Conflict Over Styles

by Douglas Noll June 2003

Michael was a successful entrepreneur in his late 60s. He owned a national business service organization that had afforded him the cash flow to invest in many other businesses. He was intelligent and shrewd about business deals and had been able to buy distressed companies, turn them around, and profit handsomely.

In 1990, he purchased a real estate firm that was losing money. He saw an enormous potential if the firm could be infused with new life. For the next five years, he invested \$5 million into the firm, and it slowly started to grow.

In 1995, the firm had grown to the point that it needed a full time manager. After a search, he hired JoAnn, who had been working as a turnaround manager at a competing firm in the region. JoAnn was very energetic and charismatic, so Michael was convinced she would be perfect for the business. Michael and JoAnn negotiated an employment contract that provided for very generous bonuses if certain performance criteria were met.

For the next five years, JoAnn and Michael worked on growing the business. Michael hated conflict and avoided confrontation at all costs. He was not a good speaker and needed time to reflect on things before making decisions. In contrast, JoAnn was an aggressive workaholic. She was very rough on staff to the point of almost being abusive. Employee turnover was high, but those who stayed were top performers. Michael often saw things that he did not like, but was afraid to confront JoAnn. JoAnn was not happy about Michael's unwillingness to take on issues with her. However, their mutual goal of developing the firm allowed them the luxury of suppressing their dissatisfactions.

In 2000, their hard work paid off. The business generated net after tax revenues of over \$175 million. JoAnn's bonus was well over \$3 million. The problems started when Michael casually handed her the bonus check on December 31st without so much as a thank you. JoAnn interpreted that as a sign of the disrespect she had been feeling for months. Over the next several weeks, Michael and JoAnn had increasing hostile flare-ups leading to where they communicated by passing notes under their office doors. Finally, JoAnn retained legal counsel, and the matter escalated again. Before litigation ensued, I was retained to see what could be done about working with this conflict.

While there were many issues driving this dispute, the conflict really began the day JoAnn began work. Furthermore, the problems Michael and JoAnn faced today were not only predictable, they were inevitable. This is because their conflict management styles were completely opposite one another.

In conflict, people engage each other with, among other things, their words, tone of voice, and actions. These are called conflict behaviors or styles and can escalate, suppress, ignore, or resolve disputes. Conflict styles are generally not consciously chosen, but emerge as a repertoire

of actions that have been learned since childhood from everyday encounters, arguments, and disputes. Most people use their full range of conflict styles to one degree or another but, depending upon the nature of the conflict, prefer particular behaviors over others.

Many factors influence conflict styles including the other party's behavior, the context of the conflict, the goals being sought, the concerns for one's own goals versus one's concern for the other party's goals, and so forth. Because conflict is emotional, conflict styles occurs preconsciously and without conscious control or choice. As we become aware of how we are acting, we can choose to change. Nevertheless, because of the intensity of the moment, consciously changing behaviors may simply be too difficult. Furthermore, we may intend to deal with the conflict in one manner only to find ourselves reacting to the style of our antagonist in a different manner. This is because much of our conflict behavior is preconsciously triggered and is scripted by our experiences during childhood emotional development and adult life experiences.

In this case, Michael's predominant conflict style was to avoid it, to smooth it over, or deny that conflict even existed. He had been successful with a very low key approach to business and was very uncomfortable with confrontational people. JoAnn, on the other hand, was a competitor. Her style of conflict management was to steamroll anyone who even came close to threatening or challenging her. Thus, Michael would avoid JoAnn because of her aggressive ways. JoAnn would interpret his withdrawal as lack of respect and would be threatened by it. She therefore ramp up her own style and be even more assertive. Michael interpreted JoAnn's actions as disrespectful to him as the owner of the company and the escalation cycle was established.

The challenge and the key to de-escalating the conflict was to get these two very bright, successful business people to recognize how they were sabotaged by their personal conflict styles. Once they saw how their conflict behaviors escalated the conflict, they could begin to work out the other business and financial issues that had plagued them for so many years. In short, the contrasting and opposing conflict styles was a root cause of the intractability of this dispute.

To the credit of both Michael and JoAnn, they wanted to work things out between them. Without that underlying motivation, the hard work of acknowledging their differences and re-discovering what they held in common would have not led to a reconciliation and renewed business relationship.