



Channeling Our Passions: Enhancing Organisational Resilience and Programme Effectiveness Through the Adoption of a Healthy Conflict Perspective Rev 9-22-15, Ver12

INTRODUCTION

Our goals and approach. The passion and commitment that drive the International Civil Society Organisations (ICSO) community can be a source of great strength, but can also fuel destructive clashes. If the conditions are right and there are ways to “channel” these passions, passion engages people and creates enormous forward momentum. But if the conditions are not right, it can lead to toxic, dysfunctional relationships, and dysfunctional or under functioning organisations. These “passions,” that drive individuals are an enormous, largely untapped potential in the sector and it is becoming increasingly more urgent to tap these sources of difference and strength.

This research initiative focuses on intra-organisational disagreements and conflict to learn how to improve how ICSOs respond to conflict in ways that strengthen both organisational resilience and programme effectiveness. This effort was motivated by research that indicates that highly disruptive forces are making heavier demands on ICSOs arriving at critical, strategic decisions with far-reaching consequences.

To date, the initiative has involved:

1. Using an online survey covering over 100 ICSO respondents in 23 countries, to assess the nature and degree of intra-organisational conflict in ICSOs.
2. Conducting phone interviews with persons with significant ICSO experience.
3. Forming and consulting an Advisory Group of senior ICSO individuals and advisers.
4. Conducting a literature review of intra-organisational conflict, adapting key concepts to ICSOs.
5. Using the above to create proposals for ICSOs aimed at better addressing intra-organisational conflict that improves both organisational resilience and programme effectiveness.

This note summarises the results of these efforts and, based on the research, offers a way forward. The way forward is to provide a stimulus to open up a conversation about this topic and additionally to provide resources to ICSOs who wish to use conflict to improve their programme effectiveness and increase their organisational resilience.

Approaching conflict in ways that improve organisational resilience and programme effectiveness. Our research so far suggests that treating disagreements in ways that enhance resilience and improve programmatic effectiveness involves ICSOs developing a “Healthy Conflict Perspective” or “HCP” with four foundations detailed later. These foundations are:

- (1) A committed and conflict competent leadership;
- (2) An open, diverse and inclusive organisational culture that engenders trust
- (3) Fair and effective conflict processes, and
- (4) Respectful relationships founded on conversational competence

Beginning with the commitment of leadership to an HCP, for each ICSO specific actions can translate into gains in each organisation.

How an ICSO can undertake this work. Our efforts to date suggest that, once the basic principles are understood, most ICSOs can undertake this ‘self-repair’ work internally without needing much, if any, external assistance. However, this effort does require sustained commitment and attention/focus to build and sustain an HCP throughout the organisation.

A NOTE ON TERMINOLOGY

The term “*organisational resilience*” means the ability of an organisation, not to just survive difficult events and sudden disruptions, but to learn and prosper from them - rebounding from negative circumstances and challenges.

Intra-organisational conflict or “*conflict*” is an actual or perceived incompatibility of opinions, styles, perspectives, goals or actions with effects that gain the organisation’s attention beyond its original location or event. Some dedicated to this organisational topic limit the use of conflict to very high levels of discord. Our use covers a broad spectrum of intra organisational issues– from creative differences to high stakes and intense disputes. The initiative does not include conflict with third parties outside the organisation.

ICSO SURVEY: WHAT DID WE LEARN?

The headline picture suggests that: (1) internal conflict in ICSOs is not a crisis - but is quite significant; and (2) most ICSOs do not respond adequately to conflict; and (3) improving capacity to make conflict productive can make a positive difference in resilience and programme effectiveness.

What survey respondents said

Conflict in my organisation is significant or even commonplace	The conflicts experienced are moderate or even severe
60%	75%
Organisational capacity to respond to conflict is less than “adequate”	Expecting that the frequency of conflict will remain the same or increase
82%	69%
We have a conflict management system that is effectively and regularly used	Finding the upside or value of conflict would be a significant or even dramatic improvement for the organisation
5%	55%

WHO RESPONDED TO THE ICSO SURVEY?

