



THE EXCHANGE



CULTURE, COMMUNICATION, AND CONFLICT

Workplace Leaders



COMPANION LEARNING GUIDE

BURST VIDEO: *The Exchange*

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REFLECT:

What stood out in the video for you?

JOURNAL:

How is this approach relevant to being a more inclusive leader?

CHAT WITH A TRUSTED COLLEAGUE:

In what types of situations would you find that this strategy might be useful?

You may notice that this companion learning guide is different. Because the Exchange methodology is more complex, we needed more space to explain concepts, give examples, and help you learn the process. Enjoy!



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Welcome to the Exchange!

The National Conflict Resolution Center began in 1983 as a mediation center. Our early workshops centered on teaching people how to be neutral mediators for all kinds of disputes. We began to receive requests from HR managers, workplace leaders, and others regarding their need for a process that considered the fact that they couldn't be neutral because they had a stake in the outcome. After conducting focus groups to understand the needs better, input from workplace leaders, and rethinking our mediation strategy so that it could be adapted, we created the Exchange methodology. Our book, "The Exchange: A Bold and Proven Way to Resolve Workplace Disputes," outlines the methodology. We will include the essential information you need in this companion learning guide. You will find this guide to be informative about how to manage the process.

This innovative course adapts the National Conflict Resolution Center's (NCRC's) time-proven conflict resolution skills and strategies to the workplace by providing leaders with:

- a structured, learnable process to address conflicts between employees;
- reinforcement of the communication skills to utilize to help the process have a human-centered mindset; and
- an approach to address non-conflict situations when employees simply need to have a more collaborative approach in working with each other.

Underlying Principles

NCRC's beliefs about conflict management are based on these three important principles:

- **Respect for the issue:** Conflicts matter to the people who have them;
- **Respect for the person:** People have the resources to resolve their own conflicts; and
- **Respect for the process:** When people are involved in the process, they have a stake in the outcome.



Benefits

The benefits to a workplace leader working through conflicts with employees through the Exchange process are many. A few of them are:

- An informal process;
- A human-centered approach to managing conflicts;
- Efficient and effective;
- Encourages joint problem solving;
- Develops capacity for future interaction;
- Allows for creative solutions;
- Greater potential for mutual gain; and
- Individuals are allowed to express the impact the situation has had on them.

Criteria

The following guidelines may help in determining whether a particular conflict is suitable for the Exchange process:

- Employees have a stake in resolving the matter;
- Employees share some degree of responsibility for the conflict between them;
- Options exist for resolving the situation; and
- Employees can communicate effectively at some level.

Types of Conflicts

There are as many types of conflicts as there are people in the workplace, but the following list highlights common issues:

- Personnel issues;
- Different work styles;
- Coworkers who have personality and cultural differences;
- Issues of lack of respect;
- Complaints of unfair treatment;
- Offensive joking;
- Supervisor/employee conflict; and
- Interdepartmental issues.

Managing Conflict

Obviously, part of the job of successful conflict resolution is to find ways to minimize escalating circumstances and to develop skills for handling conflicts that occur despite any precautions. Conflicts generally occur in one of three general categories of issues: **resources**, **needs**, or **values**.

- **Resources** are tangible (equipment, office space) or measurable (time, job responsibilities).
- **Needs** include physical needs for safety; psychological needs for acceptance, privacy, belonging, and respect; and social needs for being treated fairly, for having equal access to privileges, and for opportunities to interact with others.
- **Values** represent an individual's personal sense of what is right or wrong, good or bad.



There are three approaches to resolving workplace conflict. Overreliance on any one approach is problematic. The Exchange methodology recognizes that all of the three traditional approaches combined creates the best outcome in resolving workplace conflict.

- **Authority:** The workplace leader needs to recognize that they have the authority to help manage conflicts between employees. Managing a conflict resolution process requires confidence and willingness to be in charge of the process. One can be human-centered and still lead the process to ensure a safe and productive meeting. There will be some individuals in the sessions who will attempt to use their power, position, or personality to take over the process. This guide will include tips to successfully navigate those situations, yet, ultimately, you must believe in your power to do this work. They need your expertise.
- **Policy:** Every agreement that is made must be within the bounds of company policy. That is why pure mediation would never suffice. Information provided throughout the process about any issues of policy will result in a more successful outcome. There will be tips in this guide about when and how to raise these issues.
- **Needs:** This is another area where a pure mediation model doesn't work. Mediators focus only on the needs of the participants. In the Exchange process, facilitators consider the needs of the individuals in conflict, the needs of the department, and the needs of the organization.

