

THE CONFLICT SKILLED ORGANIZATION

By
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It's okay to spend a lot of time arguing about which route to take to San Francisco when everyone wants to end up there, but a lot of time gets wasted in such arguments if one person wants to go to San Francisco and another secretly wants to go to San Diego. Steve Jobs, Apple Computers

Leaders And The Power Of Culture

A client—the CEO of a high-tech company—recently called me. For several years my company had provided consulting and training services to his company. He finally decided to fire Frank, his CFO—a man who was technically brilliant but lacking in “people skills.” Employees complained constantly about the CFO’s abusive, abrupt and intimidating manner.

When the CEO delivered the news that he could no longer defend the manager against the rising tide of employee complaints (and even one pending lawsuit), Frank’s surprised response is typical of many I hear in today’s workplace: “In some companies, my style would be considered an advantage! People around here are just too sensitive!”

Another client decided to upgrade the computer department in his company from data management to a true information technology department. On the advice of a headhunter, he hired someone from a large computer firm, an old-fashioned hierarchical company. My CEO client was shocked at the ensuing cultural wars. Long-time employees reacted with anger and tears to the dictatorial regime of the new manager. The CEO found that he had no time to run his thriving but complex company. Instead, his days were spent trying to mediate disputes among the new manager, his team and other departments.

A third client reorganized its large HR department and brought in several new players to invigorate the team. The result? Another culture clash! The old team insisted that workers need HR representatives who are *employee advocates*. The new managers wanted to move up the ladder of corporate success. They were convinced that the way to do that was to raise the visibility of HR and make HR representatives *business partners* with the leaders of their business units. When I came in to facilitate a session to resolve this dispute, some of the people were not even speaking to one another.

What is the common denominator in all of these situations? The leaders in these organizations had not spent enough time and energy thinking about *culture*—that invisible glue that holds organizations together and determines organizational effectiveness. Especially lacking was a failure to think about how they want the culture to address and resolve the inevitable conflicts each organization faces on a daily basis. A lack of agreement about a common culture frequently shows up as constant and intractable conflicts.

I’m amazed that even the most successful organizations have spent so little time thinking about what kind of culture they want to create and what kind of employees will assist them in building that culture as well as how to shape, deliver and reinforce that message. A clear culture can become an organization’s brand: a powerful tool in attracting and retaining top talent. The

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executive team may have spent a few hours working on a superficial and platitudinous mission statement that they then proceeded to plaster on the walls of employee lunch rooms and insert into the employee manual, but the kind of culture I'm talking about will only result from two things: 1) top leaders walking the talk and 2) constantly engaging employees in ongoing discussions about culture.

When organizations take the time to do this kind of work, the culture they want to create becomes what Margaret Wheatley, in her book, *Leadership and the New Science*, calls a "field of vision"—a powerful structuring field where certain types of individual behavior and events are guaranteed. Such a structuring field is especially important in communicating how you want people to manage conflict. Jim Collins, in his classic book, *Built To Last*, identifies culture as one of the most important factors in creating a healthy, long-lasting company.

In order to shape the future, leaders need to encourage other leaders and serve as models to create energy fields that shape organizational culture, especially how they model conflict resolution. Wheatley sees leaders as "broadcasters, talk radio beacons of information, pulsing out messages everywhere . . . stating, clarifying, discussing, modeling, filling all of the space with the messages we care about."

Leading in the future will require even the best executives to acquire new skills. The old order in the workplace is clearly crumbling, but the new has not yet emerged. In between, a great many misunderstandings occur. If not skillfully resolved, these misunderstandings escalate into unresolved conflicts.

For example, I was asked to conduct a diversity project for a major law firm. They had gone through a number of steps of the project over a series of months, but kept putting off the one key phase: having a series of focus groups with partners and associates to help us determine the issues we'd need to address in diversity trainings. When I finally met with the Executive Committee to find out why they kept dragging their feet on scheduling those meetings, the chairman blurted out:

But we don't want some of our partners meeting with associates. They're idiots. They'll say all the wrong things! They'll make the associates want to leave! They just don't understand these issues. In fact, I don't even like them. I haven't talked to some of them in years.

Now this is an interesting way to run a law firm, but it doesn't lead to productivity, teamwork and profitability. It's impossible to continue to keep toxic partners, managers or supposed leaders away from lower level employees forever. If the firm doesn't have leaders who will "walk the talk" reinforcing the culture they want to create, there's no way it will ultimately accomplish its goal.

