CONFLICT MANAGEMENT FOR ECONOMIC DEVELOPERS

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ABSTRACT

Economic developers are inevitably confronted with conflict situations on the job. For better or for worse, these conflicts usually become public. The role economic developers take in conflict situations and the ways in which they manage conflict may well influence the course of their careers.

This paper describes an experiential exercise which is designed to enable economic developers to identify and analyze (1) conflict situations in the context of their jobs and (2) their conflict styles in such situations. The exercise promotes an understanding and appreciation of a range of conflict styles (competition, accommodation, avoidance, compromise and collaboration) and stresses the strengths, weaknesses and situational appropriateness of each style in the context of economic development work.

INTRODUCTION

The exercise requires one and a half hours to complete. Any number of people can participate, divided into small groups of five or six members. A room of adequate size to accommodate all the small groups is needed. A chalkboard and chalk or easel with magic markers will also be useful.

Each participant will need paper and pencils and three handouts: "Conflict Cases in Economic Development", "Conflict Management Styles", and "Choosing Conflict Management Styles".

INSTRUCTIONS FOR FACILITATORS

1. Introduce the session by acknowledging that economic developers frequently encounter conflict situations on the job and that their handling of these conflicts is often evident to a small or large public.

2. Distribute 'Conflict Cases in Economic Development" handouts to all the participants, noting that these three cases are representative of the kinds of conflict situations in which economic developers might find themselves. Ask the participants to read each case and to rank order the five alternative courses of action that follow each case, working quickly. Allow all participants to complete the cases.

3. Distribute the handout titled "Conflict Management Styles". Describe the two basic dimensions of behavior that theoretically underlie the five basic conflict management styles, referring to the handout. Then, describe each of the five conflict styles in a mini- lecture. Use the chalkboard or easel to diagram the matrix of basic dimensions of behavior and conflict styles.

4. If the film "Managing Conflict: How to Make Conflict Work for You" is available, show it at this point. (1) If the film is not available, describe and discuss each of the five conflict styles.
5. Divide the large group into small groups of five or six members in any way that is convenient. Instruct the small groups to reach a consensus on the rank ordering of action responses in the three cases. Tell them that they have 30 minutes in which to disclose and discuss their individual rank orders and the reasons for these choices, and to reach a small group consensus.

6. After 30 minutes, convene the large group and ask a spokesperson from each group to report their consensus. Chart the results as follows:

Case 1	Group 1	Group 2 . . .	Group N
a.			
b.			
c.			
d.			
e.			

Case 2	Group 1	Group 2 . . .	Group N
a.			
b.			
c.			
d.			
e.			

Case 3	Group 1	Group 2 . . .	Group N
a.			
b.			
c.			
d.			
e.			

7. Comment on the convergence or divergence of the rank order decisions made by the small groups. Then, point out that the options following each case represent the different conflict styles. Ask the participants to identify the conflict style that underlies each of the options in the three cases. (In the interest of saving time, the facilitator might point these out, rather than asking the group to do so.)

8. Distribute the third handout "Choosing Conflict Styles" and discuss the relative strengths and weaknesses of each conflict style. Refer to the rank order consensus charts above to draw conclusions about which styles seem most appropriate in the context of economic development work.

ALTERNATIVE PROCEDURES

For a more extensive, in-depth workshop, requiring two to two and a half hours to complete, the following options can be added to the experiential exercise.

Option 1

1. After participants have completed "Conflict Cases in Economic Development, the facilitator administers the 'Thomas Kilmann Conflict Mode Instrument." (2) When participants have completed the instrument, they self score their tests.

2. Then, the facilitator distributes the handout "Conflict Management Styles" and continues with steps 3 and 4 above.

3. The facilitator may ask participants to chart their conflict scores on a chalkboard or easel, as follows:

	1	2	3	...	n
Competition					
Collaboration					
Compromise					
Avoidance					
Accommodation					

Then, the facilitator circles the primary style (highest score) and back-up style (second highest score) for each participant's scores. Pairing any two sets of scores, the facilitator asks the group to predict the course of a conflict, considering both primary and back-up styles. Continue pairing sets of scores to illustrate how differing conflict styles combine for interact ion.

4. Next, proceed to step 5 above.

Option 2

1. After participants have completed "Conflict Cases in Economic Development," the facilitator administers the "Conflict Management Survey." (3) Participants self-score this instrument. (Scoring this instrument takes a longer time and is more complex than scoring the Thomas-Kilmann Instrument.)