Interest-Based Conflict Resolution in the Workplace

In interest-based conflict resolution, the approach becomes more **integrative** rather than **distributive**. In *distributive negotiation*, there is a clear winner, and there is competitive dialogue between participants, which leads to strained relations. In *integrative negotiation*, the interests of the employees and the department manager are advanced, and there is a collaborative conversation between the participants, which helps people in their ongoing work relationships. A human-centered approach in resolving conflicts uses an integrative approach.

When people are in conflict with one another, it isn't easy to use an *integrative* style of negotiation, so the leader assists the employees in moving from their complaints to understanding their own needs and interests as well as the needs and interests of the other employees.

TYPICAL WORKPLACE NEEDS

- **SAFETY**
 - Fairness
 - Psychological Safety
 - Trust
 - Accountability
- **PRODUCTIVITY**
 - Self-Expression
 - Work Contribution
 - Input
 - Job Satisfaction
- **VALIDATION**
 - Support
 - Appreciation
 - Acknowledgment
 - Professionalism
- **COMMUNITY**
 - Acceptance
 - Connection
 - Collaboration
 - Welcome Culturally
- **UNDERSTANDING**
 - Empathy
 - Respect
 - To Be Heard
 - Clear Communication
- **AUTONOMY**
 - Choice
 - Independence
 - Reputation
 - Competence



The Exchange Overview: Goals

Stage I: Hold Private Meetings

- Gather enough information to identify key issues and concerns
- Prepare employee for joint meeting

Stage II: Develop Agenda

- Develop the plan for the joint meeting

Stage III: Conduct Joint Meeting

- Assist employees in developing an understanding of how the situation has impacted each other and the workplace
- Clarify expectations of the manager

Stage IV: Facilitate Problem Solving

- Identify and determine possibilities for resolving the issues
- Create action plan

[DOWNLOAD YOUR CHECKLIST](#)

Stage I: Hold Private Meetings



About Stage I

First impressions are lasting. Employees' first impressions of the process will stay with them. These impressions will influence how safe they feel and, subsequently, how willing they are to participate in a meaningful way in resolving the issues.

Many people are nervous and worried when they come into your office. They may think it is a disciplinary session. They may expect you to make quick decisions about what they should do. Whatever their expectations are, this session is to give them confidence about their own capabilities and about the possibilities for moving forward. Clarifying your expectations and defining your goals will be an important beginning.

Make sure there is time for each employee individually to express how they see the situation, without interruptions or challenges. While listening, you can assess the key issues and concerns as well as the employee's manner of communicating and level of stress. Using non-escalating language helps set the climate by the leader in this meeting. Resisting the urge to agree with the person complaining to you helps set a non-escalating tone in the subsequent session. Your goal by the time you have met with each person is to make sure you fully understand each person's perspective (without seeming to take anyone's side). Typically, stage one takes leaders 10-20 minutes with each employee.



The following script is stage one, which you saw in the burst video. You will be discussing it in small groups.

Stage I

WELCOME

Thanks for meeting with me, Francisco.

ACKNOWLEDGE WORK

You know, we're both relatively new to this company, but I do want you to know that I've been working in this industry for many years. I knew of your innovations with sensor technology in the security arena before I came here, and you've certainly lived up to your reputation as a fabulous engineer. You bring so much to this company. I could talk about that all day, but I need to talk to you about what happened last week. The tensions between your department and the sales team have really blown up, so I want us to work through these issues.

CLARIFY PURPOSE OF MEETING

This is the first step toward addressing and resolving those issues. I want to hear from you about what has been getting in the way of you and Ginger being able to work together effectively. I'll also be meeting with Ginger today. Tomorrow, I want the three of us to sit down to discuss and resolve this matter together. I've reserved the conference room for 10:00 a.m.

EXPLAIN HOW PROCESS WORKS

I want you to know that I won't repeat to Ginger what you tell me unless you give me permission. I'm taking notes only for my records at this point. Of course, if any policy issues come up, I'll clarify those and take appropriate action.

DISCUSS CONFIDENTIALITY & NOTETAKING

The situation has increasingly affected the entire production team, as well as others outside the team. We need to address it so we can get everyone focused back on the work we have to do on customized alarm systems and on productivity. We also have to ensure that we have a comfortable work environment. I want to establish a good working relationship between the two departments, and between you and Ginger, and I want to improve morale for everyone on the team.

DESCRIBE POLICY ISSUES

CLARIFY LEADER'S INTERESTS

**ASK OPENING QUESTION
TO HEAR PERSPECTIVE**

Damien: So, tell me, what's going on?

Francisco: We're all for improving productivity too. We just want to be able to focus on our work. But we also want Ginger and her team to focus on their work and not get in OUR business.