The reality is that today's new workforce trends call for new leadership attitudes. Organizations now face historic shortages of skilled employees to fill many positions, making it essential to retain productive employees and attract the best new employees. Worker loyalty is at an all-time low, with people changing jobs so frequently that leaders have no time to build cohesive teams. Those workers who are available are much more diverse and have a different

work ethic, creating the need to lead differently. Increased employee litigation and conflict distracts leaders from their mission. Setting aside the time to create, discuss and shape organizational culture is one part of the solution to these problems. Leaders must force ongoing conversations at every level about the power of culture in an organization, especially about how the inevitable and increasing conflicts should be resolved.

Organizations and Purpose

Most organizations now have some kind of mission statement. If thoughtfully crafted, these statements can help organizations achieve their goals and create a powerful culture. Consider including your mission around conflict as a part of your organization's mission.

For example, I helped one of my clients, a large transportation district, craft the following addition about conflict to their general mission statement. You can see that it also intersects well with the organization's union contract:

RTD MISSION STATEMENT

To meet the district's present and future needs by offering safe, clean, reliable, accessible and cost effective public transit throughout the District.

Goal 1: To meet the present transportation needs of the District by providing safe transportation service.

Goal 2: To meet the present transportation needs of the District by providing clean transportation service.

Goal 3: To meet the present transportation needs of the District by providing reliable transportation service.

Goal 4: To meet the present transportation needs of the District by providing efficient transportation support service.

Goal 5: To meet the present transportation needs of the District by providing cost-effective transportation support service.

Goal 6: To meet the present transportation needs of the District by providing accessible transportation support service.

Goal 7: To meet the future transportation needs of the District.

RTD GOALS STATEMENT FOR CONFLICT RESOLUTION

The Regional Transportation District, as an organization, recognizes that conflict is a normal and predictable part of working together. Therefore, we adopt the following goals relating to conflict resolution:

1. We are committed to increasing our skills in resolving conflict.
2. At all levels of the organization, we strive to resolve conflicts in a productive and creative way, without threats, harassment or violence.
3. Nothing in this goal statement is meant to conflict with the RTD/AT Collective Bargaining Agreement or other RTD policies.

SECTION 1: MANAGEMENT-UNION RELATIONS

The Employer agrees to meet in good faith with the duly elected representatives of the Union and attempt to resolve all questions arising between them. The Union fully agrees that within its ability each of its members shall render faithful service in their respective positions as outlined in the clauses of this Agreement and will cooperate with the management of the Employer in the efficient operation of the system in accordance with the rules, regulations, and operating conditions as announced by the Employer, and will cooperate and assist in fostering cordial relations between the Employer and the public.

As you can see, we combined elements with their usual mission statement with the mission statement on conflict. We then included a statement about their goals for labor/management relations since they were a unionized organization. You can see the parallels between the three mission statements. Reprinting these three together helped the organization come together around the issue of conflict.

What is the mission of your organization? What are its goals? How would it help your organization reach its goals if you included your mission for conflict resolution?

One of the most powerful statements, in my experience, is to emphasize that you recognize, as a group, that conflict is a part of life and that it's your goal to skillfully resolve conflict. This can serve as a revelation to those in your organization who are constantly frustrated by the very existence of conflict. They need to know that their leaders understand that conflict is normal and healthy. Yet, leaders also need to make it clear that *skillful* conflict resolution is something that they consider a part of everyone's job description. Just making these statements and serving as role models for their enactment can help to resolve many problems around conflict.

Leadership And Storytelling

Much has been written in recent years about leadership in general and the need for all employees to become leaders, not just employees. These writers miss two significant nuances: the need to give people *meaning* in their work and the power of *story* as a tool for encouraging meaning and for serving as a model for the "why" behind conflict resolution. People must have

common goals or resolution is not possible. Many organizational conflicts result from a lack of belief in or understanding about why the organization exists, does what it does and what its true goals are. Skillfully using stories can help change this dynamic.

Futurist Rolf Jensen, Director of the Copenhagen Institute for Future Studies, writes: “Storytellers will be the most valued workers in the 21st century. All professionals, including advertisers, teachers, entrepreneurs, politicians, athletes and religious leaders, will be valued for their ability to create stories that will captivate their audiences.

Jensen claims that in the years ahead we will move into what he calls the Dream Society:

In today’s Information Society, we prize those who can skillfully manipulate data; in tomorrow’s Dream Society—focused on dreams, adventure, spirituality and feelings—we will most generously reward those who can tell stories. The highest-paid person in the first half of the next century will be the “storyteller.” In the future, the notion that work should be no more than a means of obtaining something else will disappear. People will, of course, be paid for working, but money will not be the main reason for working. People will require meaning in their work.

