuring

Business Disputes

Disputes can occur depending on who and where. Disputes can potentially occur between individuals, between individuals and groups, between groups and individuals, between businesses and other businesses, between businesses and governments, between one country and another, and so on. In other words, disputes can be public or private, fact-based, and can occur in local, national or international contexts (Ainun Fadillah & Amalia Putri, 2021). Business disputes refer to disagreements or disputes between parties involved in business activities. These disputes can arise from a variety of sources and involve differences in views, interests or interpretations regarding business transactions or business-to-business relationships. Business disputes may involve various elements, such as contracts, payments, intellectual property rights, or other issues that arise during operational or transactional activities.

Business disputes in a holding company refer to conflicts or disputes that arise between various subsidiaries owned or controlled by a holding company. Holding companies usually have ownership or control over several subsidiaries that operate independently or have different business objectives. According to Suyud Margono, the cause of the dispute process is the lack of communication between the disputing parties. Potentially, two parties with different stances/opinions can reach a compromise. In general, one would not deny the existence of factors that contribute to ongoing conflict. This is due to the possibility of unfavorable consequences, when one has to face unfavorable circumstances that weaken one's resolve and thus negatively impact one's future (Journal et al., 2022). Disputes between subsidiaries or business units can arise due to a complex set of factors.

Impact Of Restructuring

A holding company is an entity that owns and controls other companies called subsidiaries. Corporate restructuring, in this context, includes changes in the business structure to achieve some specific objectives. Key considerations for this restructuring include optimizing tax advantages, improving asset protection, or streamlining business operations. One of the strategies considered is forming a holding company. During the restructuring process, business owners may receive several proposals that include changes in the business structure. The advantages that can be gained from forming a holding company include tax benefits, better asset protection, and operational efficiency. Tax benefits can be obtained by optimizing the taxation structure of the holding company. Asset protection occurs because this structure can help separate assets and liabilities between the parent company and subsidiaries. Meanwhile, restructuring can also help in streamlining business operations, allowing better focus on specific business units or segments. The restructuring process involves assessing the proposal submitted to the business owner. Financial and tax experts are involved in calculating the impact of changes in the company's tax burden after restructuring. They also develop a financial model for the new holding company, which includes financial planning and analysis of future financial performance projections.

Impact of Restructuring on Holding Company

Restructuring an independent business or holding company can have a significant impact, both positive and negative. Its effectiveness depends on the purpose of the restructuring, market conditions, and the implementation of the strategies undertaken. The holding company model is an organizational restructuring method implemented by the Indonesian government as a way to satisfy stakeholders (Pangestu, 2023). Several studies indicate that holding companies can improve their management efficiency and cash flow, especially in the case of State-Owned Enterprises (SOEs) in Indonesia (Purwaningsih, 2022). The restructuring of a holding company can provide tangible benefits to several aspects of the business. Positively, restructuring can improve operational efficiency by reducing redundancies, optimizing cost structures and increasing productivity. In addition, if successful, restructuring can strengthen the company's financial position and create a buffer for investors. However, it should be noted that initial restructuring costs may be required, and if the changes are not implemented properly, it may jeopardize the company's financial position. Corporate restructuring strategically allows a company to align its business portfolio with emerging markets, strengthen its business, or find new opportunities. However, if the reorganization strategy is not in line with market trends or is not implemented effectively, the company may have difficulty in adapting. In addition, in the context of risk management, restructuring can help identify and mitigate business risks, strengthen corporate leadership, and increase transparency. However, structural and operational changes can also introduce new risks or increase the complexity of risk management.

Implementing an effective restructuring can help businesses overcome obstacles and strengthen their foundations, especially in challenging economic times. However, its impact also needs to be considered comprehensively, including the potential consequences that may arise (Rimbawan, 2022). In the capital market, a successful restructuring may be reflected in an increase in the value of the company's shares if the market recognizes the value of the changes. However, if investors are unsure of the restructuring plan or see uncertainty, this can be detrimental to the share price. In terms of employees, a well-managed restructuring can improve employee morale and create a more efficient working environment. However, if it involves layoffs or disrupts the corporate culture, restructuring can create resistance and uncertainty among employees.

