

Unresolved conflict can be identified by chronic inefficiencies in your organization that resist efforts to improve it. Resolving conflicts is a primary role of a leader.

Turning Conflict into Opportunity

How Successful Leaders Transform Differences into Opportunities

An April 11, 2007 *Management Forum Series* presentation by

Mark Gerzon

Synopsis by Rod Cox

“As the world grows smaller, opportunities for conflict multiply. Ethnic, religious, political, and personal differences drive people apart in organizations and institutions of all kinds – with potentially disastrous consequences. It’s the task of effective leaders to bring people together again.”

“Conflict is everywhere: from organizations that are divided about their strategy and roles to local communities that are divided by race, economics, religion or politics; from homes torn apart by chronic feuds between parents and children, siblings, or in-laws to countries that are torn apart by civil strife. If we add to these “hot” conflicts (strong emotions, loud voices, visible tension) the many others that are “cold” (suppressed emotions, silence, invisible stress), we will admit to ourselves conflict is part of our lives.”

“All conflicts have negative consequences if handled poorly. They produce chronic inefficiency in our organizations, strife in our communities, and turmoil in our lives. Even if we were to live alone [as a hermit in a cave], we would still carry in our memory all the previous experiences of conflict. It will be there whether we like it or not. The question each of us faces is: How will I choose to deal with it?”

In this presentation, Gerzon focuses on:

- Why leading through conflict can make a profound difference in your company or community's effectiveness.
- The tools you need to turn differences into opportunities, and why this tool set is absolutely critical for more diverse, “global” companies and communities.

“Let your voice come out; the nature of leadership is to take the next step. No one is conflict free, but each of us – and each organization – has a choice as to whether to make it conversation or a battle.”

Mark Gerzon is an author, mediator and leadership consultant focused on fostering global leadership. Hailed by the New York Times as an “expert in civil discourse,” Mark has worked as a facilitator and leadership trainer for the United Nations, the US House of Representatives, and a wide range of corporate and civic organizations around the world. He is founder and co-director of the Global Leadership Network, and author of several books including *The Whole World is Watching* (1969), *A Choice of Heroes: The Changing Faces of American Manhood* (1982), and *A House Divided* (1997). This synopsis is drawn from his Portland, Oregon presentation as well as from his recent book: *Leading Through Conflict: How Successful Leaders Transform Differences into Opportunities*.

Gerzon is appropriately known as a stellar facilitator – receptive, engaging, and connective – who continuously weaves audience perspectives and interests into his presentation, focusing as much on local issues as on world situations. His *Management Forum Series* presentation was a case in point.

Extensive quotes and major applications in this synopsis are from Gerzon's presentation as well as from his books. For additional detail as well as insightful supportive examples and anecdotes, Executive Forum strongly recommends that you read Gerzon's *Leading Through Conflict* book, and add it to your professional library. Gerzon recommends that you read William Ury's *Getting to Yes* as well.

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“Conflicts are real. They are unavoidable. And they are not going away. Whether the conflict is with your boss or your staff, your neighbor or your city council, or even national or global, new leadership skills are required today because the walls are coming down. Every city and organization is rapidly becoming “the middle of everywhere.” We are intermingling to the point that someplace is now infused with everywhere, someone connected to everyone.

Leading across differences is now a necessity in the communities where we live and in the organizations where we work. Today, more than 63,000 transnational companies operate globally with over 800,000 subsidiaries spanning the planet. They employ more than 90 million people and produce 25% of the world’s GNP. In less than a generation, the number of businesspeople working across geographic borders has skyrocketed. The borders are coming down. And as the world is changing, leadership must change too.

Differences between nations and cultures are only part of the picture. The more immediate challenges are the differences within organizations. Gone are the days when senior executives in the private sector were responsible only to owners and shareholders. Today they are responsible to a wide range of stakeholders who are often scattered all over the world. They are juggling cross-border constituencies including employees, multiple suppliers, customers, governments and more. Effective leaders today must develop the skills for turning these differences into opportunities – or they simply won’t succeed.

