LEARNING FROM EVERYDAY CONFLICT

BY KRISTIN COBBLE AND DAVID HUFFMAN

R ecently the president of a large professional services organization brought in an external consultant to mediate a conflict between two vice presidents. The relationship between the two had deteriorated so badly that they were communicating only through memos, voicemail messages, and other people. At the beginning of the session, the two VPs refused even to look at each other. But as they began to understand the impacts of their actions on one another and explore new ways to interact, their outward animosity gave way to greater cooperation. By the end of the session, the VPs were talk-

ing and even laughing together. Though everyone was initially satisfied with the outcome, the results of the intervention would prove short-lived; within one month, the VPs had resumed their battle of wills—to the detriment of the company as a whole.

What worked about the mediation process was that it enabled the adversaries to discuss their areas of disagreement and develop solutions. It was also fast: It took four hours of the VPs' time. And it was easy to schedule: Only the adversaries and the consultant had to coordinate their calendars.

What didn't work about the process was that it failed to address the

underlying interpersonal and organizational structures that had given rise to the conflict. The VPs never explored how their own untested assumptions about each others' motives escalated the conflict. They also neglected to examine how the organizational structure contributed to the tension. Moreover, other members of the organization were not included in the process and therefore could not examine their own roles in the conflict or participate in a solution. Finally, no one involved had an opportunity to develop the thinking and communication skills necessary to deal effectively with future disagreements. In short, the personal and organizational structures

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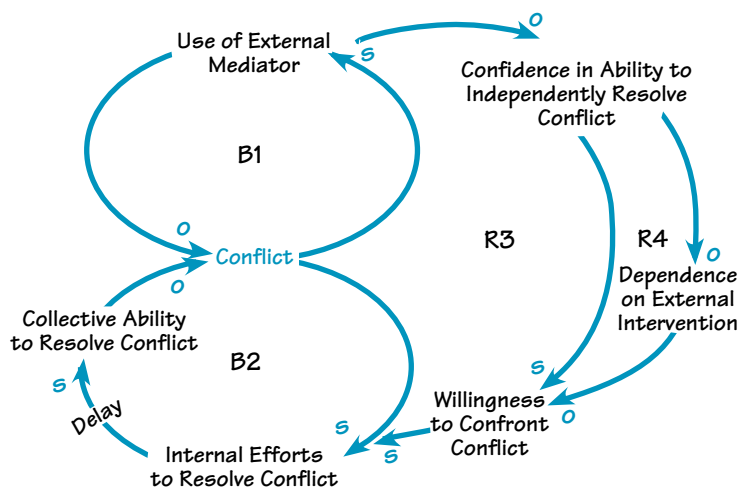
Hiring an outside mediator to respond to conflict may serve a team in the short run (B1), but over the longer term, it reduces people's confidence in their own ability to resolve problems and willingness to confront conflict (R3). Another unintended consequence is a rise in the team's dependence on external intervention, further eroding its comfort with handling conflict (R4). The fundamental solution is to build the team's collective conflict resolution skills (B2).

INSIDE

that gave rise to the conflict were ignored, thus virtually ensuring that the antagonism would resurface.

Is Conflict Necessary?

Conflict is so commonplace that we usually accept it as a fact of life in organizations. As a result, divisive issues often remain unquestioned and unresolved until they either fade away or escalate. When they intensify, we may find ourselves bringing in an outsider to "resolve" the problem. But allowing conflict to escalate costs money because productivity, creativity, and morale suffer.

Can we avoid this kind of extreme conflict? If it does surface, are there approaches to conflict resolution that have a lasting impact? Can an organization learn to identify and address conflict *before* it escalates?

The disciplines of systems thinking and mental models offer powerful alternatives to traditional approaches to conflict resolution. By using basic systems thinking methodologies to actively explore and resolve the underlying causes of conflict, a manager can transform nagging problems into significant opportunities for the organization. As a result, interpersonal

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or interdepartmental tension can become a source of learning and ongoing success rather than a destructive force.

