

# Internal Business Conflicts

by Douglas Noll  
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I received a call the other day from a business owner with an internal business conflict.

“I have a general manager and a sales manager. The general manager cannot stand to be in the same room with the sales manager,” John told me.

“Tell me more about your sales manager,” I asked.

“He was a consultant, and we thought that he made a good fit with our company. He seemed to have a lot of contacts in the region. It’s been two years now and, frankly, he has not increased our sales significantly,” John said.

“What has brought the problem to a head?” I asked.

“The general manager has come to me in utter frustration and said it’s either he or the sales manager. The sales manager has made noises about a lawsuit if he is terminated. He’s over 60. My lawyer assures me the sales manager has no case, but who needs a lawsuit?” John responded.

“Let me guess. Your GM is a by-the-book sort of fellow. Very black and white. Has high expectations of employees and little tolerance for chit-chat. At meetings, he wants people to get right to the bottom line. Am I right?” I asked.

“Amazingly correct,” John said.

“And your sales guy talks a lot, likes to be around people, is not very detailed oriented, does not get to the point, likes to hear himself talk, and is not so great on follow-through,” I observed.

“Right again,” John said.

“Therein is your problem,” I said and went on to explain the basic conflict dynamics in his company.

This business owner presented a classic internal business conflict arising from two very different business value systems. The general manager represented a value system based on hierarchy, accountability, objectivity, competition, and results (meaning profits). The strength of this type of manager is that the business is run efficiently and as profitably as possible. Nevertheless, people with his values, if not properly trained, are not the greatest at managing people. They see the “human” side of people as touchy-feely and irrelevant to the harsh realities of the business world.

In contrast, the sales manager represented a value system based on relationships, communication, and attachments to others. Results are secondary to friendships. The strength of this manager is

in building relationships, which is the heart of any business. People with these values, however, fail to balance relationships with the need to be financially productive and accountable.

This conflict was consequently based on two value systems colliding with each other. Neither manager could understand the other and became irritated, annoyed, frustrated, and outright angry at the continuing behavior of the other. To each manager, it seemed as if the other was intentionally provocative, disrespectful and insulting. Finally, the conflict erupted into hostile exchanges and a complete break down of the business relationship. Under these circumstances, one or the other or both leave the company. Sometimes, the lower ranked manager may file a lawsuit claiming discrimination based on harassment and a pervasive, hostile work environment.

Fortunately, these conflicts can be resolved peacefully if they are not allowed to fester and escalate for too long. The key to de-escalation is to create an environment where the managers can have a very necessary and difficult conversation under safe conditions. The safety is provided by an independent and impartial peacemaker, whose presence shields the conversation in statutory confidentiality and whose process expertise controls the discussion. The conversation will be about perceptions, values, injustices and finally interests. Through a carefully orchestrated process, the parties gain some understanding of the hidden factors influencing their conflict. As they gain understanding, they are then faced with a two-choice dilemma: Do I change a little and become more flexible, tolerant and forgiving, or do I leave? Most of the time, managers chose the former. Sometimes, they chose to leave. However, because they are making the choice to leave with a much better understanding of the cause of dissension, the likelihood of a later lawsuit is greatly reduced.

These internal conflicts are normal, predictable, and resolvable if they are addressed rather than ignored. Unfortunately, since many companies have an implicit policy of repressing or avoiding conflicts, differences in business values can roil out of control. For business owners, management of these common conflicts consists of two ideas. First, do not react to conflict between managers with denial, avoidance or dismissal. This is serious stuff and needs to be treated as such. Second, find outside help as soon as you are aware of a problem. Like the guy in the auto shop commercial used to say, "Pay me now, or pay me later." Getting help is not a sign of weakness or incompetence; it is a sign of enlightened management.