We simply cannot manage a whole company or a whole community with leaders who identify only with one part. (How could congressional leaders Gingrich and Gephardt refuse to talk with each other for a full 18 months?) Instead, more often than ever before, we need boundary-crossing leaders who can help the parts work together to strengthen the whole. There is no denying that the potential for dangerous, destructive conflict is real. How we choose to respond to this conflict is an act of leadership. We need a new model of leadership that puts conflict at the center, as an essential test of leadership.”

‘Leading through conflict’ involves facing differences honestly and creatively; understanding their full complexity and scope; and enabling those involved to move toward original solutions. Such leadership requires capacities that ordinary spokespersons for ‘us’ versus ‘them’ have never developed. It requires both personal and professional skills that turn serious conflicts into rewarding opportunities for collaboration and innovation.

“The same mechanical knee-jerk conflict found between partisan opponents in Congress is also found in many organizations. Conflict between two executives, or between two divisions of a company, creates inefficiency and sometimes paralysis within an organization that is supposedly working for the same purpose. This mishandling of conflict limits our lives in more ways than we can recognize. We lead from **our** side of the aisle; we lead from **our** box in the organizational chart; we see everything from inside the borders of **our** worldviews; we defend the interests of **our** division, neighborhood or interest group. As a result, we find ourselves leading “us” against “them.”

This kind of reactive leadership is impotent. The leadership tools for which we yearn are the tools of the Mediator, the boundary-crosser in an organization or community who is moving beyond whatever differences might be constraining them in order to play a conflict-transforming leadership role. Mediators take care of even the most complex, challenging situations by being stewards of the whole, rather than owners of the parts.

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The organizations in which we work, and the communities in which we live include many stakeholders who now insist on participating in the process. Consequently, when we lead, we cannot be dictators or even ordinary managers. We have to lead like Mediators.

Avoiding differences is not an option because they are a built-in part of our way of life. The founders of the United States constructed a system of checks-and-balances by creating three branches of government since conflict is inevitable. Similarly, conflict is built into the free market, a swarm of competing entities, each seeking their own advantage. Capitalism builds conflict into the economy with the goal of creating ever-higher levels of efficiency and productivity. We want companies to compete against each other for our money. This divided structure with built-in conflict is the hallmark of political and economic freedom.

But here's the catch: although conflict is built into our commercial and civic institutions, the skills for dealing with it are rarely taught. *Knowledge about conflict, and the tools for dealing with it effectively, can make our relationships at work more satisfying and productive; prevent unnecessary conflict; deepen respect and collaboration between even the most hostile antagonists; and strengthen our families, communities and organizations. They can make the difference between a decision-making process that works or fails, and between an agreement that endures or falls apart.*

What we often see, unfortunately, are Managers (top-down decision makers) who deal with problems without consulting with others or considering other interests and points of view. Even less effective are Demagogues who range from dictatorial national leaders to corporate tyrants to classroom bullies.

Mediators, Managers and Demagogues are present in most organizations and communities. The outcome of any conflict depends in large measure on which of these leadership models prevails. Every one of us chooses, in every conflict we face, which of these faces of leadership we will embody. The choice we make will determine whether we reinforce a world where conflicts escalate out of control, or create a new world where conflicts are transformed into opportunity.

Each of us has seen the consequences of mishandled conflict. Differences are magnified; relationships are polarized; cooperation is sabotaged. The results are pain, anger, mistrust, and sometimes a desire for revenge. Our work becomes less effective and our lives more strained; animosity, hatred and even violence are triggered."

Successful leaders are becoming Mediators because accelerating rates of change, complexity and interdependence are making the capacity to lead through conflict an absolute necessity, not an option. The leader as a Mediator is often tipping the balance between stagnation and progress, inefficiency and innovation.

Equally destructive is sweeping conflict under the rug. Businesses as well as governments are often conflict avoidant, and this causes negative outcomes. Perhaps this is because successful people in every age group tend to be conflict avoidant: they use "nice" to get ahead. But how do we live and work together when our fundamental belief systems differ, and we refuse to acknowledge it?

