

Managing for conflict and consensus
Why Great Leaders don't take Yes for an Answer

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The leadership challenge.

Catastrophic failure (such as the Columbia Space Shuttle disintegration in 2003) always brings forth troubling questions: Why didn't?

In order to avoid misconceptions about decision making we have to understand that strategic decision making is a dynamic process that unfolds over time, in fits and starts, and flows across multiple levels of an organization. Different forces such as social, political and emotional play an enormous role. Cognitive decision-making is a challenge for many leaders, but the socio-emotional component is their weakness.

Success is a function of both decision quality and implementation effectiveness. Both are determined by the leaders quality to handle personal clashes, politics and social pressure.

We don't see in many organizations debate or conflict during decision making and groups very often converge quickly on one solution. Critical assumptions or creative alternatives never surface.

But conflict alone isn't enough: leaders should be able to build consensus. Consensus requires a strong commitment to the chosen action and a strong, shared understanding of its rationale. Commitment without deep understanding can lead to 'blind devotion'.

Vigorous debate during the decision process may lead to people dissatisfied with the outcome. So the question is: how do you foster conflict to enhance the quality of your decision making while building on the same moment the needed consensus?

Therefore we have first to understand how decisions unfold.

The author identifies five myths and the realities:

- ❑ The Chief Executive decides (myth); reality: strategic decision making involves activity at multiple level of the organization.

- ❑ Decision are made in a room (myth); reality: most work occurs offline, in one-on-one conversations or small workgroups.
- ❑ Decisions are largely intellectual exercises (myth); reality: decisions are complex social, political and emotional processes.
- ❑ Managers analyze systematically and then decide (myth); reality: solutions often arise before managers define problems or analyze alternatives.
- ❑ Managers decide and then act (myth); reality: decisions often evolve over time through iterative choices and actions.

The absence of a healthy debate frequently leads to faulty decisions.

We may engage in a cognitive, task-oriented conflict while this enhances solutions but we have to avoid affective conflict.

In order to manage conflict and build consensus we have to overcome following sources of difficulties:

- ❑ Leadership style: some managers are uncomfortable with any confrontation, others are introverted, others manage by intimidation.
- ❑ Cognitive biases: people tend to downplay data contradicting their belief or over-rely on data supporting them. People overestimate own capabilities.
- ❑ Threat rigidity: threat related stress may induce rigid responses based on past practices (but which don't work anymore).
- ❑ In-groups versus out-groups: in-group members have a more positive image. Interaction and information flows diminish.
- ❑ Organizational defensive routines: these minimize embarrassments but place critical issues 'off limits'.

When the leader is more concerned about the question 'What decision should I make' instead on 'How should I decide?' a serious obstacle to successful decision making occurs.

Deciding *How* to decide.

Following the catastrophic Bay of the Pigs invasion in 1961, president Kennedy completely overhauled his policy decision-making process. He introduced following rules: abandon protocol, do not participate as department representatives but as 'skeptical generalists'; he invited lower-level officials and outside experts; he split advisers into subgroups to assess alternatives and assigned 'devil's advocates'.

For levels of power define your decision-making process:

1. Composition: Who can provide data, information or a fresh point of view? Who will play a critical role in the implementation? Who will be my sounding board (a trusted person)? Is demographic diversity handled appropriately?
2. Context: the norms and ground rules that will control the deliberations. We have the structural context (reporting relationships, control ...) and the psychological context (behavioral norms and situational pressure).

3. Communication: how will you exchange information, generate alternatives and evaluate them? We have or a structured approach or an unstructured approach.
4. Control: how will you introduce your own views and should you play a special role? Research suggests it's useful to play a 'symphony of distinct roles'.

When failures occur you have to pay attention to both content-centric learning (flawed judgments and assumptions) and process-centric learning (why you erred).

An absence of Candor.

People tend to engage in 'superficial congeniality'. Following warning signs allow you to recognize this behavior:

- ❑ Co-workers wait for your cues before commenting on controversial issues.
- ❑ Meetings with hefty binders and fancy presentations and not with a lively dialogue.
- ❑ Same people dominate the management team.
- ❑ You rarely hear concerns or feedback from people several levels below you.
- ❑ Senior management meetings simply ratify decisions made somewhere else.

The problem of candor has very often deep structural and cultural roots. The obstacles to candor can be hard or soft.

When the barriers are 'hard' such as structural complexity, ambiguous roles, information filtering mechanisms : simplify structures to improve information flow, clarify roles and responsibilities.

'Soft' barriers can be status, language (= special way of characterizing problems) or unstated assumptions. Welcome all input, include people who downplay status, prevent the use of the special language or state the assumptions.

Stimulating the clash of ideas.

The author puts four tools forward:

- ❑ Role-play methods: role-playing your competitors, partners, customers, successors.
- ❑ Mental simulation techniques: scenario planning or 'pre-mortems' can help you.
- ❑ Conceptual models and frameworks: individuals launch inquiries from different vantage points.
- ❑ Point-counterpoint dynamics: red teams focus on reasons not to do the deal, blue teams present arguments for the deal.

