Interview: Howard Guttman on Senior Team Conflict

David Creelman

A common headache for organizations is conflict between senior level managers. Howard Guttman, author of *When Goliaths Clash,* doesn't see these conflicts as being a matter of personality. He thinks the right underlying team processes can ensure conflict does not become dysfunctional.

David Creelman spoke to Mr. Guttman.

DC- What happens when you have conflict between members of the senior team?

HG- When you have conflict at the top, and it is handled dysfunctionally, it sends shock waves through the entire organization – not ripples, but shock waves. The senior team is, for better or for worse, the organization's model of what a high-performing team is. If your senior team operates in a dysfunctional manner, not only does it cause disconnects and decision-making snafus, it also sets up a dysfunctional model for the organization to emulate and that's really the worst problem.

DC- Can you give me an example of what goes on when the senior team is dysfunctional?

HG- At a major oil company in Canada profits were down, and every time the senior team met to discuss options, sparks flew. Each executive vice president viewed his or her function as being the key to the organization's future success. Debate raged around resource allocation as each executive argued adamantly for a bigger piece of the action. The senior team's confusion about the company's strategic thrust cascaded down through the organization. The competition for resources at the top was mirrored in similar firefights among the functional and regional directors, with each lobbying for the lion's share. The uncontained internal conflict migrated beyond the company's borders, straining relations with the national and provincial governments.

DC- Assuming nobody intervenes, where does this end up?

HG- It ends up with the aggressive people becoming bulls in china shops and the less assertive people going underground. The people with the loudest voices tend to carry the day, and unless there's an intervention the problem just doesn't get resolved.

DC- Why do senior people so often end up in conflict?

HG- Conflict is usually a symptom that an organization is not aligned. There are five factors that determine alignment at a senior level: strategy, business priorities, accountabilities, protocols and business relationships. If you and I don't agree on business strategies or we don't agree on priorities we will be competing for resources. If we don't agree on accountability I'm going to have an expectation that you are going to do a job that you may feel is not your job to do. Without protocols there won't be rules of engagement on how to reach closure. If there is no agreement about the business relationships in terms of where people can work independently versus interdependently,

people will just hunker down in silos. So, unresolved conflict is a symptom that certain core fundamentals are not in place.

Conflict is not a bad thing. If someone wants to have an impact in an organization, particularly in today's business world where competitive advantage is fleeting, he or she is going to have to keep challenging the status quo. Every time the status quo is challenged, people's feathers tend to get ruffled. So the question is whether someone is adept enough to challenge the status quo, create conflict and manage the conflict in such a way that he or she preserves the business relationship.

DC- When there is conflict at a senior level should HR be concerned or is it really up to the CEO to sort it out?

HG- For me a high-performance team is a horizontal team, a team that works like a managing board, so anybody can own the issue. If you say the boss has to resolve these things you are setting up a hub-and-spoke relationship or a parental model, which is not the way to run a high-performing team.

The role of the HR person is to be the senior team's process keeper. In other words, HR ensures that team members are holding one another accountable for following the relevant protocols. HR makes sure the team maintains clear accountabilities. At the very least HR has to be the one that is courageous enough to "call it" whenever the team goes off the rails.

DC- If two members of the senior team are at loggerheads what can HR do?

HG- My answer is predicated on having rules of engagement that allow the team to handle conflict. If the HR person is the keeper of the rules then the first step is to get the two individuals to sort out the issue themselves by following the rules. If this fails, the next step is to escalate the issue and get a third party involved; from a functional standpoint the HR person typically is that third party. If that doesn't work it becomes a team issue. Someone has to hold the warring parties accountable to either deal with the problem or let it go. The HR person's role is to get closure on the conflict.

DC- What should you say to somebody who is so wrapped up in a conflict that they can't see beyond the fact that the other person is a jerk?

HG- The first step is to note it as an observation: "It sounds like you and Joe are not on the same page. It seems like you are struggling to reach closure." If you get confirmation that that's the case, the next step would be to say, "I'm available to coach you in having a conversation to get closure." The last point you have to say to them is, "You either have to deal with it or you have to let it go. What is not an option is to go underground and pretend it's OK when the dysfunction persists."

DC- What do you mean by "rules of engagement?"

HG- When I say rules of engagement I'm not talking about platitudes or even values. When you set up a high-performance team there are certain ground rules that must become standard procedure. One relates to decision making – some decisions are unilateral, some are consultative and some are made by consensus. People need to be clear on which decisions are which.

You also have to get closure on how issues are resolved. How do we escalate issues? What is permissible and what's not? How long do we allow issues to be out there? Some

companies work with a 24- or 48-hour rule with the expectation that if the issue is not dealt with in a specified time then there is no longer an issue.

DC- I presume that these protocols get written down and everybody signs up saying this is how we are going to play.

HG- That is exactly right. When you're doing an alignment of a senior team you are clarifying the role of the leader, clarifying accountabilities of the players. You are setting up protocols that the team is going to play by—without these, there is no game.

The HR person becomes the internal process keeper. The HR person at the very least has to ensure that the car is on the track, and when issues are going unresolved the HR person has to be the one to hold up the mirror to reflect what is happening. If the HR person fails in this role it will be rare that you'll have another person on the team who's at a higher level of consciousness.

DC- Does working across cultures change anything in your approach to managing senior team dysfunction?

HG- We've worked within many different cultures; what it takes to have a high-performing team in one culture is no different than in another. People do have different stories about what is permissible. We did an alignment between an Australian company and a Japanese firm. One of the Japanese executives felt it was not permissible to bring issues up straight away in a large group; he'd rather work those issues offline. However, the leader of the combined company said, "We only meet quarterly as a board so I need to know right then and there if an issue exists. I understand you are not comfortable with being more direct but my questions are: Can you play in this new world? Are you willing to go beyond your comfort zone to produce the business result that is required?"

DC- It's interesting because some people would really focus on the cross-cultural aspects of conflict, others would focus on personalities. But those don't seem to be big factors for you.

HG- It's not a gender issue, it's not a race issue, it's not cultural issue – it's do you have a player who is coachable enough to internalize a new set of expectations and change behavior accordingly?

DC- Do you run into people who are not coachable?

HG- About 10 to 15 per cent of people don't make it. It's usually because they are fearful. Many times they are non-assertive, so they play a passive-aggressive game.

Remember, that to play on a high-performance team you are asking people to become owners. In a hierarchical world each person has his or her own little silo. In troublesome situations you could say, "It's not my issue, it's the boss's issue." However, in a horizontal, high-performance team it is your issue.

In the end you have to have people who can depersonalize issues and treat them as business problems.

DC- Do you have any closing advice for the VP of HR?

HG- Senior HR executives should openly model what it looks like to be playing at 100 per cent. In the end you can't hold people accountable if you don't model it yourself. To

me the HR person has to be the model high-performance player and conflict manager; no more but also no less than what you want others on the team to replicate.

[When Goliaths Clash: Managing Executive Conflict to Build a More Dynamic Organization](#) is available from Amazon.com.

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