Survey invitations were sent to ICSOs via their member organisations in North America, Europe and Australia.

- One hundred and eight responses came from 23 countries.
- Two thirds were from the perspective of a head office, fifteen came from country or affiliate offices, twenty-three from observers and five which were indeterminate.

The ICSOs responding describe themselves in the following ways.

Types of ICSOs Responding

INGO Type	Number (%) n=93
Loose coalition	5 (6%)
Umbrella with limited authority	7 (8%)
Confederation	14 (16%)
Federation	33 (35%)
Single corporation	34 (35%)

Of the forty-seven respondents providing job titles, four are board members; twenty-five are senior management including CEOs, Vice Presidents and Directors; nine are managers; with nine as programme staff and other categories. The bulk of respondents are in functions with an overall view of the topic.

A proxy for scale of operations relied on country presence. The seventy-six respondents providing this information shows a distribution that appears to reflect the INGO community's characteristics of few (very) big, many small.

ICSO - number of countries of on-the-ground presence

Country Presence (n=76)	1-20 Countries	21-50 Countries	51-100 Countries	>100 Countries
Number of ICSOs	26 (34%)	26 (34%)	16 (21%)	8 (10%)

In terms of ICSOs' primary mission, half of total respondents are involved across a wide array of activities, while half have a more specialist role.

ICSO Primary Mission

Primary Mission (n=101)	No.	%age
Humanitarian Relief and Development	29	29%
Comprehensive Long Term Development	23	23%
Finance	13	13%
Specific Sector (e.g., WASH, Education, microfinance)	10	10%
Advocacy	8	8%
Humanitarian Relief	7	7%
Capacity Development/Training	6	6%
Human Rights/Law and Policy	5	5%

Looking at the combination of respondent functions, perspectives from a headquarters or elsewhere, the spread of operational presence and distribution of missions does not suggest noticeable biases or gaps. No two ICSOs are the same. But within the findings there may be something of importance for you.

WHAT MORE DID ICSO RESPONDENTS SAY ABOUT CONFLICT?

The responses create the following profile.

1. The nature of intra-organisational Conflict in ICSOs

More than 60% of respondents find organisational conflict is significant or even very common.

Approximately 75% of respondents find the intensity of organisational conflict to be at least moderate or even severe.

There appears to be a link between the frequency and intensity of conflict that is worth further inquiry.

Common origins for moderate to severe conflict are issues about organisational direction, the distribution and application of authority, and finance.

Inter-cultural sensitivities / misunderstandings rate low as causes, but when in play are often reactions to a dominance of Western ideas or approaches to issues.

Almost 70% of respondents believe that in the next five years the instances of conflict will either increase or remain the same.

2. The ability of ICSOs to respond to conflict

Approximately 70% of respondents believe that moderate to severe conflict either was not addressed or was not sustainably addressed.

The capability to deal effectively with conflict was generally present, but weakest when between national and international boards.

There is a tendency towards resolving the conflict and moving on where upsides may occasionally arise, but are not an aim as such.

3. The effects of intra-organisational Conflict

Respondents indicated that conflict resulted in low morale, confusion about direction and loss of staff/resources/constituents.

Approximately 75% of respondents believe that finding the upside of conflict was an important critical principle to improve organisation function.

However, responses indicated that slightly less than half of the organisations tended to view conflict in ways that resolution could gain an upside.

Conflicts that tended to result in positive changes were those involving organisational direction, goals and values.

Where benefit was obtained from conflict, they tended to surface systemic problems, clarifying areas of confusion and finding better alignment around shared goals.

4. What would be needed to find the upside of Conflict

To make the changes needed to find the upside, conflict respondents commonly believed in a need for new perspectives in senior staff and the board as well as significant changes in the organisational culture.

Approximately 80% of the respondents believe that a change to view conflict positively would result in either a modest or even significant improvement.

5. Use of conflict management systems

The vast majority of respondents indicated that their organisation either did not have a conflict management system that was comprehensive - with only 2% indicating a system was in place - and regularly and effectively used.

More than half of the respondents characterized their organisation's response to conflict as inconsistent and not coherent.