The Pervasiveness of Conflict

We experience conflict in the workplace every day—another department institutes a policy that makes it harder for us to succeed in our jobs; we feel slighted by a colleague's offhand comment, which makes it a little more difficult to work with him; or our performance numbers are lower than we expected, and we are afraid to break the news to our boss. Though these examples may not be as extreme as the case above, even mild conflict leaves us frustrated, anxious, or angry, inhibiting our ability to think clearly and to do our jobs effectively.

A certain amount of conflict is inevitable. After all, we each have different ways of thinking and seeing based on our cultural, ethnic, and educational backgrounds. In addition, we have diverse jobs, responsibilities, and types of power, which lead to different ways of working and approaching challenges. Finally, some organizational structures inadvertently *create* conflict by rewarding a functional focus, distributing decision-making ineffectively, or allowing inconsistent—even contradictory—goals and reward systems.

Given the high cost of unexamined conflict, why do we often avoid resolving it until it escalates? There are many reasons: We want to be nice. We don't want others to see us as a troublemaker. We want to choose our battles. But the most challenging barrier to resolving conflict is when we view a problem as an immutable fact rather than a resolvable conflict. We often attribute the causes of ongoing tension to "hard-wired" characteristics associated with certain professions, positions, divisions, or personalities; for example, "That's engineers for you" or "What do you expect from a salesperson?" In these cases, because we feel powerless to do anything about the problem, we try to ignore it until it is inescapable.

Traditional Approaches to Conflict Resolution

When conflict between individuals or departments reaches a fevered pitch, many organizations turn to an outsider to defuse the situation. Based on advice from the standard conflict resolution literature, many professional mediators keep the adversaries focused on resolving current issues rather than exploring underlying historical or structural causes for the discord. The rationale for this technique is that the conversation will be much less explosive if it is limited to the current crisis. Delving into history can be seen as "opening old wounds," a destructive diversion to addressing the conflict at hand. However, staying riveted on the present makes it difficult to identify long-term solutions to fundamental sources of conflict.

Thus, traditional approaches tend to focus only on interpersonal tensions instead of exploring the larger systemic issues. By bounding the discussion in this way, conventional forms of conflict resolution limit the possibilities for organizational learning and the long-term resolution of tensions. In addition, if an outsider mediates the crisis without helping the parties involved improve their communication skills, a dependency on outside intervention can arise—what is known in systems thinking as "Shifting the Burden" (see "Addicted

to Outside Solutions" on p. 1). Finally, conflict resolution that focuses on individuals, instead of on the larger context of ongoing team development, can sometimes provoke defensiveness in those individuals.

With these shortcomings of traditional responses to conflict, what are the alternatives?

A Systemic Approach to Conflict

From a systems view, conflict is an opportunity for profound learning. Because learning is central to an organization's long-term effectiveness, a systemic approach focuses on exploring all kinds of conflict, not just on eliminating severe conflict between two people. The following characteristics distinguish the systems approach from traditional methods of conflict resolution.
• *The intention is skill building, not conflict resolution.* This focus reduces the pressure on individuals to defend their positions and increases their willingness to be reflective and open.
• *Conflict is addressed before it becomes severe.* A systemic perspective allows people to explore conflict earlier and to learn from, rather than be blocked by, interpersonal disputes.
• *The conflict is explored within the context of the group,* moving the spotlight off the adversaries and allowing the group to see its own role in the conflict.
• *Systems thinking tools depersonalize the issues.* By mapping the causal relationships around the conflict as a group, participants shift the focus from individuals to the larger dynamics of the system as a whole.
• *The tools of systems thinking enable the group to process complexity.* Diagrams of systemic dynamics reduce polarization and oversimplification, making it clear where assumptions differ. This clarity opens the way to deep inquiry and powerful dialogue.
• *Group mapping encourages public personal reflection.* Mapping the issues reveals that no one individual is at fault, creating a safe space for everyone to explore his or her own role in the conflict.

