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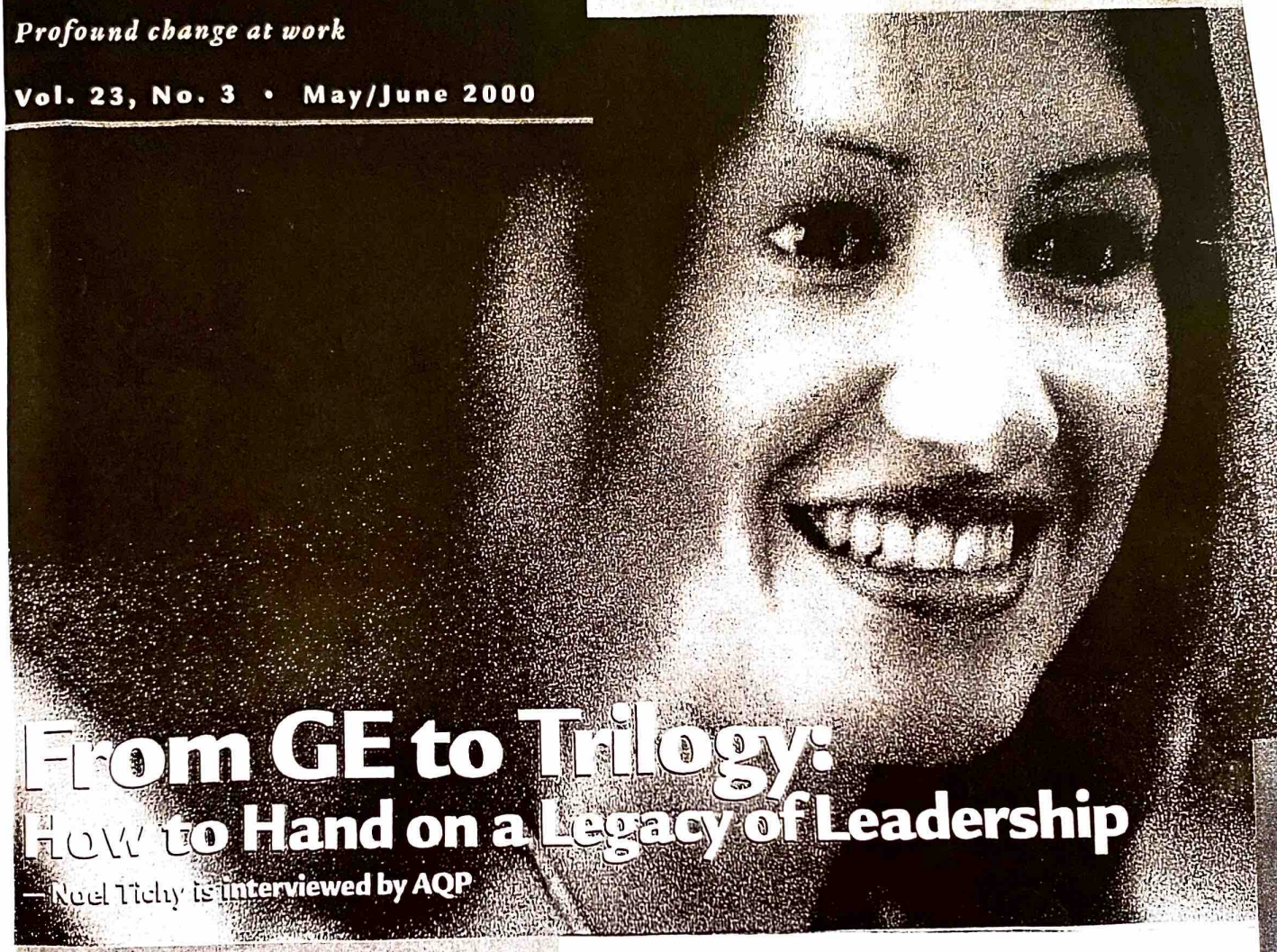

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— Noel Tichy is interviewed by AQP

Performance Partnerships

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Kenneth Cloke
Joan Goldsmith

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Conflict Resolution That Reaps Great Rewards

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Every partnership produces conflict. It is not possible for people to participate in improving the quality of their products and services, or the quality of their processes, without experiencing it. The only question, the only choice, is *how* to experience it.

Every organization, every team, every person in conflict chooses whether to avoid, give in to, engage in, compromise, or use conflict to learn more about what is not working—and improve the level of quality and participation in their communications and relationships.