Where conflict management systems were absent, 60% of the respondents believed such a system should be put in place.

Outside of labour / employment disputes, respondents indicated that their organisation seldom, if ever, used interest-based mechanisms like an ombuds or a structured mediation programme.

INPUTS FROM INTERVIEWS AND OUR ADVISORY GROUP

Interviews provided an additional source of information about the conflict landscape in ICSOs and how ICSOs can make conflict productive – that is, address it in ways that strengthen the organisation and its function. These inputs suggest that ICSOs are not fully using opportunities to make conflict productive and are missing out on the potential benefits that constructive, well-managed conflict can bring to an organisation – creativity, innovation, resilience etc.

An Advisory Group of people with significant ICSO experience agreed to test our ideas and bring their experience to bear on this work. Many interviewed noted that, although not universal, conflict should not be ignored and there is a tendency in ICSOs to avoid conflict. They were also consistently eager to see change and improvements in current approaches to conflict in ICSOs. Though not commonplace, our interviews show that a Healthy Conflict Perspective is achievable and increasingly more valuable/essential for ICSOs. While establishing an HCP in an ICSO is not complex - it will take sustained effort.

Key inputs included:

- ICSOs tend to be conflict averse and “denialism” about conflict is common. Different reasons are given, but commonly shared viewpoints include that people are passionate about their work and the stakes are much higher because of personal investment and identity and a cognitive dissonance that occurs when the lived reality of working in an ICSO does not match expectations.
- ICSOs are losing out on opportunities to benefit from conflict.
- ICSOs by and large do not have a holistic, coherent approach to managing conflict and few have invested in developing a conflict competence.
- ICSOs would benefit if conflict were normalized/ de-stigmatized and if people felt safe working with conflict.
- Leadership is critical.

Interviews included comparisons with for-profit organisations. Opinions vary among the interviewees as to whether transnational corporations – banks, international supply chains for products, multi-national manufacturing plants – can offer much as to how ICSOs should respond to conflict. However, some interviewees pointed out that unless ICSOs take on board more business-like thinking and practices (such as value for money, robust and timely performance metrics, competitive pricing, and so forth), they will simply not be ‘in the game’ which is being increasingly played by both official aid agencies and some types of foundations. If this is the case, then learning from business on how to make conflict productive becomes a valuable option and many businesses are investing heavily in making conflict, difference and disagreement an asset.

Again and again, interviews pointed to four areas within ICSOs that must be developed and integrated to establish what can be called a healthy conflict perspective (HCP). The four are: Leadership, Culture, Processes and Conversations. For improvement, ICSOs need to work on all four.

A PROPOSAL: ICSOs ADOPT A HEALTHY CONFLICT PERSPECTIVE

Functional (or healthy) conflict is positively linked with greater performance as it brings numerous benefits to organisations. Functional conflict, managed early and informally, can lead to constructive outcomes, such as: creativity, change, more engagement, higher morale, a deeper understanding and communication between people. This in turn, leads to an organisation becoming resilient and sustaining an ability to adapt to changes and learn from challenges. However, although “task conflict” (differences in ideas, opinions, and viewpoints) when properly managed, leads to greater satisfaction and higher performance, “relational conflict” (“emotional conflict” and interpersonal incompatibilities) has been found to be destructive and impede performance. (Jehn, Karen A & Mannix, Elizabeth (2001), Shaw et al (2011)) If the conditions in the organisation are not right¹, task conflict can quickly become relational conflict, or simply put, healthy conflict can become destructive. When conflict becomes destructive, the organisation loses out twice – first from the costs wrought by destructive conflict and second by missing the opportunity to reap the benefits of healthy conflict.

How the organisation responds to conflict is critical in determining whether the conflict is an asset or a hindrance to performance. In fact, DeChurch et al (2013) found that four times as much variance in team performance and affective outcomes can be explained by conflict management styles than conflict states (task/relational). Additionally, *the relationship between task conflict and group performance was positive when conflict was actively managed and negative when it was passively managed.* (DeChurch et al). What this tells us is that how an organisation responds to conflict is as important to creating a healthy, productive organisation as the content of the conflict, with the wait and see attitude to conflict common in ICSOs likely to end up damaging the organisation.