2. Then, the facilitator proceeds to step 2 in Option

APPENDIX I
CONFLICT CASES IN ECONOMIC DEVELOPMENT

Instructions: Your task is to rank order the five alternative action in the cages below. Rank the most desirable alternative "1", the next most desirable "2", and so on, ranking the least desirable alternative "5".

Case One

You have just been appointed Executive Vice President of a Chamber of Commerce. You have had considerable experience on this staff--except in the area of economic development.

Two months after you have assumed your new position, the manager of economic development for the Chamber presents you with a proposal he has already distributed to the volunteer leadership. His proposal recommends (1) that the entire economic development department be separated from the Chamber to create an independent organization, and (2) that he be named Chief Executive of this new organization.

You view this as a critical problem with grave implications for the Chamber. Your best response would be:

_____ a. Fire the manager of economic development immediately for disloyalty and insubordination.

_____ b. Support his recommendation to insure friendly and cooperative relations with him in the future.

_____ c. Ask all parties concerned to delay arty action for a period of six months.

_____ d. Meet with the manager of economic development to understand his concerns, to express yours, and to work out plans to satisfy both of you.

_____ e. Offer to increase his salary and responsibility in exchange for his agreement to drop the proposal.

Case Two

You are the Executive Director of the Economic Development Commission. The Mayor is about to apply for an Urban Development Action Grant (UDAG) and he has asked that the Commission recommend a specific project.

The publisher of the strong daily newspaper is on the board; he is a leading advocate for downtown revitalization. He will vigorously seek to get the grant for a downtown project.

Also on your board is the President of a tool manufacturing plant who informs you that if the grant is a-warded to his company, he will pledge a $5 million investment in upgrading his facility and will add 50 new jobs at the plant.

Another board member is President of a corporate headquarters insurance company; she is most apprehensive about the deterioration of the surrounding neighborhood.

Your best approach would be:

_____ a. Support the publisher's advocacy for downtown revitalization since he has the power of the press.

_____ b. Develop sound justification for splitting grant monies among these projects and lobby aggressively for this joint proposal.

_____ c. Put the three proposals in a hat; have the Mayor pick one project blindfolded at a Commission meeting.

_____ d. Meet with the Commission and ask them to determine an order of priorities for UDAG proposals for the next four or five years that will provide turn-taking and mutual support.

_____ e. Make the decision yourself that the expansion of the manufacturing plant is the top priority for the city and convince the Board to recommend this project to the Mayor.

Case Three

You are the Executive Director of the Nonprofit Development Corporation. The city has given the Corporation title to a 140 acre tract of land for industrial development. Your volunteer chairman has promised to create jobs and expand the tax base with the site; he has committed to selling the first tract to a manufacturing plant.

After three years, no sale has been made. The President of the local gas company offers to buy 20 acres

people to reject each other. Such alienation denies people the affiliation, acceptance and affection they need from each other; therefore, in order to keep valuable relationships intact, self sacrifice is necessary.

The tools of accommodation may include giving in, giving up, ignoring or denying one's goals or concerns, obedience, subordination and subservience to others.

Avoidance

This style is characterized by behaviors that are <u>low on both assertiveness and cooperativeness.</u> Avoiding is referred to as the 'lose-leave style since neither one's own concerns nor the concerns of the other are addressed. Avoidance behaviors may take the form of physical or psychological withdrawal, noninvolvement or detachment. Avoidance is a passive approach to conflict management; feelings of powerlessness or helplessness often underlie the behaviors of avoidance. In addition, feelings of frustration and hostility are often harbored by the users of this style.

The assumptions that underlie avoidance are that differences between people are the result of life's experience and that these differences are not readily amenable to influence or change. Differences are perceived as necessary evils in human affairs and need to be passively tolerated.

The tools of avoidance include tolerating differences in an impersonal and detached manner, sidestepping, buck passing, procrastinating, and withdrawing carefully from conflict situations.

Compromise

This style is characterized by behaviors that are <u>moderate in assertiveness and moderate in cooperativeness</u>. Compromise is often referred to as the "win some-lose some" style because personal goals are not asserted fully and because relational concerns are not addressed directly. Compromise involves settling for a 50-50 split, giving up personal goals more than in competition, but not so much as in accommodation. In the compromise style, people make concessions to each other, and bargain for a quick middle ground. The gamesmanship involved in the compromise style can breed suspicion and distrust in relationships.

The chief assumption underlying the compromise style is that it is unrealistic to expect that everyone can be satisfied by any particular resolution. Therefore, differences should be managed so that the most satisfaction comes to the most people. At times, this means conceding to others to support relationships, with the knowledge that one is in the other's debt and that next time the scales of just compromise will tip in one's favor.