**REINFORCE VALUE OF
DIALOGUE**

Damien: That's great. But it really is important to me to hear your perspective on how the whole issue developed. Each department has a role to play, and these sometimes push against each other, so some tension is normal, and even helpful, at times. But this situation is harming the whole company. If we're going to succeed, we need to understand and respect each group's contribution to the company goals. Collab-

Francisco interrupts: Look, the sales team adds nothing to product design. They're a bunch of idiots who make false promises to everyone. They don't appreciate that quality takes time and that some things are just not technically feasible.

**ASK AN OPEN-ENDED
QUESTION**

Damien: Tell me more about how things have gone for you with Ginger and her team.

Francisco: Okay, well, I'm extremely upset by what they're doing. They make me look like the bad guy because of the ridiculous promises they make. They love the idea of the sensors in the carpet so much that they started telling potential customers that we could embed the sensors in rugs in the bathroom. That is just crazy.

**DEMONSTRATE
UNDERSTANDING,
ACKNOWLEDGE IMPACT**

Damien: Clearly, you're very frustrated with how the applications of our technology are communicated to potential clients. It's important that all of us are on the same page. Tell me some more about the bathroom application.

**ASK OPEN-ENDED
QUESTION**

Francisco: Well, our product is made of a very complex combination of different sensors. You know we use pressure, temperature, and motion sensors in our products. We use them to detect if someone is lying

**DEMONSTRATE
UNDERSTANDING**

motionless on the floor. You also know that one of the biggest enemies of electronics is moisture. If water comes into contact with the carpet, like if someone spills something, as an engineer, my job is to make sure the system is designed so it does not short-circuit or become a safety hazard. Our current system is designed for most areas, but it is not compatible for an area that is always wet. But our sales team is going around saying that we can design bathroom rugs with this system, and that WON'T WORK!

Damien: So, it seems that you've designed a system that has safety features programmed in, but it is not designed for areas that are wet on an ongoing basis, such as a bathroom.

Francisco: Exactly. Now, we are working on some other sensors for near the toilet, shower, and bathtub, but it's a different system. We are in middle of prototyping the new design. So, the sales team doesn't have permission to sell something that we don't make yet. Our sales group makes us look bad because they promise it to our customers and then we have to say, "Actually, no, we can't do that—and no, the new sensors aren't fully developed yet, and no, they won't be for a couple of months." Quality control is really important. I won't have the Smart Alarms name associated with a product that's on the market before its ready.

**DEMONSTRATE
UNDERSTANDING,
ACKNOWLEDGE IMPACT,
IDENTIFY NEEDS**

I know you probably want to ask me if I've talked to sales about this, I have tried to talk to Ginger—I called her twice and left messages—but she is always so busy traveling the world on the company dime that she doesn't have time to talk to the people who design the stuff she's out selling.

**REITERATE LEADER'S
INTERESTS**

Damien: Okay, Francisco. I'm hearing that engineering recognizes the need for sensors in the bathroom and is currently working on some new innovations that meet the requirements of a wet environment. But these aren't ready yet, so we shouldn't be selling them. It's important to you that you have time to test and vet our products. You also have some concerns about being able to communicate your

**REINFORCE GOAL TO
FIND A SOLUTION**

HOMEWORK: CONSIDER OTHER PERSPECTIVE & POSSIBLE SOLUTIONS

timelines and priorities with sales. Have I basically got the picture?

Thanks for clarifying your position and your situation for me. My goal is to find a solution to this situation that helps both of you and your departments. Between now and tomorrow morning, why don't you think about ideas to resolve this that serve everyone's interests? Also, I can see that you are very confident about your position in this situation. I would like you to take a few minutes to consider how Ginger might be seeing the situation and what she, along with her department, contribute to the mission of Smart Alarms. I'm confident the three of us will be able to work this out. I'll see you both tomorrow morning at 10 in the conference room.

Exchange Techniques: Listen Effectively

Your ability to demonstrate that you are listening is extremely important when helping people resolve conflicts. When people feel they have truly been heard and understood, they are likely to feel accepted. They are willing to give more information that may be useful in resolving the conflict. Later, in stage three, they are also more likely to hear what the other person has to say. On the other hand, if they feel no one is hearing what they have to say, they often become more rooted in their own view of the situation and in their perception that the other person is not only *wrong* but also a *rude, disrespectful*, or even *bad* person.

In considering how you demonstrate that you are listening in stage one, most of us are aware that often it's the "how" rather than the "what" that makes an effort to communicate successful or not. Listening involves:

- Gestures
- Your face and posture
- Culturally appropriate eye contact
- Attentiveness

You will also need to pay attention to nonverbal behaviors on the part of the participants. We caution against drawing many conclusions from behaviors. While paying attention to nonverbal behaviors gives insight, don't assume that the nonverbals always reflect the person's attitudes. For example, crossing one's arms may only mean that the person is cold, not hostile. Being sensitive to cultural variation in body language is important in not overinterpreting behaviors.