Consider the potential for conflict in your own organization (examples from Forum participants):

- Competition
- Cultural and world-view differences
- In matrixed organizations, the problem of moving people in a direction of common good without perceived authority
- Resistance to change
- Interpersonal avoidance or attack

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- Systems upgrades
- Generational differences
- Succession planning
- Cross-department allocation of resources
- Managing priorities with tight deadlines while simultaneously respecting competing demands for time and other resources
- Avoidance and exploitation instead of resolution

“Conflict is not someone else’s responsibility; as a long-term strategy, finding someone outside to deal with them will not make conflicts go away. Building internal resources – increasing your capacity to transform conflicts into opportunities – is the best investment you can make in making your organization or community more effective. This is true whether you are dealing with family conflicts, organizational conflicts, or political and civic conflicts.”

Unresolved conflict falls into two camps:

- **Cold conflict:** passive, polite, silent, subversive, disengaged, distant, rule-centric, despair
- **Hot conflict:** aggressive, rude, noisy, acting out, win-lose defenses, debate instead of dialogue

The leadership dilemma is how to turn up the heat so that “cooking” occurs, as well as how to turn down the heat so the food doesn’t “burn.”

“No book, method or training – including this presentation – can ‘fix’ conflict. But each of us can learn to transform the conflicts in our lives so that they ultimately enrich it as well as enriching the ‘whole’ of which we are only a small and fragile part.”

We can take a giant step by understanding and using a set of tools.

Eight Tools to Turn Differences into Opportunities

These tools fall into four camps or values, each supported by two skills or practical tools used by effective conflict-resolving leaders:

Values	Skills	
Integrity	1. Integral Vision	2. Systems Thinking
Learning	3. Presence	4. Inquiry
Trust	5. Conscious Communication	6. Dialogue
Synergy	7. Bridging	8. Innovation

Tool 1: Integral Vision

Integral vision is the commitment to leading the whole by acknowledging the legitimacy of divergent worldviews, and by working with them to create a clearer, more complete strategy.

“Ghandi’s request that we ‘identify with all that lives’ and Einstein’s invitation to widen our ‘circle of compassion to embrace all living creatures’ are not utopian. Leading through conflict means believing in

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the possibility of what does not yet exist. Integral vision means understanding divergent worldviews but not being limited by or trapped within them.”

Integral Vision Tips	
<ul style="list-style-type: none">▪ Check your own vision▪ Don't replace one border with another▪ Watch your language	<ul style="list-style-type: none">▪ View the situation from a bird's-eye view▪ Develop maturity of mind▪ Learn to see through walls

Tool 2: Systems Thinking

Systems thinking is a way of learning and leading that includes all dimensions of “the issue” and all stakeholders who are affected by it, *“identifying all of the significant elements related to the conflict and understanding the relationship between them. If integral vision is the goal, then systems thinking is the means to that goal, to moving beyond the borders that create conflict, and understanding how all the sides are part of a system.”*

“In the old paradigm, it was believed that in any complex system, the dynamics of the whole could be understood from the properties of the parts. In the new paradigm the relationship between the parts and the whole is reversed. The properties of the parts can be understood only from the dynamics of the whole. Ultimately there are no parts at all. What we call a part is merely a pattern in an inseparable web of relationships.” Fritjof Capra

Systems Thinking Tips	
<ul style="list-style-type: none">▪ Keep it simple▪ Think systemically about your own role▪ View yourself and your organization from “outside the box”	<ul style="list-style-type: none">▪ Practice asking, “And then what?”▪ Think twice before you call someone an “enemy”

Tool 3: Presence

Presence means applying all of our mental, emotional and spiritual resources to witnessing our community and world. The part ‘not present’ might be the part that’s needed. *“No problem can be solved from the same consciousness that created it. We must learn to see the world anew.”* Albert Einstein

“Particularly in times of conflict, our mind is only part of the picture. Are we bringing our entire being to the conflict? Are we fully present? Being ‘awake’ is an excellent, down-to-earth way of describing the quality of presence that we need when dealing with conflict. It is less about what Mediators ‘know’ or can ‘do’ than about who they ‘are’. It is the absence of ‘going into a tunnel’ or sleep-walking. It is being open to perceiving what is happening right now, responsive to the needs of this moment.”