The tools of compromise may include persuasive and manipulative skills in bargaining, negotiating and trading. The gamesmanship also requires bookkeeping to remember who owes what to whom.

Collaboration

This style is characterized by behaviors <u>high on assertiveness and high on cooperativeness</u>. Collaboration is referred to as the "win-win" style since both personal goals and relational concerns are addressed extensively. Collaboration requires people to work together to understand the issues and concerns of difference so that solutions can be forged to satisfy both parties. Collaboration promotes enduring relationships since the attempt is made to satisfy all concerns. Since collaboration is the most time consuming of the conflict styles and the one which requires a high level of interpersonal sensitivity and skill, it is probably the least used conflict management style.

The chief underlying assumption in collaboration is that people can successfully work through their differences in problem solving activity to achieve mutually satisfying solutions and to promote supportive and satisfying interpersonal relationships.

The tools of collaboration are numerous. People need to be able to tolerate and respect difference between themselves and others both on substantive issues and in the area of interpersonal style. The expression of feelings and emotions needs to be appreciated and encouraged. Openness and candidness are to be rewarded with understanding and acceptance so that goals, interests, issues and hidden agendas can be explored. Disclosure, active listening, and responsible confrontation are requisite interpersonal skills. Finally, understanding and skill in the creative problem-solving process is necessary.

APPENDIX III
CHOOSING CONFLICT MANAGEMENT STYLES

Each of the five conflict management styles has its strengths and weaknesses, its advantages and disadvantages. One style may be most preferable in one particular set of circumstances, but entirely inappropriate in another set of circumstances. Ideally, a person who has the behavioral flexibility to use all the conflict management styles, is in a position to analyze the conflict situation, and then select the style most likely to be effective in terms of that set of circumstances.

The advantages and disadvantages of each conflict management style are summarized below.

Competition

Advantages	Disadvantages
*useful to protect one- self	*losers may retaliate *other's ideas or goals are excluded
*useful when fast action is necessary	*others are likely to lower their commitment and aspiration
*useful on important is- sues when unpopular actions are necessary (discipline, budget cuts)	*a group of "yes men" subordinates may develop, filtering to you only that information they think you want to hear

Accommodation

Advantages	Disadvantages
*presents harmony in relationships	*personal goals and views are sacrificed
*useful when issues are not important to you or when you are losing any- how	*you often lose in one-sided exchanges
*useful when you have made errors	*eliminates feedback and negative criticism
*builds social credits for later use	*limits inputs for creative problem solving
	*can result in poor discipline

for an office, a warehouse, a garage, and a service center. He is an influential community leader and really wants this site.

As Executive Director, your best line of action would be:

_____ a. Negotiate with the gas company to persuade them to buy less land--perhaps 10 acres--so that more land will be left for future development.

_____ b. Delay any decision and buy time in the hope that a manufacturing prospect will come along.

_____ c. Support your volunteer Chairman and hold out for the first sale to be made only to a manufacturer.

_____ d. Get the volunteer Chairman and the President of the gas company together to evaluate the situation carefully to see if an agreement can be worked out.

_____ e. Clarify to the Corporation that you believe the volunteer Chairman has delivered lofty promises the Corporation cannot afford to keep; aggressively support the sale of land to the gas company and apologize for the Chairman's impractical idealism.

APPENDIX II
CONFLICT MANAGEMENT STYLES

CONFLICT DEFINED

A conflict situation may be said to exist when:

*a person or group perceives that another person or group has frustrated, or is about to frustrate, some important concern of theirs;
*the goals, means, values or principles of a person or a group are in direct opposition to the goals, means, values or principles of another person or group;
*important differences between people or groups persist and keep the involved parties apart;
*the emotional climate between persons or groups is characterized by feelings of frustration, threat, defensiveness, antagonism or hostility. (4)

TWO DIMENSIONS OF BEHAVIOR IN CONFLICT

When people find themselves in conflict situations, their behavior can be described on two basic dimensions: (1) assertiveness, or the extent to which they assert their personal goals or attempt to satisfy their self interest and (2) cooperativeness, or the extent to which they express concern for the relationship with the others involved and assist the others in achieving their personal goals or in satisfying their self interests. (5)