Exchange Techniques: Respond Respectfully

Note that examples are used here that vary from our case study to show how process can be used. We will finish the case study in class.

Demonstrating Understanding. Like the description in The ARTful Conversation, demonstrating understanding is an important tool used during stage one.

1. Speaker relates how the situation affected them.
2. Leader recaps the key concept in different words.
3. Leader checks for accuracy and clarifies what was understood.

Leader: *Can you tell me how the situation has affected you?*

Employee: *She told others that I wasn't a good fit for the department, which was very upsetting to me.*

Leader: *What I understand is that you found out that Catherine had said that you weren't a good fit for the department, is that correct?*

Acknowledging. This is a technique that focuses on the emotional content of a statement or how the person was affected by what happened. Successful acknowledging statements are respectful validations of the emotional part of an incident. The value of acknowledging can't be overestimated. A great deal of the success of this technique depends on the tone you use.

Acknowledgment Example: *You sound disappointed and upset that anyone would say that.*

Identifying needs brings out the underlying need, motivation, or hope. Instead of responding, giving advice, or telling the speaker what they SHOULD have done, the listener reflects to the speaker what the speaker's needs were. Here we utilize an example in which an employee complains that her coworker told others that she was not a good fit for the department.

Identifying the unstated need: *Are you looking to understand the meaning of that statement?*

Explore what actions might have been successful: *Would you have wanted direct communication?*

Examine the speaker's expectations about the other person: *It seems you are hoping for respect and collaboration. Are those both important to you?*

Exchange Techniques: Ask Questions

How a question is asked (tone of voice is not to be underestimated!) is often more important than *what* (content) is asked. Some types of questions are particularly effective. Others will make progress more difficult. This requires the use of *humble inquiry*, being careful to ask the questions in a safe way so that it doesn't appear that you are taking sides or that you already know what the answer *should be*.

Open-Ended Questions

In stage one, broad questions are very useful for finding out how the employees see their situation. Utilizing a *humble inquiry* approach works well. The rule of thumb is that open-ended questions cannot be answered with a simple yes or no response. They invite the person to share more information. Some examples of broad questions are:

- How do you see the situation?
- What are the issues between you?
- Would you tell me your point of view of what happened?
- What would you need to feel that this session is a success?
- And then? What else?

There are several advantages to open-ended questions. The person will:

- Feel more comfortable telling the story without interruptions, and this will help you to establish rapport.
- Provide the context so you will hear the story from their viewpoint rather than yours.
- Speak more freely when following their own train of thought.

Clarifying Questions

Below are some questions that are useful when you are having difficulty recognizing what the participant is saying or would like you to learn more about their perspective. These, in particular, use a *humble inquiry* approach.

Help me understand more about...

Tell me more regarding...

Were you expecting...

It seems that you...

I get the impression that...

Avoid “Why” Questions Whenever Possible. They often sound accusatory and ask the listener to account for their behavior. The following are substitutions for “why” questions:

- *What was the reason that you were unable to finish the project?*
 - Not: *Why didn't you finish the project?*
- *Were you aware that other people could hear music being played at your desk?*
 - Not: *Why do you play your music so loud?*

Use Yes/No Questions Sparingly. A person is clearly limited in their response to yes/no questions. Such questions may cut off information that the person would otherwise offer and may encourage the person to guess which answer you want and make a response calculated to please you rather than a truthful response. Sometimes yes/no questions can lead you to another type of question and can help you know which direction to go.

Using Questions to Encourage Reluctant Employees

The employees may have thought a lot about what their complaints are and what they want. Sometimes they have not thought about what they will do or what you will do if the conflict continues. **Reality testing** is an opportunity to explore the whole picture and think about why this is so important and to plan for the consequences of not reaching an agreement. Helping the employee process these questions will help them negotiate more realistically in the joint session of the Exchange.

- *What will it be like for you when this conflict is over?*
- *What do you think they will do if we don't resolve the issue?*
- *If we don't talk through this, you will still have to work with them tomorrow. How will that be?*
- *What are you going to do if we don't work through this issue?*

Questions are an invaluable tool for leaders. Keep them simple and nonthreatening in order to move the process forward.

Closing Stage I

In a final note to Stage I, keep in mind:

- **Refrain from agreeing or disagreeing with the employee.** Showing compassion for their experience without reinforcing their position is key. Starting your sentences with phrases such as "For you," "From your point of view," and "The way you see it" helps this.
- **As much as possible, point out their needs in the situation.** By doing this, you are helping them move away from their positional thinking to what is the most important to them. Framing their needs in a question helps them refine their thinking and become more problem-solving oriented rather than just complaining.
- **Policy Issues.** If any policy issues arise, this is the time to talk about those policy issues and problem solve with the employee in the private meeting if possible.