When addressed from a systemic perspective, interpersonal friction alerts us to hidden opportunities for improvement. Indeed, conflict is to the organization as hunger is to the body: a critical early warning system that tells us that we need to take action to make the body healthy. The systems approach focuses not on eliminating conflict, but on eliminating *unexplored* conflict.

The SAGE Method

To ensure an organization's long-term health, getting to the "right" answer is often not as important as having the participants in a conflict safely engage each other, build relationships, develop communication skills, and create innovative solutions together that they will likely support. We have called this methodology SAGE, an acronym for "Step Back," "Assess," "Get Personal," and "Experiment."

Through the SAGE approach, participants create shared understanding of the personal and organizational structures that block teams and individuals from working together effectively. The power of SAGE lies in its ability to help team members build the skills necessary for changing personal and organizational structures (see "The SAGE Process" on p. 4).

The process also has the potential to address severe conflicts that have left their mark on the business as a whole. To tap into this possibility, participants must represent a broad cross-section of the organization. Initially, a group of 15 or fewer individuals from different parts of the organization should complete this process with a skilled facilitator over a two-day period. Eventually, they should be able to work through the steps on their own in less time, as needed.

Below is a description of the four steps involved in SAGE.

Step 1. Step Back
The first step is to create the space and the intention within the organization to address a known conflict or set of conflicts. The goal of this step is to encourage participants to feel safe in exploring the source of ongoing tension. The facilitator begins the process by holding a series of one-on-one conversations with members of the group. He or she:

• Builds a relationship with participants and identifies the critical issues and the thinking that has led to troublesome patterns of behavior.
• Explores what is working, what is not working, and what is missing in the business (for example, "we have exceptional planning" or "we have weak cross-functional coordination"); the facilitator then develops a hypothesis about the reasons behind each item.
• Designs a meeting with the purpose of increasing the team's capacity to learn and work together, while focusing on the business challenges previously identified by the group.
• Begins to stimulate systemic thinking by asking stakeholders to identify actions they have taken that might have unintentionally caused problems for others.

Step 2. Assess
In the second step, participants build a shared understanding of the conflict through inquiry and the creation of a systems map. The systems map is a graphical representation of the causal relationships that give rise to and maintain the group's unwanted dynamics. Developed by the group, it derives primarily from participants' conversations about the conflict. Through this mapping process, the group begins to see how organizational structure creates behavior and, in turn, is created and perpetuated by individual thought and actions. This awareness is particularly useful for taking the edge off what might look like a "personality conflict."

In this step, the facilitator:
• Guides the group in drawing a rough systems thinking map of the challenges at hand. The goal is not to create "perfect" causal loop diagrams, but to generate open exploration of the relationships among forces that give rise to conflict.
• Introduces the systems archetypes to see whether they can provide additional insight into the situation. The archetypes are especially helpful for showing a group that their problems are not unique.
• Encourages participants to say more about their own perspective than they normally might.

• As the map fills out, looks for places of disagreement about what happens or why; and vicious cycles, where one party's action or lack of action creates an undesirable reinforcing dynamic. These often point to hidden sources of conflict.

• Introduces organizational learning tools such as the ladder of inference and the advocacy/inquiry matrix. These tools help to break poor communication habits that may be contributing to the conflict.

Step 3. Get Personal

In this step, participants practice dialogue skills to directly address sources of interpersonal conflict. They learn that everyone has to assume some personal responsibility for creating and maintaining unwanted structures. Most important, participants begin to understand how they each have unintentionally created the very situations they don't want.

In this step, the facilitator:

• Shifts the focus from the relationship between structural forces to a "hot spot" that involves active decision-making. This shift highlights the mental models behind the decisions that keep the structural forces in play.