These behavioral approaches to conflict can be portrayed graphically in a matrix to show how differing degrees of each behavior contribute to five basic conflict management styles.
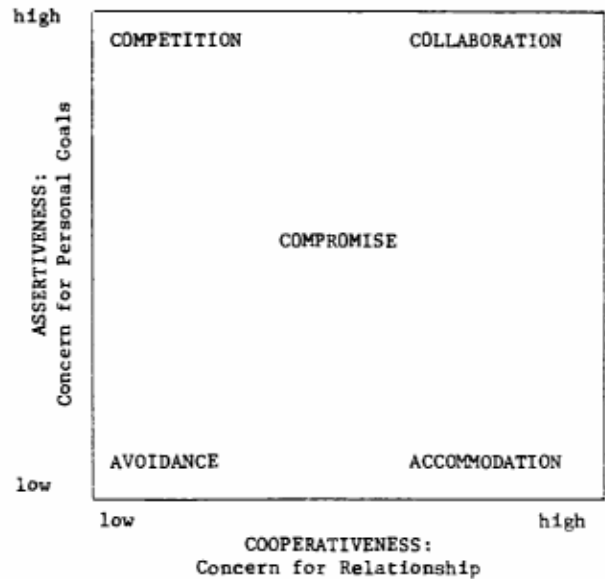
FIVE STYLES OF CONFLICT MANAGEMENT

Competition

This style is characterized by behaviors that are high on assertiveness but low on cooperativeness. Competition is a "win-lose' style in which winning may be evidence of one's strength, Status or competence, and losing may be evidence of one's weakness, failing status or incompetence. In competition, people pursue their own goals at the expense of their relationship with the others involved. This is an aggressive approach to conflict management, one that frequently produces adversary relationships.

Several assumptions underlie the competitive style. First, differences are expected between people and are believed to be evidence of the varying strength of abilities distributed throughout the population. Second, the law of the jungle prevails, and life is a matter of the survival of the fittest. Third, one should assert his or her strength and skill in this natural order.

The tools of competition may include persuasion, deception, manipulative ploys, force or coercion. This is a power oriented style and any type of power may be employed in the interest of winning.

Accommodation

This style is characterized by behaviors that are low on assertiveness and high on cooperativeness. Accommodation is called the 'yield-lose" style because one's personal goals are abandoned in order to serve the goals of another person in the interest of maintaining the relationship. In accommodating, people give others what they want, frequently out of their needs for affiliation and acceptance. Accommodating involves ignoring or denying one's own interests, placating to another, or appeasing another. This style of conflict management produces "yes men" who support others, but do not offer resources and ideas of their own. When a person with a competitive style engages with a person who has an accommodating style, a stable relationship between master and servant may develop.

The assumptions that underlie accommodation are that differences potentially drive people apart or lead

Avoidance

Advantages

*can prevent unnecessary risk-taking
*useful to postpone action until more information is gained or until people cool down

Disadvantages

*limits inputs for creative problem solving
*limits the development of interpersonal relationships
*a temporary strategy only
*anxiety and frustration may be the price to pay
*resulting climate may be filled with tension

Compromise

Advantages

*useful for temporary settlements
*useful when a quick decision is needed
*useful when issues do not reflect deeper, underlying problems
*useful when issues are moderately important
*useful when opponents have equally strong and mutually exclusive goals

Disadvantages

*fails to use all resources and ideas of both parties
*fails to develop deep commitment in inter-personal relations
*may breed suspicion and distrust
*gamesmanship tactics may become more important than issues

Collaboration

Advantages

*mutual involvement in shaping solutions
*gains in commitment for solutions and interpersonal relations from those who participate
*longer lasting solutions emerge
*underlying concerns are addressed
*useful when growth and learning are of benefit
*work through relational concerns -hard feelings, rivalries, fears

Disadvantages

*time consuming
*requires participation from others
*interpersonal skills and creative problem-solving skills are prerequisite
*useless on minor issues or trivial problems
*people may take advantage of openness, trust and shared re- sources

REFERENCES

(1.) "Managing Conflict: How to Make Conflict Work for You" is available from Salenger, Inc. • 1635 12th Street, Santa Monica, CA 90404.

(2.) "Thomas-Kilmann Conflict Mode Instrument" is available from Xicom, Inc., Sterling Forest, Tuxedo, NY 10987

(3.) 'Conflict Management Survey' by Jay Hall, Ph.D., is available from Teleometrics, International, 2203 Timerlock Place, Suite 104, The Woodlands, Texas 77380.

(4.) The definition of conflict and discussions of the two basic dimensions of behavior in conflict situations, and the five conflict styles is based on the following references, as well as written materials supplementing the "Thomas-Kilmann Conflict Mode Instrument" and the "Conflict Management Survey'.

Blake, Robert R. and Mouton, Jane S. The Managerial Grid (Houston: Gulf Publishing, 1964).

Thomas, Kenneth. "Conflict and Conflict Management", in Handbook of Industrial and Organizational Psychology, Marvin D. Dunnette, Ed. (Chicago, Ill.: Rand McNally and Co., 1976).

(5.) Ibid.