Everyone knows intuitively that to genuinely resolve their conflicts they must get to the bottom of what is not working. They have to find the source, the wellspring that is fueling their fight, and break the system that is producing it. Yet as they get closer to the heart of that system, the possibility increases that something fundamental might change.

Unfortunately, in organizational conflicts, there often emerges a desire to either fight it out or retreat and accommodate it. Both of these approaches mean abandoning the possibility of personal and organizational learning, healthier relationships, honest communication, and improved results.

Conflicts generated by organizational partnerships

• *A visionary leader of an information-systems organization planned to transform the structure of her organization from a hierarchy to self-directed teams.* ***Her internal organizational customers were skeptical and felt threatened by this development. They demanded high levels of detailed information and feared they would not receive a high quality level of customer service. Employees watched the leaders of these internal organizations lock in combat over the future of their relationship. Their commitment and motivation began to rapidly deteriorate.***

• *A new employee was assigned to a high performance team that had a successful track record of several years.* ***The other team members communicated so well they often finished each other's sentences. The new recruit had been effective as a loner and***

felt rejected by the team's closeness. He immediately told them that he didn't "believe in all this communication stuff" and didn't respect them. The entire group became mired in conflict, and their performance declined.

- *Two deputy directors of an information systems division of a large commercial bank poised for merger vied for the support of their director. They each came from different family backgrounds. He was the oldest of six, the only male, and the one responsible for making his siblings behave. She was the youngest sister of four brothers and resented being bossed by men. They squabbled constantly in front of the director, who felt like a beleaguered father of two misbehaving children.*

In each of these examples, organizational partnerships were frustrated as quality and participation deteriorated—not only as a result of unresolved conflicts, but of the absence of organizational systems for preventing, managing, resolving, and learning from them. To create quality and participation in products and services, there must be quality and participation in process *and* in relationships.

Conflict can be a catastrophe that threatens organizational unity, business partnerships, team relationships, and interpersonal connections. It can cause us to be more aware of our essential relationships and a generator of commitment, connection, collaboration, and community—all of which define effective organizations. Conflict can represent a loss of perspective regarding common problems and the creation of unnecessary boundaries obstructing cooperation, participation, communication, and quality. It can also spark personal and organizational learning by helping people to openly, honestly, and empathetically discuss the issues that are blocking their relationships.

Designing conflict-resolution systems

One key element in building effective organizational partnerships is the creation of conflict-resolution processes and systems that encourage people to work through conflicts—and to use them to build better partnerships.

THERE MUST BE QUALITY AND PARTICIPATION IN PROCESS AND IN RELATIONSHIPS.

As leaders encourage quality, participation, and partnership, they also need to design conflict resolution systems that encourage a return to collaborative problem solving when communication breaks down.

Conflicts can be best understood not as isolated incidents but as systems that generate and reinforce disputes. Resolution processes therefore also need to be established as systems to counteract and remedy those that produce the conflicts. As authors William L. Ury, Jeanne M. Brett, and Stephen B. Goldberg suggest in *Getting Disputes Resolved* (Jossey-Bass, 1988), resolution systems should include:

- *predictors of conflict,*
- *preventative measures,*
- *safety nets,*
- *outlets for constructive expression of differences,*
- *procedures for resolution, and*
- *methods for making them useful.*

The idea is to move those in conflict toward interest-based systems for resolution, such as mediation that will allow for win/win outcomes and encourage consultation before, facilitation during, and feedback after every conflict. It means placing the focus on interests, rather than on rights or power-based solutions, arranging these from low to high cost, and providing the motivation, skills, and resources to make them work.

In most organizations, this means:

- Initiating a "conflict audit" to assess the chronic sources of conflict in the organization.
- Analyzing the systemic causes of conflict and their connections to organizational structure, decision making, communication, vision, culture, organizational design, values, morale, and staffing.
- Identifying from the organization's culture the metaphors for conflict and informal mechanisms already in place for resolving it.
- Expanding internally the number and type of resolution options.

• Shifting the paradigmatic thinking patterns that block use of these new procedures.

• Continuously improving the quality of the system.

Conflict-resolution systems in the workplace

Interest-based conflict-resolution systems are highly effective in preventing, managing, and resolving the full range of issues that arise when employees work in partnerships to improve quality and participation. When designing conflict-resolution systems for large organizations, the processes most successful in bringing disputes to resolution include:

1) *Informal problem solving.* The first step in every conflict-resolution system is to informally solve the problem. People need to be encouraged to use informal methods to directly communicate with each other. They need to be counseled to improve their communication, problem solving, and conflict-resolution techniques. If informal processes do not result in resolution, the issue should be reviewed to decide on appropriate next steps. A human resources or ombuds investigation can uncover hidden issues or result in a change of policy or fresh approach to problem solving.