So how can ICSOs maximize use of conflict to drive performance, improve programme effectiveness and develop organisational resilience while ensuring that conflict remains functional? Analysis of our data, together with guidance from literature on organisational conflict leads to a recommendation that ICSOs adopt an organisation-wide *Healthy Conflict Perspective*. The term “perspective” is meant to convey that what is sought is much more than a corporate or formalistic system – rather it is an attitude, outlook and broad frame of reference.

An HCP:

- Is an intentional and sustained orientation that treats ‘disharmony’ as a normal or desirable part of organisational life.
- Provides institutional support for individuals and groups to work with conflict.
- Enables the productive and constructive outcomes of conflict to be enhanced and the destructive impacts to be minimized.

¹ “Low correlations between task and relationship conflict may reflect high levels of within-team trust, and therefore allow task conflict to run a relatively constructive (or at least less destructive) course. This finding is consistent with research showing that task conflict runs a relatively constructive course when teams have high rather than low levels of psychological safety (Edmonson, 1999), when there are norms of openness (Jehn, 1997; West & Anderson, 1996), and when conflict is explicitly induced by means of a devil’s advocate” (Schwenk, 1990) (de Dreu et al 2003)

Key elements of HCP foundations can be detailed in the following way.

Element 1: An HCP Needs a committed and conflict competent leadership

Leadership should sustain an organisation-wide initiative to embed a healthy conflict perspective throughout all levels of organisation and they should also by their own actions and messages model to others how a healthy conflict perspective works in day-to-day interactions.

- Be the example – leaders model the values, behaviors and attitudes

- De-stigmatise conflict as a topic

- Avoid avoidance: take responsibility

- Show strong, sustained commitment to HCP

- Showing humility is a strength

- Emphasise inclusion and value diversity

- Respect the psychological contract

- Have periodic ‘barometers’

The foregoing are undertaken while leaders appropriately retain the decisional authority entrusted to them.

Element 2: An HCP needs an open, diverse and inclusive organisational culture that engenders trust

Diversity, like functional conflict, is also positively correlated with organisational performance. The key to success in diversity is to encourage an organisation to make the most out of different perspectives, ways of working, experience, functions, and identities. The results is an inclusive organisational culture, where people feel confident and comfortable to be themselves, challenge the status quo, question ways of doing things and suggest new alternatives. A critical ingredient for this is psychological safety, a concept popularised by Edgar Schein.

- Have well known, identified spaces, places and moments for dialogue outside of formal meetings and routines

- Mutual trust is developed, sustained and valued

- Honesty and openness about divergent ideas and interests is the norm

- Differences in views are treated as an asset and not as disloyalty

- Seek and nurture diversity, ensure psychological safety for people to dissent, disagree and be themselves

Element 3: An HCP needs fair and effective Conflict processes

Fair and effective conflict processes establish a coherent organisation-wide responses to conflict. These processes focus on building the skills and capacities of individuals in the organisation to respond to conflict and uses collaborative, participatory and inclusive methods.

Because there is no off-the-shelf system to suit ICSOs, efforts to create one have to be in-house with a comprehensive approach. Conflict ‘productivity’ requires a wide engagement. However, on their own, conflict management systems are not likely to be wholly effective without also working on the other elements of the HCP. One reason is that they can be used defensively in the sense of ‘we already have a system, so problem solved’. Additionally, a “system” that focuses

only on rights-based processes will not succeed. Like any system, a conflict management system should be dynamic, changing and responsive. The work is not “done” because it is in place but responds to needs of the users expressed via built-in feedback loops.