• Asks everyone to work in pairs to write the "left-hand column" of a recent conversation regarding the conflict; that is, to document what they were thinking but didn't say during the encounter. (For more information on this technique, see Chris Argyris's *On Organizational Learning.*)

• Has two volunteers act out their previously unspoken conversation for the rest of the group, showing how the issue between the individuals plays out throughout the group. As the underlying dynamics become clear, people's defenses come down and compassion emerges.

Step 4. Experiment

In this final step, the group creates an action plan for developing and implementing new ways to work and interact. As part of their ongoing skill development, each participant commits to a personal learning experiment to develop a new skill, and the group as a whole designs an experiment to reshape an organizational structure. An example might be to have a salesperson attend manufacturing's weekly design meetings and have a representative from manufacturing go to the weekly sales meeting. By framing this plan as an "experiment," participants can feel free to be innovative in designing new approaches. Also, because the group can later choose to end or alter the experiment, members don't need to worry about becoming "locked" into a solution that doesn't work.

Often, the group commitments that arise during this step revolve around improving communication and thinking behaviors; for example, agreeing that when a problem is brought to the group's attention, members will first understand it before trying to solve it.

In this step, the participants:

• Make agreements for trying new behaviors.

• Give each other "slack" to be awkward in attempting new skills.

• Schedule two one-hour meetings with another person during which they will act as mutual "peer coaches" in practicing and reflecting on their learning experiments.

• Meet as a group one day a month for six months to reflect on the organizational and personal learning experiments and to continue to practice and refine the new skills.

By the end of the first two days, the team members should have a better understanding of how their actions affect one another and how they are linked. They will also have begun to comprehend how their thinking influences the results they get—or *don't* get—and how their thinking and actions keep unwanted dynamics in place. Finally, they will have begun practicing new thinking and communication skills, thus creating a strong foundation for future interactions.

SAGE in Action

For example, in one high-tech manufacturing company, as the company grew, management introduced market-focused decision-making requirements

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THE SAGE PROCESS

Here is a modified version of the SAGE process that you can do alone and then in conversation with your adversary.

Step 1. Step Back

• What is and isn't working in terms of the business, the process, the people? Why?

• What actions have I and others taken that might have unintentionally caused problems?

• What are the goals of the other stakeholders in the conflict?

• How would the others answer the previous questions?

Step 2. Assess

• What do our hypotheses look like when they are mapped out?

• Where do our assumptions about the conflict overlap? Where are they different?

• Where do we need to collect more data?

• What hypotheses can we develop about the causes of the conflict?

• Whose perspective is missing?

• Which archetypes might help us to understand the situation?

Step 3. Get Personal

• How am I contributing to or perpetuating this problem?

• What decisions do I make regarding this problem? What dilemmas do I face as I make these decisions, and how do I resolve them? Are there alternative ways of resolving them?

• What assumptions/beliefs do I hold that I have not said out loud?

Step 4. Experiment

• What are we trying to create?

• What are possible solutions? What are the possible unintended consequences of those solutions?

• What experiment can I commit to in order to develop a new skill?

• What organizational learning experiments can we all commit to?

into a culture that had previously been driven by technology alone. This change created the need for collaboration between engineering and sales and marketing. However, several areas of conflict arose between these groups, resulting in both personal acrimony and ineffectiveness in new product development and sales. By working through the SAGE process with a consultant, key members of engineering and sales and marketing were able to identify and discuss the structural elements that led to conflict between these departments. As part of this process, they created a causal loop diagram of the dynamics that made it difficult for them to collaborate (see "Conflicting Departmental Goals"). In reality, the map created during the session was quite messy, but as the group began seeing their behavior as part of a system, the dynamics emerged quite clearly and the map was streamlined. Through the mapping exercise, they realized that the two groups had competing reward systems, and they started to see the structural inevitability of their conflicts.

The groups then identified areas where people were making decisions that created or exacerbated conflict. They explored the thinking behind these decisions, leading to an open dialogue about the key drivers that led to different choices. Through this discussion, individuals were able to move beyond personal animosities to understand the motivations of their counterparts.