Stage II: Develop Agenda



About Stage II

After stage one, take time to organize and structure an agenda based on the topics from the private sessions. This will be your guide for stage three. Don't try to analyze the employees' underlying personality traits, just focus on the topics that need to be covered. The agenda is a flexible plan that allows you to respond to the employees' needs, the company's interests, and any new information gained. It entails an **Icebreaker**, then includes the **Impact** on each employee, and, lastly, covers the specific **Issues** in dispute. In working through developing their list, most leaders prefer to first consider the Issues in dispute (those are the most important to resolve), then reflect on the Impact, and, lastly, develop an appropriate Icebreaker. Stage II takes managers five to 10 minutes.

Issues

The issues are concrete topics that the employees need to resolve: the substance.

Impact

The second type of discussion topic is how the conflict has affected each person and their reaction to the situation. If it is not acknowledged, it may block his/her willingness to listen to and understand the other's point of view. **The best way to frame this is to prepare a simple question: *How has the situation impacted you?***

Icebreaker

Identify a topic that can open the conversation in a positive way. It should allow speakers an opportunity to express something important to them in the workplace and should not be an issue of dispute. It may point to a positive or neutral common ground between participants. The benefit of doing this is to set a conciliatory mood and build confidence that the situation can be resolved.

Examples of Discussion Topics

Issues

Examples might be *the project, communication, roles and responsibilities, or the workspace.*

Impact

Typical concerns are *anger, frustration, disappointment, and sense of being treated unfairly.* These are not issues to fix, but simply to acknowledge as part of the conflict. Simply requesting that each employee discuss how the situation has impacted them is often the best way to approach these issues. Many times, when they express this in stage three, it will be the first time the other person has heard this.

Icebreaker

Topics might include: *What are two things that brought you to this company? What do you enjoy about working in this department? What is the best thing you have done here since you started? What are two skills you have that help you be successful?*

Developing the Agenda Example

EXAMPLE

Ximena and Catherine work in the same department. Though they are supposed to collaborate, they have stopped talking to each other. Their manager requested that you help them talk through the issues.

Ximena's concerns are that Catherine created a nickname for her (Mena) that is not her own and that Catherine doesn't try to understand Ximena's accent. Ximena also is concerned that Catherine expressed to others that Ximena was not a good fit for the department.

Catherine's concerns are that Ximena does not show respect for her institutional knowledge, nor ask for input. She has a hearing problem, which makes it difficult to understand Ximena.

ISSUES

Input

Communication

Styles

Working Relationship

IMPACT

How has this situation impacted each of you? How has it been?

ICEBREAKER

What are two skills that you bring to the department?

Stage III: Conduct Joint Meeting



STAGE 3 Hold Joint Meeting

GOALS

- ▶ Assist employees in developing an understanding of how the situation impacted each other and the workplace

TASKS

- ▶ Hold three-way conversation
- ▶ Implement agenda

TECHNIQUES

- ▶ Listen effectively
- ▶ Respond respectfully
- ▶ Ask questions

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About Stage III

Stage three is the heart of the Exchange process. You will have met with each person separately, and you will have a good understanding of each perspective. Stage three is the time for you to help the employees gain the same understanding. After the preliminary welcome discussion, state your agenda. By stating the agenda first, you are reassuring the employees that their issues will be dealt with in the session. The agenda is a flexible guide to the discussion.

A strategic element of the structure, the **Icebreaker**, is an approach to open the conversation to help the employees speak to each other in a non-adversarial tone. It is also an important way to introduce new material that can serve to lower emotional barriers.

The **Impact** is addressed next, because if it is not addressed, it blocks movement. Issues rising to the level of conflict have emotional components to them that keep the employees attached to their positions. NCRC's model provides a structured way to discuss (not resolve) these emotional blocks as a way to move past them.

After discussing the Impact, direct the employees to talk about the **Issues** in a structured way. Raise these issues one at a time. Develop each issue by asking each person to discuss their perspectives. The length of time varies more in Stage III and IV, because the length depends on the people involved and the complexity of the issues. Most managers need thirty minutes to an hour for Stage III and Stage IV together.

Example Opening, Stage III

Note that examples are used here that vary from our case study to show how process can be used. We will finish the case study in class.