Parent company restructuring can have a significant positive impact on improving employee productivity and business continuity. The main positive impact is to improve operational efficiency through structural optimization and reduction of redundancies, which in turn can have a positive impact on profitability. Reorganization also provides an opportunity to align business strategies with changing market conditions by giving attention to more profitable segments or new ventures. In an effort to achieve cost efficiency, companies often adopt restructuring strategies as a proactive measure to reduce operational cost burdens without compromising product quality. This restructuring may involve job cuts, reduction of administrative burdens, or streamlining of operational processes. The main focus is on identifying and eliminating any form of waste, redundancy, or inefficiency that could be detrimental to the efficiency and profitability of the company. (Tryana & Rizqi, 2023)

Restructuring within a company can be a key pillar in maintaining business continuity, especially when the company faces challenges or significant changes in its business environment. These restructuring efforts can help companies adapt to market changes, ensure better operational efficiency, and manage risks more effectively. By redesigning strategies and operations, companies can remain relevant and responsive to changing market dynamics. In addition, restructuring can help companies adapt to ongoing technological developments, ensuring proper investment in information systems and production technology. (Fursiana et al., 2023)

Dispute Resolution in Holding Company

During the restructuring process, holding company management is responsible for monitoring subsidiaries to identify potential business disputes. This responsibility includes operational, financial, and strategic oversight of the subsidiaries, as well as understanding the interactions between subsidiaries. Parent company management also needs to act as a mediator in resolving disputes to ensure operational continuity and the achievement of restructuring objectives. By actively monitoring, parent company management can take proactive measures to prevent or address disputes early on (Cahyanti et al., 2023). To manage and resolve business disputes, there are a number of actions that can be taken, which are described in more depth below:

1. Negotiation

The initial stage is often negotiation between parties who want to reach a tacit agreement. This means that open communication is essential to reach a consensus or mutually agreed solution that all parties can agree upon. Negotiation is the first step in resolving conflict through cooperative efforts before moving on to more complex issues (Jannah et al., 2023). The following influence negotiation in conflict management: (Fatyandri et al., 2023)

a. Environmental factors

In international business activities, companies must consider a number of factors that can affect the course of operations. First of all, the different politics and laws in each country require special attention. Companies operating across borders must constantly monitor political and legal changes that may affect business negotiations, requiring the adaptation of strategies accordingly. Currency fluctuations in the international economy are a significant risk factor, affecting the value of business agreements between origin and destination countries. Therefore, companies should take care in drafting and evaluating business agreements by considering the impact of the global economy. Foreign governments and bureaucracies also play an important role. Companies must understand the industry and organizational regulations implemented by the local government and follow the bureaucratic rules. Instability in the form of lack of resources, political instability, or limited goods and services are challenges that can affect business conditions. International negotiators need to have the ability to anticipate and respond to changes with sufficient time management. Ideological differences between countries can complicate the negotiation process. Therefore, overcoming disagreements requires diplomatic skills and careful communication strategies. Finally, cultural differences are an important factor affecting the interpretation of the negotiation process due to differences in principles. Understanding and appreciating cultural diversity is key to building effective relationships and achieving successful business deals in an international context.

b. Immediate Factors

In the immediate context of negotiations, there are a number of factors that have great potential to control the dynamics of negotiations. Firstly, negotiation is a relatively operational approach that involves investment from each party in the belief that the party with the greater investment will have significant influence over the outcome and decisions of the negotiations. Furthermore, high levels of conflict, whether based on ethnicity, identity or geography, can make it difficult to find effective solutions during negotiations. Pre-established relationships between negotiators also have a major impact, with previous history of cooperation playing a key role in shaping the dynamics of the negotiation process and outcome. In addition, desired outcomes are a key focus in designing and assessing the success of international negotiations. A clear understanding of each party's expectations guides the steps in the negotiation process. Finally, the role of stakeholders, including the skills, abilities and experience of the negotiator, has a significant effect on the final outcome. The ability to effectively interact with various stakeholders and understand their interests is key to reaching a meaningful agreement.

By considering and managing these factors, negotiators can create a supportive environment and increase the chances of reaching a mutually beneficial agreement.