Presence Tips	
<ul style="list-style-type: none">▪ Find your own path▪ Practice presence every day▪ Become a reliable witness▪ Be present even in the face of fear	<ul style="list-style-type: none">▪ Pay attention to energy▪ Clarify your motivation▪ Promote presence in meetings▪ Cultivate quiet patience

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Tool 4: Inquiry

Asking questions that elicit vital, essential information about our community and our world – that unlock essential information about the conflict – is vital to understanding how to transform it. *“In most conflicts, there is no shortage of words. Conflicts usually consist of genuine differences compounded by stuck positions, fixed attitudes, hardened identities, and closed hearts. If words are going to make any difference, they had better be the right ones, in the right tone, and at the right time.”*

At the beginning of most conflicts, we simply don't know enough to transform the differences into opportunities. We need to ask some questions:

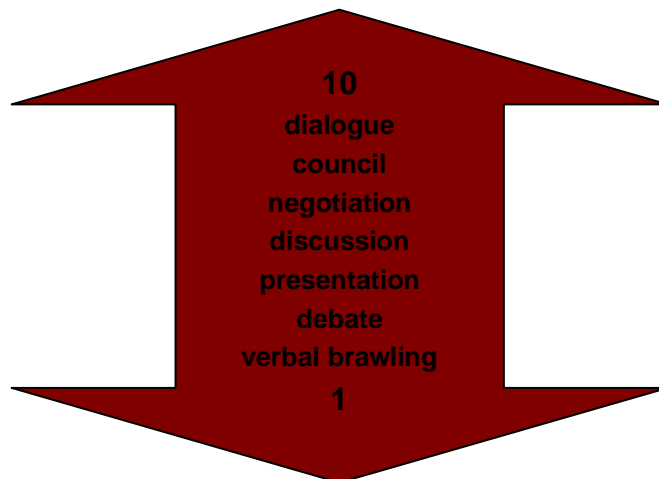
- *What else can I learn about this situation?*
- *Is there some useful, perhaps vital, information that I lack?*
- *Do I truly understand the way others see the situation?*
- *Should I consult with others before I intervene? “*

The power of not knowing – and of asking questions to learn – led to the establishment of micro-lending banks that have provided more than \$2.5 billion micro-loans to impoverished villagers in third-world countries, breaking their chronic cycle of abject poverty.

Inquiry Application Tips	
<ul style="list-style-type: none">▪ Make your questions count▪ Interrogation is not inquiry▪ Lean your question toward the light▪ Instead of blaming, listen more deeply	<ul style="list-style-type: none">▪ Practice inquiry especially with those you hate – and love▪ Take a listening test▪ Listen particularly to those who have no voice

Tool 5: Conscious Conversation

Under the heat of conflict, communication often makes things worse. It makes sense to become aware of our full range of choices about how we speak and listen, and about speaking in a way that builds trust. Trust matters. It involves sincerity (intent to keep one's word), competence (skill and capacity to keep commitments), and reliability (track record), resulting in a predisposition for coordinated action.



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In your work place, what is the level of trust (scale of 1-10 with 10 being very high)? What causes it to be at that level? How do you move to a higher level? The ground rules are respect, openness, listening, fairness, privacy, and commitment.

Conscious Conversation Tips	
<ul style="list-style-type: none"> ▪ Go beyond Robert's Rules ▪ Set the ground rules before you need them ▪ Make rules that everyone owns 	<ul style="list-style-type: none"> ▪ Let go of "winning" arguments ▪ Replace abstractions with relationships ▪ Get out of your comfort zone

Tool 6: Dialogue

"In most conflicts, the main part of the problem consists in getting people to talk and to listen to one another. You cannot have an execution culture without robust dialogue. What people yearn for is deep, honest, inclusive, and respectful dialogue. Dialogue fosters the trust that is essential to leading through conflict. Its purpose is not to be 'nice'. Its purpose is to be 'effective'. Much of the energy for transforming conflict is buried in the soil of our assumption. Dialogue unearths assumptions and brings them into the light." This starts to make sense when we compare 'debate' with 'dialogue'. What are the likely outcomes of each? In which column is your own organization more firmly planted?