WELCOME	Thank you, Ximena and Catherine, for coming to my office to discuss this. Let's get started, because I know how busy you each are. Your work is very important to this department.
ACKNOWLEDGE WORK	
EXPLAIN HOW PROCESS WORKS	I want to remind you that what we are going to do for the next 30 minutes or so is talk through the concerns that each of you have about working with each other.
CLARIFY PURPOSE OF MEETING	My goal here is to help the two of you work through this so that the work environment is improved, you each get the respect that you deserve, and we can create an improved working relationship. This is a confidential meeting between the three of us, as I mentioned to you in our first meetings. However, I will keep a record of this meeting and any agreements we reach in my file for future reference, as well as emailing each of you and your manager the agreement. If clear policy violations have occurred, I am obligated to report that.
CLARIFY LEADER'S INTERESTS	
DISCUSS CONFIDENTIALITY	
POLICY ISSUES	
GIVE AGENDA. Briefly state the issues that will be addressed	Specifically, we are going to talk about input, communication, your different styles, and your working relationship. I am going to ask that we all treat each other with respect and allow each person to finish before we speak. Agreed?
GROUND RULES	

Exchange Techniques: Listen Effectively

Your role in managing the process is more active in stage three. You will have two employees who are in conflict to manage in the joint meeting, so effectively listening also means managing the discussion well. Managing this conversation includes:

- The strategic ordering of the discussion (Icebreaker, Impact, and Issues);
- Listening carefully to the employees' responses;
- Asking appropriate follow-up questions;
- Ensuring that the employees have been heard the way they want to be heard; and
- "Listening" to body language.

Exchange Techniques: Respond Respectfully

Demonstrating Understanding. It is especially useful to demonstrate understanding when the issue has emotional relevance for the employees. In stage one, the leader demonstrates understanding directly, but in stage three the leader may ask the employees to do it after each person has discussed the **Impact** of the situation.

1. Employee relates how the situation affected them.
2. Leader asks the other employee to recap the key concept in different words.
3. Leader checks for accuracy with the speaker and asks the other employee to clarify.

Examples provided on this page are from a different case to show variety of cases.

Leader: *John, can you tell us both how the situation has affected you? Suni, before he does that, I'm going to ask that you recap what you hear in a few minutes so that he is heard the way he wants to be heard.*

John: *She always wants me to focus on her projects. When I approach her with a concern about my projects, she always brushes me off. I am tired of it. I just feel disrespected.*

Leader: *What did you hear, Suni?*

Suni: *John wants me to pay attention to his projects, like he says he does for me. He says I don't respect him, but I have just been so busy...*

Leader: *We will get to your perspective in a few minutes, Suni. But for now; John, did Suni capture the essential piece of your concern?*

Acknowledging. This is a technique that focuses on the emotional content of a statement or how each employee was affected by what happened. When both employees are in the room, the manager can acknowledge that the situation has been difficult for both of them without taking one person's side.

Acknowledgment Example: *This has been extremely challenging for both of you.*

Identifying Interests brings out the underlying need, motivation, or hope. Instead of responding, giving advice, or telling the speakers what they **SHOULD** have done, the manager reflects what the speakers' interests were. Throughout the discussion, the manager points out the interests of the employees as well as the company's interests.

Suni: *We tried something like that three years ago, and it didn't work. Why doesn't he ask before initiating his ideas?*

Leader: *It sounds like it is important to you that you have input into the project and that we look at history of the department regarding that approach. Ultimately, you are looking for the success of the initiative, which is something you have also expressed, Suni. Is that correct?*

Exchange Techniques: Ask Questions

Questions are as important in stage three as they are in stage one. One important difference, however, is the type of question that is most appropriate in each part of the process. In stage one, there is good reason to ask open-ended questions: *How do you see the situation? What are the issues between you? Would you tell me your point of view of what happened?* These questions allow the employees to speak freely about their perspectives regarding the situation.

In stage three, however, you **want to control the conversation so that employees speak** only about one issue at a time. The strategy of asking about the **Icebreaker**, **Impact**, and then the **Issues**, one at a time, is useful to frame the discussion. **By asking one clarifying question about each of these topics, you disaggregate the dispute into smaller, more manageable discussion topics.**

With the **Icebreaker**, the leader asks the employees to *describe two reasons they chose this field, one contribution that they bring to the project, one reason they need to work with the other person*, or something along this line. **The specificity of the question helps the employees stay on task with the Icebreaker**, rather than using a more general, open-ended question, which may lead to a rambling discussion, or worse, an opportunity to say something negative about the other person.

Note that examples are used here that vary from our case study to show how the process can be used. We will finish the case study in class.

Leader sets out the Icebreaker

After each employee has spoken, the leader acknowledges the commonalities of the employees

Leader: Let's start with something on a positive note—what are two skills that you have that you bring to the workplace that help you be successful? Sometimes it helps to start the discussion with us being heard about this.