Current surveys of Generation Xers place meaning high on the list of what they look for in a job. Aging baby boomers—having passed through their materialistic stage—will also demand meaning in their work, not just management.

Organizations will have to develop a collective meaning to survive and to resolve the ever-escalating conflicts. As Jensen writes:

Today’s business firm is rational, efficient and devoted to making profits, because it developed out of the Industrial Age and the Information Age. But this type of company will either adapt or disappear in the future. A Dream Society requires values—ethical, social or religious. A company obsessed with efficiency and working only for profit will be regarded as untrustworthy . . . in the Dream Society, companies will be more balanced. They will seek to earn a profit, but they will also want to achieve certain human values, i.e., kindness to animals, fairness to all or happiness for workers and their communities.

Leaders will be increasingly called upon to help give meaning to employees. Of course, before you can help others find meaning in their work, you have to find it in your own. Meaning fuels the sometimes challenging work of conflict resolution.

Can all honest, legal work have meaning, dignity and value? Yes, I believe it can. If you doubt me, read Victor Frankle’s classic work, *Man’s Search for Meaning*, about finding meaning in his work as a prisoner in a Nazi concentration camp. There may be more difficult environments, but I can’t imagine where or when.

Even if your current job doesn’t fit your long-term passion, find meaning in the support the work provides as you plan for more passionate future work. Find meaning in doing what you do with excellence and integrity. Mother Teresa noted, “We do not do great things. We do small

things with great love.” Ultimately, if you can’t find meaning in your work, leave. The dilemma is this: the future will require such a level of commitment that you will not be able to sustain your work with anything less than all out dedication.

One way to give meaning to your work and to work of those you lead is through storytelling. As we moved into Jensen’s Dream Society, in the later part of the 20th century, it’s no accident that we elected an actor, Ronald Reagan, as president of this country and a playwright, Vaclav Havel, as president of the Czech Republic.

How powerful are stories? “Everybody is a story,” writes Dr. Naomi Remen in her book, *Kitchen Table Wisdom, Stories That Heal*.

When I was a child, people sat around kitchen tables and told their stories. We don’t do that so much anymore. Sitting around the table telling stories is not just a way of passing time. It is the way wisdom gets passed along. The stuff that helps us to live a life worth remembering. Despite the awesome powers of technology many of us still do not live very well. We may need to listen to one another’s stories again.

Loneliness is the hidden wound of our time—the price many have paid for embracing such frontier values as independence, self-reliance and competence. It’s also a price paid by those who frequently change jobs. In the future, leaders will be increasingly called upon to remember we are all connected and can become a community, to help organizations work more cooperatively and to move toward goals with humor and meaning, with purpose and quality companionship. A good story provides a compass for a group’s mission. Skillful conflict resolution builds trust and creates connections and helps a group work together to accomplish its mission.

As leaders, how do we discover and develop our own stories to inspire others? Look at your *wounds*. There is power in the wounded leader. As Nietzsche wrote, “life breaks all of us eventually, but some of us grow back stronger in the broken places.” Ironically, our greatest strengths come from these wounds, from what makes us vulnerable, because our vulnerability also makes us human. And in our humanity lies our ability to connect with and lead others. At the heart of most wounds is a conflict. The healing of most wounds involves connection.

The ability to appropriately reveal our wounds, our vulnerability, makes the most powerful leaders. Bob Dole, despite his physical wounds, was not. It’s why Clinton won a re-election (despite his many mishaps) and Hillary may not. It’s why Marilyn Monroe, “the vulnerable blonde”, is a timeless cultural icon and Madonna never will be. (Unless, of course, parenthood brings Madonna to her knees, as it does most of us).

How do we develop storytelling ability? After we look at our wounds, ask what we can teach from that place of wounding. What do you *know* because you bought that knowledge with your life?

Learn also from other great storytellers. Read and listen to a diverse collection of artists. Recently, for example, I’ve been inspired by such different sources as a novel by Haitian Edwidge Danticat, *Krik? Krak!*, and the academy award-winning documentary about Maya Lin, *A Strong Clear Vision*. Danticat evokes the conflict, terror and heartache, along with the wonder,

of her native Haiti, telling the story of a people who resist the brutality of their rulers through the powers of imagination and community. Through her work, those of us who find the news from Haiti too painful to hear, can understand the place more deeply than we ever thought possible. Out of her wounds, and the many conflicts in her country, Danticat weaves her life and culture into a powerful force to move us to understanding and action. Similarly, you can use your own life and culture to move your organization closer to its goals.

