

Welcome to the April 2002 issue of **Management Shorts**
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1. INTRO: Looking for a “Good Fight”

Most management teams are faced with complex issues that have no obvious right answer. Intellectually we all know that healthy debate is a good thing in this situation, and yet a “good fight” is often hard to find. There are plenty of teams that are characterized by rancorous, interpersonal conflict and, on the other end of the spectrum, even more teams where there is false harmony and a tendency for people to hold back their opinions in favor of being nice.

Research shows that the quality of decisions increases with the presence of open dissent, **EVEN WHEN THE DISSENTER IS WRONG**. The process of working through concerns and objections deepens everyone’s thinking.

So how do we get people to speak up with dissenting views without tipping over into the destructive form of interpersonal conflict? This month’s Management Short is a summary of an excellent article from Harvard Business Review (HBR) called “How Management Teams Can Have a Good Fight” by Kathleen M. Eisenhardt, Jean L. Kahwajy, and L.J. Bourgeois III.

2. MANAGEMENT SHORT: “How Management Teams Can Have a Good Fight”

The article focuses on research done on high tech management teams and the level of conflict involved in making strategic decisions. The authors looked at teams that were able to vigorously debate the strategic issues without damaging working relationships and compared them with other teams that were characterized by high levels of animosity and politicking.

What made the difference between the two types of teams? The authors identify 6 key tactics used by all of the teams that were able to keep interpersonal conflict to a minimum.

1. Focus on Data

These teams gathered as much objective data as possible on both internal operations and the external environment. The more facts the better. In the absence of objective and current data, teams can waste time arguing about opinions (and how stupid the other person is for holding that crazy opinion). Opinions are much more personal than objective data.

2. Generate Multiple Alternatives

The usual approach is to focus on two alternatives, but this approach tends to polarize the discussion. Multiple options allow more exploration of the gray areas, allow people to shift position without losing face, and lead to more creative solutions that integrate key points of the various alternatives. The best teams force themselves to generate more alternatives even when there may be only two obvious solutions – the effort to generate more options leads to deeper thinking on the issue.

3. Create Common Goals

Teams need common goals that they can rally around. If the high level goal is one that will benefit them all, then the argument is focused on the best way to reach that goal. When executives see themselves as collaborating on a shared goal, they are more likely to listen openly to differing views on the best way to reach that goal. Teams without a shared goal tended to read personal agendas into each other's views.

4. Use Humor

Humor goes a long way in creating a collaborative and optimistic atmosphere. Many teams use humor as a way to relieve tension as well as a means to deliver negative messages in a tactful and face saving way.

5. Balance the Power Structure

Most people will accept decisions they disagree with if they feel the process was fair. For senior executives fairness is seen as an opportunity to have input that is seriously considered. Another aspect of fairness is a belief that the ultimate decision is driven by facts and good analysis, not by personality and politicking.

A balanced power structure is one in which all members of the team wield substantial power. The CEO is usually the most powerful member of the team, but is not an autocrat who centralizes power into his own hands. High levels of interpersonal conflict are found on teams with autocratic leaders as well as on teams with very weak leaders. The teams with the

lowest levels of interpersonal conflict were the ones in which all members participated in the important decisions. Members of those teams often described the CEO as a “team player”.

6. Seek Consensus with Qualification

All of the teams that were effective at handling conflict put significant effort into reaching consensus, but did not force consensus. If the full group couldn't come to agreement, the CEO or the most relevant executive would make the decision with input from the group. This approach meets the goal of perceived fairness described above, without needlessly delaying decisions.

All of these tactics help shift the focus toward business goals and away from personalities. They create an atmosphere of openness where people can hear differing views and change their minds without losing face.

My one quibble with this article is that it seems to imply that interpersonal conflict is just a by-product of poor problem solving processes rather than a legitimate source of contention. As useful as the 6 tactics may be, they won't help when people have clashing work styles.

3. FOR THOSE WHO WANT MORE: HBR Article

This well written article is filled with concrete examples to illustrate the 6 tactics as well as a discussion of ways to encourage open debate on strategic issues.

“How Management Teams Can Have a Good Fight”, Harvard Business Review, July-August 1997, Reprint No. 97402

Author(s): Kathleen M. Eisenhardt ; Jean L. Kahwajy ; L.J. Bourgeois

The full article can be downloaded in Adobe Acrobat format from the Harvard Business School Publishing web site. Use the link below.

http://www.hbsp.harvard.edu/hbsp/prod_detail.asp?97402

4. FINAL THOUGHTS: Founding Teams

A few weeks ago I attended a panel sponsored by the Software Development Forum and Stanford Graduate School of Business. The panel was called “Founding Teams: What Makes Them and What Breaks Them”. The 4

panelists, 3 founders and a start-up consultant, had a lively and engaging discussion about the dynamics of founding teams.

The big take away for me in this discussion was the importance of open conversations from the start about expectations and roles. Talk early and often – if you can't raise touchy issues at the start, why do you think you can be successful starting a company together?

The consultant also outlined what she saw as the key issues that tend to sink a founding team. They are:

- Different work styles (Do it perfectly vs. do it fast; Lots of analysis vs. quick decisions, etc.)
- A pre-existing relationship that gets in the way
- Lack of trust about each other's intentions
- Lack of a shared vision of where the company is going as well as a shared vision of how to build the company
- Lack of agreement on the business plan – how to build the business
- Lack of clarity on roles

In my own experience most of these problems flare up when the founders lack the skill to talk about contentious issues. I'll be addressing this skill in future newsletters. For those of you who can't wait, I highly recommend:

[Difficult Conversations: How to Discuss What Matters Most](#)

by Douglas Stone, Bruce Patton and Sheila Heen. You can find it on Amazon using the link below.

<http://www.amazon.com/exec/obidos/ASIN/014028852X/acornconsulti-20>

Wishing you all lots of "good" fights.

Warm regards,
Andrea

About Management Shorts

Management Shorts is a free newsletter for senior managers on leadership, management and teamwork – the key leverage points for improving the speed and quality of decision-making and execution.

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