Leader: So, you both bring something unique and needed to this department. And you both mentioned that working well with others is an important contribution. What that tells us is that once we have greater understanding of each perspective and work through the differences, there is the potential for creating a more effective working relationship.

When you ask the employees to discuss the **Impact**, we ask a very simple question to initiate the discussion: ***How has this situation impacted you? How has it been?*** In this way, employees can speak at the level at which they are most comfortable. Listen carefully to the answers given here: If the employee attacks the other person, you can guide them to comment on how the situation has been for them, instead of allowing the attack.

Leader transitions to Impact

Leader asks one employee to discuss the Impact of the situation

Leader asks other employee to demonstrate understanding

Leader: Even though you both were chosen for this team because of the respect your management has for each of you, one concern seems to be a lack of respect in how you treat each other. How has this been for you, Ximena?

Ximena: I feel disrespected, honestly. For example, I have explained how to say my name several times, yet Catherine doesn't try, she just calls me by her made-up nickname, Mena. It feels like a microaggression since my name is part of my cultural identity.

Leader: Catherine, I would like you to say what you heard Ximena say. You don't have to agree with her. You'll get a chance to say how you have been impacted by the situation in a moment. What did you hear?

Catherine: Well, the spelling of her name makes it hard for me to pronounce. What is wrong with calling her Mena? It's cute and easy.

Leader: Excuse me, let me just clarify what I had asked here. You will have a chance to tell your perspective in a few minutes when we talk about communication. Could you please just recap how the situation has impacted Ximena?

Catherine: Well, it wasn't my intent to upset her so...

**For balance,
the leader asks
the other
employee the
same question**

Leader: What was it that you heard?

Catherine: Okay, she feels disrespected, especially when I don't use her name correctly because it is important culturally for her.

Leader: Thank you. I recognize that this is challenging. The purpose is so that each of you are heard the way you want to be heard for this part. Ximena, did she capture what you wanted her to hear? (Ximena nods.) We will need to look at other aspects of what gets in the way of effective communication and what can be done about it soon.

Leader: What about for you, Catherine? How has it been for you?

Catherine: I have worked here a very long time; other people know and respect that. I'm hurt that Ximena doesn't consider that or ask for input.

Leader: Okay, Ximena, what do you hear Catherine saying?

Ximena: Um, well, Catherine believes that I don't respect her institutional knowledge and it upsets her?

Leader: Catherine? Is this correct?

Catherine: Exactly!

Ximena: Catherine, let me just tell you that I had no idea that you thought that. Also, that is the best you have ever pronounced my name, thank you.

Leader: The value of this process is we will be able to clarify each of your perspectives and be heard from each other in new ways.

Sometimes **new information surfaces**, so the leader may want to follow up with a question that was not on the agenda. In the above example, the leader listened carefully to Ximena's response. The critical new piece of information is that Ximena did not respond to Catherine's institutional knowledge the way Catherine *thought she should*. The manager can **follow up with additional questions to clarify** perspectives.

**Leader follows
up with a
question that
goes deeper
into clarifying
the meaning**

Leader: Let's talk about that a bit. What were your expectations when you first started working next to each other? Catherine, why don't you go first?

Catherine: I expected Ximena to come to me to ask my opinions about the department and get some insights. Everyone else has done that when they start in the department.

for each employee

Leader allows a dialogue between both employees because this is important new information

Leader acknowledges both employees' experiences

Leader: Ximena, what about you?

Ximena: Well, I might have done that, but I expected Catherine to do what others do with my name, to ask me how it is pronounced. When Catherine said, in front of everyone, that it was an impossible name, I didn't feel welcome. Then when Catherine also complained that I was hard to understand, it made it very uncomfortable to address her at all.

Catherine: Oh, my, I never intended that at all. I am going to be honest here. I have a hearing problem, so it has been challenging to understand you. I guess I can see that I didn't make it easy for you to approach me.

Leader: Sounds like these initial interactions made a very uncomfortable situation for each of you. Each of you would have wanted to feel respected and valued, is that correct?

The questions about the Issues can be straightforward and direct.

After the leader brings up an issue, sometimes additional clarification helps

Here, the leader clarifies the needs of both employees before asking what can be done

Both employees agree to do something to

Leader: We are making progress. I appreciate both of you being willing to work through these issues. Catherine, when you say that your hearing problem makes it difficult to understand Ximena, can you tell us more about that? Since you raised the concern, are you comfortable explaining?

Catherine: Yes, I would feel better explaining. It is complicated, but it is more of a processing issue. Especially with accents and people speaking quickly, I just can't process well. It is related to hearing, but a bit more complex.