As a final step, the groups agreed to experiment with collaborating differently in both new product development and in the sales process. For example, for eight weeks, the engineering group would commit resources to explore future product directions with the sales group. After the eight-week experiment concluded, the groups agreed to meet for a half day a month to continue to develop their skills in recognizing, understanding, and moving beyond conflict.

Implications for Managers

Traditional mediation works well for short-term resolution of a specific incidence of conflict. A systems thinking approach, such as the SAGE methodology outlined above, can generate a long-term, structural resolution to ongoing conflict. With learning and skill building as the goals, and with the focus on the organization rather than on the individuals involved, the process opens communication and improves organizational effectiveness.

Through systems thinking mapping, the structural nature of a conflict emerges, shedding light on the underlying dynamics that can unwittingly place two individuals in a confrontational relationship. By using tools such as the left-hand column, participants can see the interplay between personal and organizational structures and can begin to acknowledge their own responsibility in maintaining unwanted dynamics. By working through the issues that have cropped up between them, adversaries develop mutual understanding. Not only do they see the cost of not communicating, they begin to develop skills for dealing with the inevitable future breakdowns. Having the skills and confidence necessary to explore tensions makes employees more willing to address them.

If a manager is willing to explore and resolve mild conflict, he or she can transform nagging problems into significant opportunities for the organization. Conversations become more direct, so problem-solving improves and decisions get better. Innovation rises. Finally, and very importantly, when people express more of themselves at work, they are happier, more creative, and more productive. In these ways, a systems thinking approach can help managers transform conflict into long-term organizational success. ◘

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CONFLICTING DEPARTMENTAL GOALS
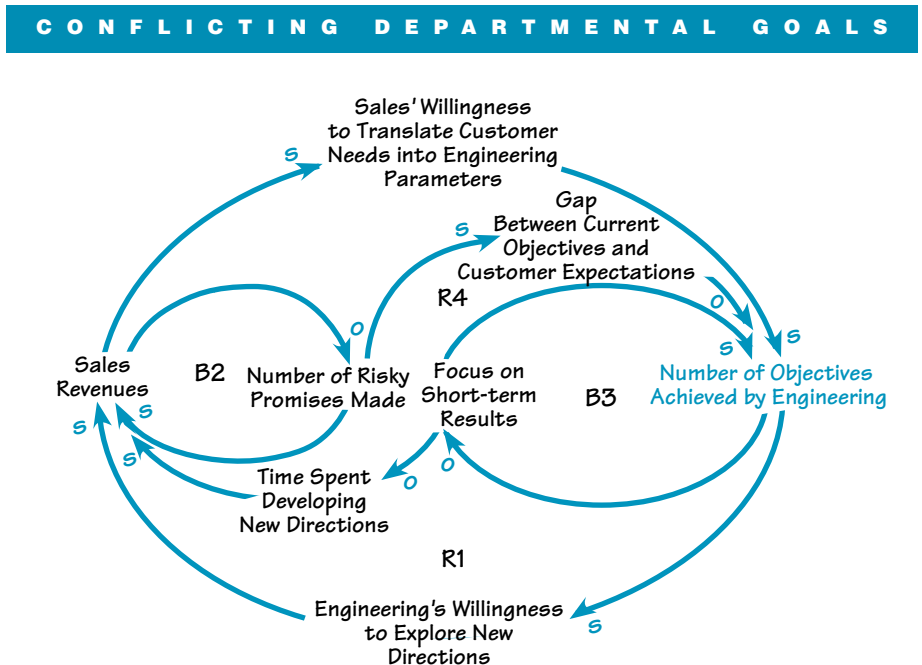
When engineering fails to meet their objectives, they react by focusing on short-term results (B3), which keeps them from developing future products. But when sales is behind on their numbers, they make risky promises about what the company can deliver (B2), putting even more pressure on engineering (R4). By focusing on company success instead of on departmental goals, engineering can help sales meet its targets by exploring new directions; sales can help engineering by translating customer needs into engineering parameters (R1).