Some pitfalls (and solutions) while promoting vigorous debate:

- ❑ Devil's advocating can lead to self-congratulatory attitude. Solution: rotate the role.
- ❑ Facilitating dialogue can create leader-member exchanges instead of open dialogue. Solution: repeated interaction between each other.

- ❑ Maximizing time efficiency can lead to packing the agenda or moving too quickly between topics without time for dissent to emerge. Solution: balance efficiency and high-quality decisions.
- ❑ Providing time for dialectical inquiry can lead to people entrenching in subgroups. Solution: bring subgroups back together sooner.
- ❑ Making data-driven decisions can lead to focusing too much on the details of the quantitative analysis. Solution: refocus on assumptions and logic behind the analysis.

Confrontation has to be a part of a strategic planning process. Jack Welch declared 'constructive conflict' a core value at GE.

Keeping conflict constructive.

Conflict is constructive as long as individuals keep raising interesting questions, keep trying to understand others' position and remain open to new ideas.

But conflict can become easily dysfunctional when people repeat worn-out arguments and when loud voices dominate. A leader has to recognize in time the warning signs:

- ❑ People stop asking questions.
- ❑ People stop searching for new information or revising proposals based on others' critiques.
- ❑ People stop trying to interpret ambiguous data.
- ❑ People begin to repeat arguments.
- ❑ Affective (interpersonal) conflict emerge.

The inability to decide.

Many organizations are plagued with the inability to decide or execute. This 'culture of indecision' come in three forms:

- ❑ Culture of 'No'.
- ❑ Culture of 'Yes'
- ❑ Cultures of 'Maybe'

Fair and legitimate processes.

People don't only care about the outcomes of decision making but also about the process followed. If they perceive the process as unfair and illegitimate, they will not really commit even if they agree.

Fair decision making processes are your 'cushion of support' when you make an adverse ruling.

Decision processes are perceived fair as:

- ❑ There was ample opportunity to express views and disagreements.

- ❑ No secretive maneuvering was involved.
- ❑ They feel that the leader was truly listening and considering different views.
- ❑ They perceive they had a genuine opportunity to influence the decision.
- ❑ The rationale for final decision is clearly understood.

In this chapter the author provide also six tips to enhance perceived fairness:

- ❑ Provide a road map on the process.
- ❑ Reinforce your open-mindset.
- ❑ Listen actively.
- ❑ Explain the decision rationale.
- ❑ Explain how input was used, how people contributed.
- ❑ Show appreciation for all contributions.

Processes also need a procedural legitimacy: the perception that the processes are desirable, proper and appropriate. This legitimacy helps explain why more information is gathered than used. But be aware that process legitimacy can backfire as some people will see them as manipulative and just symbolic behavior.

The leader can prevent this becoming a problem by creating a level playing field, identifying all token alternatives and separating advocacy from evaluation.

It is important that your team's perception on the decision making process matches your perception. Therefore you have to conduct ongoing 'process checks', manage conflict constructively, maintain legitimacy, hold private one-on-one meetings to test alignment, inviting your team to discuss – in your absence – their approach and to pay close attention to nonverbal cues.

Reaching closure.

The decision making of Gen. Dwight Eisenhower concerning the D-Day invasion serves as an example at this point in the book.

Eisenhower challenged the conventional wisdom about strategic decision making.. He directed an iterative process of divergence and convergence: seeking common ground repeatedly during the process. He strived for a series a 'small wins'. These 'small wins' bring new allies together, opponents recognize common interests, progress is consolidated and momentum is build. Small agreements catalyze further agreements.

Small wins make decisions more manageable and avoids that people perceive a problem as too difficult to solve.

You have to search for two types of small wins:

- ❑ Process oriented small wins: goals, objectives, assumptions and decision criteria.
- ❑ Outcome oriented: taking alternatives of the table, option-oriented agreements and contingency plans.

But even if you follow the 'small win' approach you still may find difficulties to close down debate.

Three steps facilitate the transition from deliberation to decision:

1. Set clear expectations for the how of the final decision.
2. Clearly communicate how your role will change during the process.
3. Build a relationship with a trusted person (to bolster your confidence when it is time to act)

Leading with restraint.

Some people believe a committee cannot make critical decisions. The CEO must take charge of these decisions. But this is not true.

Effective leaders take indeed charge when confronted with difficult choices. They do it in two ways: or they dive immediately in finding the best solution or they first address the process.

By first deciding how to decide you will capitalize more on your organization's expertise and you will be able to implement effectively your decision.

CEO's have to recognize – even if their intuition proves very often correct – that they do not have all the answers. Their best decisions are useless if the organization won't execute them. By starting planning the decision-making process early, leaders allow their team to uncover the best answers to the toughest problems.