Maya Lin, the architect who at 20 beat out hundreds of more established architects to win the contest to design the Vietnam Veterans' Memorial, recounted how wounded she felt in the conflict when people attacked and misunderstood her design. Yet she found that out of that wound came the inspiration to design more and even greater work. Her story inspires us all.

Tell stories. Use them in your work. Search for the stories of others in songs, novels, poems and dance. Practice them first if you must—in front of your kids, a Toastmasters' group or your book club—but weave them into the memos and reports you write, the meetings and trainings you lead.

When you do, you will have taken an awesome step into the future toward leadership in conflict resolution through the power of storytelling. You will help your organization move forward to become a conflict-skilled organization.

Additional Organizational Tactics

The research on conflict confirms that a strong culture organized around a clear purpose helps lead to conflict-skilled organizations. Stories can help communicate culture. In addition, researchers Kathleen Eisenhardt, Jean Kahwajy, and L. J. Bourgeois, III, reporting on their findings in the *Harvard Business Review*, identified five other tactics that helped companies skillfully manage conflict. The successful teams were able to separate substantive issues from those based on personalities, disagree over questions of strategic significance and still get along with one another. The tactics were:

- they worked with more, rather than less, information and debated on the facts
- they developed multiple solutions to raise the level of debate
- they injected humor into the decision process
- they maintained a balanced power structure, and
- they resolved issues without forcing consequences.

Let's look at how successful teams used all of these factors.

Focus on the Facts

The researchers found that more information is better because it encourages people to focus on issues, not personalities. Companies who managed conflict skillfully claimed to “measure everything,” including facts about the external environment. As one CEO explained his process, “we over-M.B.A. it.” Otherwise, teams waste time in pointless debate over opinions

and biases. Without timely and accurate information, people rather than issues become the focus, creating interpersonal conflict. Managers with high degrees of interpersonal conflict rely more on “hunches and guesses” than on current information.

The researchers found “a direct link between reliance on facts and low levels of interpersonal conflict.” With facts, people moved swiftly to the central issues. In the absence of facts, people instead suspect others’ motives. “Building decisions on facts creates a culture that emphasizes issues instead of personalities.”

Multiple Alternatives

Sometimes leaders assume that they reduce conflict by focusing on only one or two alternatives in order to minimize the possible disagreements. Yet the researchers found that teams with low interpersonal conflict do just the opposite. They purposefully float multiple alternatives, sometimes even suggesting options with which they disagree, just to promote debate.

Considering multiple alternatives lowers unhealthy conflicts because it diffuses conflict, choices become less black and white and people can shift positions more easily. More creative options emerge, sometimes taking part of several different solutions. The process itself becomes more creative and enjoyable. Substantive conflict resolution instead of interpersonal conflict results.

The Power of Humor

The researchers found that teams that handle conflict well make explicit and often contrived attempts to relieve tension and promote collaboration. They find competition exciting. In the teams with unhealthy interpersonal conflict, humor was absent.

The successful teams used humor as a healthy defense mechanism to protect people from the stress that arises in the course of making strategic decisions. The humor also put people in a more positive mood. Many researchers have found that people in a positive mood tend to be not only more optimistic, but also more forgiving of others and more creative.

Balanced Power Structures

Organizations with autocratic leaders as well as extremely weak leaders both generated high levels of unhealthy interpersonal conflict. The lowest level of destructive conflict comes from teams with balanced power structures in which the CEO is the most powerful, but the other members of management wield substantial power in their own areas of responsibility.

Qualified Consensus

The most successful teams didn’t seek true consensus all the time. Instead, they used a kind of *fall back* or *qualified* consensus. The group talked and tried to reach consensus. If they

couldn't within a relevant period of time, the most senior leader made the decision. Remarkably, the teams that insisted on resolving substantive conflict by forcing consensus displayed the most unhealthy interpersonal conflict. Insisting on consensus in all issues leads to "endless haggling."

As one V.P. of engineering put it: "Consensus means that everyone had veto power. Our products were too late and they were too expensive." What the researchers found was that people wanted to be heard; they wanted their opinions and ideas treated with respect, but that people were willing to accept outcomes they disagreed with if they believed that the process used to come to a decision was fair.