2) *Peer mediation and coaching.* Alternatively, a trained, volunteer, internal peer-mediation team might be selected to mediate the dispute. These co-mediation teams begin by independently investigating the issues and conducting private sessions with each party in an effort to find possible solutions to raise in a joint session. If the dispute affects co-workers, the mediators may facilitate a team discussion, intervention, or confrontation.

3) *Peer coaching and advocacy.* Assuming previous efforts are unsuccessful, peer coaches or advocates can be selected to help the parties understand their issues, state them clearly without unnecessary polarization, and search for common ground. Peer coaches or advocates explain the conflict resolution process, investigate the facts, clarify their parties' interests, prepare their best arguments, agree on ground rules, and encourage openness to the other side and responsibility for resolution.

PEOPLE NEED TO BE ENCOURAGED TO USE INFORMAL METHODS TO DIRECTLY COMMUNICATE WITH EACH OTHER.

4) *Peer review board.* The parties might then take their dispute to an organizational peer review board made up of equal numbers of employees and managers, who hear the case and make a decision that is final and binding on the organization. These boards often decide on the basis of consensus.

5) *Organizational learning.* The peer coaches, advocates, and mediators, together with ombuds and HR representatives, follow the parties through the process, distilling the conflict, facilitating listening, deepening understanding, encouraging compromise, and finalizing agreements. They also help the organization learn from the conflict, so it can improve its performance and morale and begin to heal.

6) *Professional mediation and arbitration.* If the peer-review board process is unsuccessful, a professional mediator from outside the organization can often resolve the dispute. Some organizational issues require professional mediation because of organizational "politics," the size of the stakes, complexity of the issues, presence of attorneys, risks to the organization, refusals to cooperate, or inability of peer mediators to handle difficult issues. If mediation fails, the issue is then sent to final and binding arbitration before an outside arbitrator.

7) *Coordination and training.* For this system to succeed, employees need to be trained in peer mediation, coaching, advocacy, ombuds, and peer-review board processes. They need to be skilled in important behaviors such as active listening, creative problem solving, impasse resolution, collaborative negotiation, and organizational learning. Managers and employees need to be oriented to the process and taught how to use the system, what to expect, and what to do on their own to resolve disputes informally.

The advantages of peer-based resolution systems

The advantages of establishing peer-based coaching, advocacy, and mediation systems are numerous and well-documented. Peer mediation systems dramatically increase communication skills and understanding regarding organizational conflicts. They help employees own the resolution process, rather than assuming someone else will do it. Through training and practice, staff members internalize conflict resolution behaviors and strategies, which become part of their natural way of working.

Results also include a higher rate of resolution of disputes, greater participant satisfaction with the process, reduced likelihood of expensive litigation, lower attorney fees, and increased employee trust in traditional processes. There is also a greater likelihood that the organization will learn from its conflicts, improve the way it functions, prevent conflicts before they get out of hand, and proactively handle them when they do.

Even a slight reduction in the number of chronic organizational conflicts would produce an enormous savings in time, expense, energy, morale, and productivity. More important, people feel more supported by the organization and their colleagues—and are willing to do more in return.

Conflicts provide organizational partnerships with unique opportunities. Through conflict, people can learn how to improve the quality of their communications and relationships, participate in solving the problems that keep them apart, and increase their capacity to produce outstanding results. The more we work together to resolve our conflicts, the more we learn to respect each other and sustain successful working relationships over time.



Kenneth Cloke is director of the Santa Monica-based Center for Dispute Resolution and a professional mediator and arbitrator who specializes in resolving complex workplace disputes and designing conflict-resolution systems. Cloke can be reached at the Center at 310-399-4426.



Joan Goldsmith is a consultant and co-author with Warren Bennis of Learning To Lead: A Workbook on Becoming a Leader *(Perseus PR, 1997). Cloke and Goldsmith are co-authors of* Thank God It's Monday: 14 Values We Need to Humanize Our Work *(Irwin Professional Publications, 1996),* Resolving Conflicts at Work: A Complete Guide for Everyone on the Job *(Jossey-Bass, 2000), and* Stories of Transformation Through Conflict *(Jossey-Bass, July 2000). Goldsmith can be reached via e-mail at Jgoldsm@aol.com*