2. Arbitration

The resolution of business disputes through arbitration involves the decision of the parties involved to address their disputes outside of conventional court channels. In the context of arbitration, the parties agree to entrust the resolution of their dispute to a neutral and independent third party, called an arbitrator or arbitrators (Ainun Fadillah & Amalia Putri, 2021). The choice of arbitration as an alternative to dispute resolution is often based on the presumption that the process of resolution through conventional courts can often disappoint justice seekers. Some of the underlying reasons supporting this presumption include the complexity, cost and length of time involved in litigation. First of all, court proceedings tend to be more complex and formal. Complex court rules and formal procedures can make parties feel trapped in administrative hassle, impeding the smooth resolution of disputes. Arbitration, in contrast, provides greater flexibility in determining the procedures and rules appropriate to the nature of the dispute at hand. Second, the costs involved in litigation can often be a heavy burden. Lawyers' fees, court fees, and various costs related to case management can make litigation expensive. Arbitration is often considered a more cost-effective option as it can be organized to be more efficient and less formal. Finally, the length of time taken by the courts to resolve a dispute can be frustrating for parties who want a quick and efficient resolution. Arbitration, with its simpler rules and customizable procedures, can often offer a quicker resolution and better suit the parties' needs. Overall, the choice of arbitration as an alternative to dispute resolution reflects an attempt to avoid the constraints that may arise in litigation, in the hope of providing a more efficient, cost-effective and satisfactory solution for justice seekers. (Rudy & Mayasari, 2022)

3. Court Settlement

Court settlement is the last option if negotiation and arbitration are unable to produce a satisfactory resolution. The process involves formal legal proceedings in court, where the dispute between the parties will be tried and decided by the judiciary. The steps in a court settlement include the filing of a lawsuit, a trial before a judge or jury, the presentation of evidence and arguments by the disputing parties, and finally, a decision by the court. The process often involves lawyers representing each party to present their case with supporting arguments and evidence. The decision made by the court in this legal settlement is final and binding. The losing party may be subject to sanctions or legal obligations in accordance with the judgment issued by the court. This process reflects a formal and structured approach to resolving disputes, with reference to applicable laws and regulations.

While court settlements provide legal firmness and authority, there are several constraints, such as high costs, complexity of legal procedures, and the time it takes to resolve cases. Therefore, this option is often taken as a last resort after other dispute resolution efforts have been tested but unsuccessful. (Nurlani, 2022)

4. Settlement through Alternative Dispute Resolution (ADR)

Settlement through Alternative Dispute Resolution (ADR) encompasses various methods other than arbitration that can be applied in resolving business disputes. In addition to arbitration, some commonly used APS approaches involve mediation, conciliation, and expert evaluation.

In mediation, a neutral third party referred to as a mediator plays a role in helping the disputing parties reach an agreement. The mediator does not make decisions, but rather facilitates communication and negotiation between the parties, giving them more control to reach a joint solution. Conciliation, while similar to mediation, involves more active intervention from the conciliator. In conciliation, the conciliator provides advice and guidance to the parties, but the final decision remains with the disputants. This approach can help facilitate the dispute resolution process by providing insights and views from a neutral perspective. Expert evaluation involves a third party expert in the relevant field to provide an assessment or evaluation of the case. While an expert evaluation does not result in a binding decision, it can provide valuable insights to guide the negotiation process or help reach a desired settlement. By involving a neutral third party, ADR gives disputants the flexibility to find a solution that better suits their needs. As such, the ADR method opens up room for collaboration and creativity in seeking a mutually beneficial resolution for all parties involved in a business dispute. (Kusnadi & Marpaung, 2022)

CONCLUSION

In the context of holding companies, conflict management and business dispute resolution play a very important role, especially when the impact of restructuring is involved. The results of this study highlight that restructuring can trigger conflict between business units, but at the same time provide opportunities for innovative resolution. The importance of effective leadership in mitigating conflict and designing sustainable resolution strategies cannot be overlooked. The process of corporate restructuring should be undertaken with a deep understanding of internal dynamics, with the aim of minimizing tensions and encouraging collaboration between units. Overall, successful conflict management in a holding company requires a holistic approach that incorporates restructuring as an opportunity to improve balance and synergy between business units. Awareness of internal changes and quick responses to corporate dynamics can form a solid foundation for productive dispute resolution and sustainable growth.

This research emphasizes the need to implement effective communication mechanisms throughout the organization. Open and clear communication can prevent unnecessary conflicts from arising and facilitate constructive dialog when addressing differences. In addition, a structured conflict management policy is required, providing clear and transparent resolution pathways. In the context of restructuring, the existence of a dispute resolution mechanism that is accessible to all parties involved is key to avoiding costly conflict escalation. Hence, holding companies need to integrate conflict management principles in their restructuring strategies. Alignment between corporate goals and the needs of individual business units should be a key focus, so that restructuring not only reduces tensions but also creates an environment where collaboration and innovation can thrive.

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