Aim for transformation of a conflict to an ‘upside’ condition, not resolution back to the status quo ante

Work on the principle of fairness with processes that generate respect for the outcome (as painful for some as that may be)

Don’t over-specify steps or stages – rather than being mechanically used it should have just enough form to show a practical way forward

Designate a first port of call for conflict advice

Have a clear communication policy, strategy and practice

Element 4: Respectful relationships and interactions founded on conversational competence

To build respectful relationships and be Conversationally Competent, ICSO conversations and interactions at all levels (from boards, to small groups to organisational-wide communications) must be open, direct, respectful, inclusive and candid. Although perhaps seeming pedestrian, the ability to have effective, inclusive and productive conversations is absolutely essential to an HCP. These are skills that need to be recruited, nurtured, and rewarded at all levels.

In such Conversations:

Conversation and dialogue replaces debate, as participants seek to learn from each other

Participants speak to bring about understanding, and listen to understand

Difficult issues are properly and carefully raised, not avoided or hidden behind a mask of being “polite”

Processes used are designed for the needs of the issue and have appropriate time, data and resources available

The interests of all participating are adequately discussed and understood

Participants work to have similar and realistic expectations

There is a mix of creativity, pragmatism and risk

Conversational leadership is shared rather than positional

Participants or groups of participants appropriately engage in self reflection

At an appropriate time in the process, needed decisions are made

Conversational competence puts energy not only into the issue – but how the issue is addressed, adjusting the process as needed.

ACTIONS TO GET TO A HEALTHY CONFLICT PERSPECTIVE

Our interviews confirm that each ICSO has a unique identity and operating contexts calling for tailored approaches to best address conflict. Akin to an organisational development process, an approach towards an HCP could be looked at in the following way.

The use of or need for external assistance or consultants

Our work to date suggests that most of the effort needed to undertake the HCP process can be completed by and within the ICSOs - without the need for external assistance. The elements of the HCP and the values underlying are straightforward – and the implementation will vary greatly from organisation to organisation. We believe that most ICSOs can complete this effort as an endogenous initiative – relying on internal “cheerleaders” and committed leaders to keep the process on track.

Starting Points for Action

- There is no universal approach (beyond the four identified values)
- The goal is to gain and organisationally sustain the values (but path will be different for each ICSO)
 - Value 1: Committed and conflict competent leadership
 - Value 2: An inclusive organisational culture than engenders trust
 - Value 3: Fair and efficient conflict processes
 - Value 4: ICSOs become conversationally competent
- Keeping focused on these values may prevent the effort from being sidetracked.
- Build on the strengths that the organisation already has for working with difference/disagreement in a healthy and positive manner. This may not necessarily be formalized conflict management systems but they could be processes for building healthy relationships, structures for promoting organisational learning etc.
- Tailor language and concepts to the organisations culture and context – some will be more open to working with “conflict” others might prefer something “collaboration by difference”
- A committed and conflict competent leadership is essential and often pivotal. It is the right starting point and a *sine qua non*.
- The scope of this undertaking varies from organisation to organisation
- The paths to seeking and holding on to an HCP must reflect the basic HCP values – so the path must be inclusive and trusting building.
- Expect the development process to take some time – allow at least a year or more and expect that the result will be dynamic rather than static, changing and adapting over time

Practical Steps for Action (refer to the attached Draft Action Plan)

- Depending on the form of governance, support of leadership in this area must also derive from board directors or trustees
- Leadership should demonstrate ongoing commitment
- Form a trusted team that enjoys organisation-wide respect
- The Team can take stock of conflict experience and assess against the elements of each HCP dimension in light of individual ICSO contexts

- The Team can make recommendations to prioritize HCP initiatives, time frames and scales (move quickly but without rushing)
- We believe ICSOs should rely on their internal judgments in developing an HCP, and seek external advice only as specifically required
- Don't contract out process guidance and responsibility, and minimize delegation, in order to demonstrate true commitment

WHERE NEXT WITH THIS IMI INITIATIVE?

In collaboration with Elizabeth Field of Amnesty International, IMI will be developing further resources and making them available to ICSOs and others. We have in mind:

Video clips, presentations, and webinars addressing different aspects of an HCP
 Webinars where ICSOs can share their experience
 Case studies of how to approach an HCP
 Other tools as needed

SOME CONCEPT SOURCES

- *Building a Resilient Organisation*, Harvard Business Review: <https://hbr.org/2011/06/building-a-resilient-organizat>
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