Debate	Dialogue
Assuming that there is a right answer, and you have it.	Assuming many people have pieces of the answer
Combative: participants attempt to prove the other side wrong	Collaborative: participants work toward common understanding
See two sides of an issue	See all sides of an issue
About winning	About exploring common ground
Listening to find flaws and make counter arguments	Listening to understand, find meaning and agreement
Defend own assumptions as truth	Reveal and examine all assumptions
Defending own views against those of others	Admitting that others thinking can improve our own
Searching for flaws and weaknesses in others' positions	Searching for strengths and value in others' positions
By creating a winner and loser, discouraging further discussion	Keep the topic open even after the discussion formally ends
Seeking a conclusion or vote that ratifies your position	Discovering new options, not seeing closure

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“The investment in dialogue should not be made casually. If ordinary discussion can effectively handle a challenging situation, then we can go ahead and have a business-as-usual meeting. We should save dialogue for the times when:

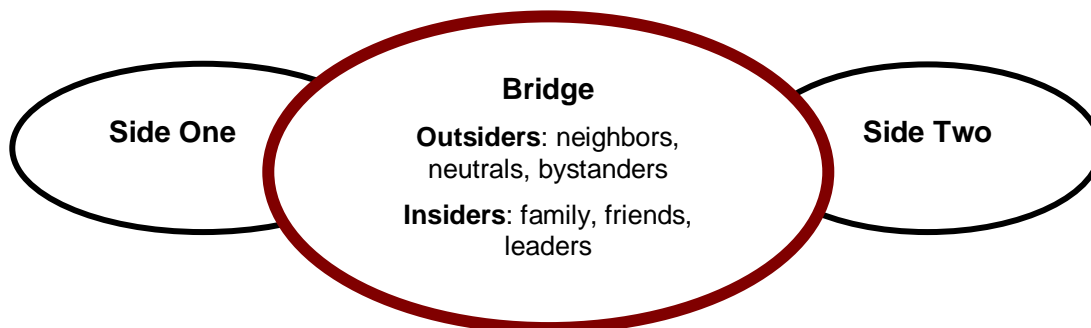
- *The level of mistrust prevents getting necessary work done.*
- *Fundamentally different frameworks are causing chronic misunderstanding.*
- *Changes need to be made throughout an organization or community.*
- *A new group enters your community, or two companies merge.*
- *You and your colleagues are recovering from a crisis.*
- *A new strategy or project requires building shared ownership and commitment.”*

Dialogue Tips	
<ul style="list-style-type: none">▪ Seek the ripple effect▪ Uncover assumptions▪ Make hidden agendas visible▪ Equalize power relationships	<ul style="list-style-type: none">▪ Combine dialogue with action▪ Rebuild trust▪ Challenge arrogance with dialogue▪ Use respect to dissolve stereotypes

Tool 7: Bridging

Often conflicts can be resolved using a third party as a facilitator, someone who can build partnerships and alliances that bring the sides together. This is a natural role for a leader.

“The purpose of bridging is action . . . and the critical word is ‘we’. Some aspect of the ‘them’ and ‘us’ in the conflict must be transformed into a credible, durable ‘we’. When this ‘we’ emerges, the leader can form a ‘third side’ to the conflict that can take concrete steps toward spanning the division. When bridging happens and social capital increases, relationships become strong enough to produce the synergy of opportunity. Note that by itself, bridging does not mean that the conflict is ‘solved’. It does not guarantee success. But it does signify that the conflict has progressed enough so that both sides sense that they are moving in the right direction.”



What are the dividers in your company or community that require bridging? Who are the savvy leaders who can bring this about?

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Bridging Tips

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| <ul style="list-style-type: none">▪ Build bridges one step at a time▪ Build from the middle▪ Raise the level of the game▪ Think in terms of webs, not walls | <ul style="list-style-type: none">▪ Bridge idealism and practicality▪ Think like a minority▪ Learn bridging by doing it |
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Tool 8: Innovation

Innovation is the process of bringing about social and entrepreneurial breakthroughs that foster new options for creating a stronger organization in a more just, sustainable world. *“If the tool of bridging builds relationships that can catalyze good ideas, then innovation is about taking those good ideas and turning them into action. When applied to conflict, innovation is more than a tool. It is the potential breakthrough that emerges from carefully and creatively applying all of the seven preceding tools. In other words, innovation is the harvest.”*

Said another way, innovation is acting together effectively for a common purpose that produces tangible results for the whole system, leading to results that add and share value, and that endure:

- generating new information to reframe the situation
- forging a new integration with synthesized polarities
- launching a joint inquiry to learn together
- collaborating on specific projects that connect two or more stakeholders in shared activity
- creating partnerships between adversaries
- crafting an enduring agreement or contract that breaks the conflict cycle and reduces friction
- renewing institutions and reinvigorating rules and procedures

“The essence of innovation is that it rarely comes the way we expect it. If we think we are heading straight toward the light at the end of the tunnel, we should be prepared to zigzag. Transformation is not linear but rather alchemical. If we don’t achieve the precise results we intended, let us not be too quick to judge it a failure or a success. Instead, perhaps we should step back and take a second look.”