In sum, these five tactics, in addition to emphasizing common goals, lead not to less conflict, but to more healthy and productive conflict. What these researchers affirmed is that if there is little conflict over issues, there's also likely to be poor decision making. Conflict over issues, not personalities, is valuable. The successful teams avoided "group think," which has been a primary cause of failure in both public and private sectors. The researchers found that "the alternative to conflict is usually not agreement, but apathy and disengagement."

Organizational Conflict Resolution Systems

Once you establish a mission statement around conflict for your organization and learn skills such as storytelling and facilitating, you'll want to consider structures that support conflict resolution. A successful model for the a conflict-skilled organization involves the following:

- a conflict resolution mission statement
- leaders who model skillful conflict resolution through walking the talk and storytelling
- skilled mediators to resolve conflicts that people cannot resolve directly
- skilled coaches to advise people in the midst of conflict
- conflict resolution skills training specifically tailored for leaders, mediators, coaches and all employees
- accountability

The first two elements of this program—a mission statement and leaders who "walk the talk"—have been discussed in the first part of this chapter. The other elements also require careful consideration.

Basic Conflict Resolution Skills Training

An organization that wants to successfully resolve conflict should consider basic conflict resolution training for all employees. These trainings should be four to six hours in length and cover the organization's overall mission, policies and procedures around conflict as well as the basic conflict resolution skills employees need. The sessions should be designed to be practical, hands-on and experiential. Participants should experience a successful conflict resolution exercise as well as gain an understanding of the theories and steps involved.

The most successful organizations will make such trainings mandatory for all employees.

Advanced Training for Coaches and Mediators

After completing the basic training, those with the interest and ability to serve as coaches and mediators should go on to advanced training. This training would help people learn two skills: 1) providing confidential coaching to those in the midst of conflict and 2) serving as mediators for those who cannot resolve conflict themselves.

Organizations should consider training one coach/mediator for every 50 to 100 employees. This training would also be highly interactive, focusing on mediation and coaching skills beyond the basics. The training should take two and one-half to five days.

Executive Briefing

Ideally, executives should take both levels of training since surveys show that they spend at least one-fourth of their time resolving and mediating conflicts. At the least, executives should be briefed as to the basics of the program in a one to two hour session and receive a taste of the regular training.

Accountability

The last piece of the puzzle to creating a conflict-skilled organization is to focus on accountability. None of the other moves will create the level of cooperation, community and teamwork you need in your organization without this important element.

For example, one of my clients is a large, world-class motor company. I was hired by the president, Helen, to conduct my conflict resolution workshop at their annual executive retreat. She'd told me that one of their problems was that some people on the executive team used a pit bull style of conflict resolution while others triangulated conflict. The workshop was a success based on the feedback and participation; in fact, the executives wanted to expand it to a full day class and bring it to all of their other managers. Over the next month, I conducted day-long workshops for their entire management team across the country. Again, the feedback was positive.

In my last meeting with Helen, she thanked me for making the workshops a success but lamented that—even though we'd provided the skills—one V.P. was still a problem. His behavior included incredible displays of rudeness, attacks and constant criticism of the other executives and managers, yelling profanity and a general inability to be a team player, even though he was good at his own substantive area of expertise.

"I just don't understand why he won't change," she sighed. I asked the obvious question: "Have you talked to him about his behavior?" Helen responded that she had, several times, but nothing changed.

I then went on to explain to her the difference between a talk about his behavior and making him accountable for his behavior. She'd never enforced any *consequences* for his inappropriate behavior. I suggested she needed to make improving his behavior a part of his performance plan, complete with consequences up to and including termination if he failed to

meet those requirements. It turned out that she was concerned about losing someone who was substantively good at what he does, yet Helen understood that failure to do so would continue to undermine the entire executive team. Miraculously, when she followed my advice and included accountability for his behavior, he started to improve his skills.

You have the right and, indeed, the responsibility as a leader or manager to insist that all of your workers make good conflict resolution skills a part of their job description. Just giving them the skills may not be enough if you fail to follow through with significant consequences for their failure to act.

How The System Works in Practice

With this system in place in a conflict-skilled organization, most conflicts would be resolved directly between the involved parties. If they are unable to do so, the participants could request individual coaching sessions from designated coaches. If that fails, they could then request mediation. Leaders could also refer associates to mediators to resolve disputes.

This approach allows an organization to take a systemic approach to conflict resolution and will result in significant savings in lost productivity, time and energy. This system also prevents a rise in the negative spiral of conflicts, lawsuits and other costly conflicts. The time an organization invests in this system and training will bring dramatic results for all involved.