Innovation Application Tips

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| <ul style="list-style-type: none">▪ Don’t seek the limelight▪ Practice and preach collaboration▪ Emphasize co-leaders and teams rather than individuals | <ul style="list-style-type: none">▪ Fix the process, not just the problem▪ Ensure that rules are fair▪ Learn to dance by transcending normal rules of leading and following |
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In the Heat of the Moment . . .

Not everyone has time to read a book when a conflict arises. In the heat of the moment, what can you do? Gerzon recommends the following:

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Make time your ally	<i>Do you really need to respond <u>now</u>?</i>
Breath – and protect yourself	<i>Don't hold your breath when counting to ten. Assess the situation, gain balance, center yourself.</i>
Determine your goal and focus on it	<i>Keeping your goal in mind will help keep you from getting lost in the moment, or the passion.</i>
Speak to who is present	<i>There is no point in speaking unless you direct what you are saying to the person actually in front of you.</i>
Avoid name-calling and blaming	<i>If you actually want to be heard, use words from your heart that communicate more clearly.</i>
Beware of self-righteousness	<i>Recognize the virtues of humility. Be aware of your own shadow. "It takes two hands to clap."</i>
Keep your shadow in front of you	<i>Take responsibility for your part in the conflict. Know the feelings being caused by the present conflict and don't bring out the feelings that have been hiding inside for a long time.</i>
Listen to everything, but respond selectively	<i>You are free to address whatever you want. Assume that the other party has a genuine issue, but be "rude" (non-responsive) to blows that have no substance.</i>
First inquire, then fire	<i>Determine the facts. When you make wild statements based on faulty information, you lose credibility.</i>
Consider calling in a third side	<i>"Because I value our partnership, I feel it would be worthwhile to get someone to help us through this tough period, don't you?"</i>
Take stock before you take sides	<i>Reflect on your own complexity: listen to your own doubts, attend to your own questions, and admit to your own confusion.</i>
Listen more, speak less	<i>Patiently, compassionately, wisely. Know that you will have to see your adversary tomorrow and the day after.</i>
Learn your adversary's "language"	<i>What is your adversary's belief system. Be multilingual with your heart and mind, not just with your tongue.</i>
Let your adversary know you	<i>Be brave enough to reveal yourself and to include information that might help resolve the conflict</i>
Observe the sacred rules	<i>Behave in the moment in a way that embodies the desired outcome. A "Golden Rule" is present in every language and is honored by every cultural system.</i>

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What if . . .

“To lead through conflict, we face the challenge of holding a vision of what is possible. The key to finding buried opportunities is imagination, the capacity to envision the conflict transformed. Instead of thinking, “Why won’t they . . . ?”, it requires asking, “What if we . . . ?”

- *What if we raised a generation so that they learned to be conflict literate?*
- *What if we students in business, management, law, and even medicine learned how to turn conflict from a liability into an asset?*
- *What if all of us at diverse faith-based schools taught about other systems of belief?*
- *What if we created in every community a public space designed for dialogue?*
- *What if we developed news media that were a laboratory for negotiation and dialogue?*
- *What if those of us in education learned and applied the tools of the Mediator?*
- *What if we voters supported political candidates who ran campaigns that strengthened communities rather than dividing them to get the most votes?*
- *What if we encouraged the U.S. Congress and other national legislatures to have an Office of Facilitation?”*
- *What if we provided every serious conflict, particularly civil wars, with a mediation team that used these eight tools?*
- *What if we reformed the UN so that it had not only a Security Council but an Inquiry Council?*
- *What if we challenged defenders of the environment and defenders of economic growth to work together for a sustainable, equitable human future?”*