Ximena: Let me just say that I had no idea that was an issue for you. My father has tinnitus, which impacts him in a similar way.

Leader: What I am understanding is that it is important for you to be able to process, Catherine, and it is important to you to be heard respectfully, Ximena. What are some suggestions?

Ximena: I can slow down my speaking when I talk to Catherine.

Catherine: That will be great: I would appreciate that. I will let you know when I need things repeated without insulting you.

improve the situation

Leader: Again, this is making progress: thank you both. I will take note of what you are each suggesting you can do here so we can write that up.

Notice below that the **leader simply raises the issue** in a non-escalating way, without asking a specific question. Here, there is no real discussion needed and the employees want to go directly to problem solving.

Leader brings up one of the issues in dispute

Leader: It seems that by clarifying expectations, we covered a bit about improving the communication between you.

One employee states her perspective briefly, then goes to problem solving (not an uncommon occurrence)

Catherine: Actually, I would like to speak to that. I must admit that I have not communicated effectively since I felt disrespected. I can communicate directly to you if I have concerns, Ximena.

Ximena: I do appreciate that. I think that would work better.

The leader sometimes **raises issues that are important to the company** or team. Additionally, the **leader may reject a solution—either because it does not meet the department's interests or it goes against policy**. This interaction between the leader and employees in the process is a realistic part of resolving workplace issues: It is truly a three-way conversation, and the needs of the department are just as important as resolving the issues between the employees. The collaborative attitude of the leader helps retain the problem-solving tone of the process (so it doesn't become a disciplinary session).

Leader acknowledges progress and transitions to next issue

Here, the situation could have escalated, so the leader interjects with clarification of the workplace culture and invites the employees to clarify each perspective

Leader: Well, we have come a long way in a short time. We still need to cover input, styles, and developing a respectful working relationship.

Ximena: I am not sure what input means? I did go to others when I first joined the department. What does that mean here?

Catherine: You have changed some protocols without talking to me about it at all. I understand now about your being uncomfortable, but that is how we do things here; people get to give input.

Leader: Wait. Let's talk about that. It is our company's approach to get buy-in from people, but there is autonomy for employees as well. What are areas that make the most sense to collaborate on, and what are areas that are within each of your own purview?

After several minutes of discussion, the leader summarizes where they want to come together to collaborate and where they are autonomous.

In the examples above, it is noted that the **leader moves from stage three to stage four on each issue**. Leaders find this to be a practical way to manage the process. The recommendation is that the leader **follows the process in this way**:

ICEBREAKER

IMPACT

ISSUES

Stage three discussion, no stage four necessary. Purpose is to create a human-centered discussion.

Stage three discussion, no stage four necessary. Purpose is to create a human-centered discussion.

Move between stage three and four with each issue:

DEFINE. Employees state their perspective on issue

DETERMINE. Leader identifies needs and interests

DEVELOP. All explore possible solutions

DECIDE. All decide best options on issue

Stage IV: Facilitate Problem Solving



Tasks:

- Generate and discuss possibilities
- Decide on next steps
- Discuss disclosure to others

Techniques:

- Encourage input
- Use SMART criteria for plan

About Stage IV

We find that a clear stage three discussion of the **Icebreaker** and how the situation has **Impacted** the employees is critical before any meaningful conversation about problem-solving the **Issues** is possible. This also maintains a human-centered approach even in the problem-solving phase. There is no need for stage four for the Icebreaker or Impact questions. Problem solving focuses on solutions for each of the issues, one at a time.

Stage four demonstrates examining expanded options and making agreements that are uniquely suited to the individuals participating in the process while still maintaining Stanford's policies and being fair to other employees. Eventually, you and the employees will choose what to do. Those choices are better if they come from a thoughtful process rather than only the most obvious ideas.

You help the employees assess what would meet their workplace needs and what meets the interests of the department. Work with the employees to identify their interests and the standards/criteria by which the options can be measured. In this way, the employees will make better decisions about which options they can agree to, and they will be able to justify those decisions to themselves and others.

The leader's role in this stage is crucial. Unfocused or vague agreements are less likely to be carried out and may, in fact, lead to further conflict. Employees who are not clear about what they are agreeing to do may not follow through with their agreement, or worse, may simply do nothing. You may want to include a provision for what happens if there is a problem keeping to the plan. Finally, you may want to have a discussion about how their agreement (and the session itself) can be discussed with each other or with others in the department. Coworkers often know there has been a problem, so some planning on how to speak about the session can be helpful. If you are not their manager but have been asked to do the process for a department, reinforcing that you will be sharing the agreement with their department manager is important.

NCRC highly recommends the **SMART** test to evaluate options. Agreements should be focused on behaviors rather than platitudes or attitudes, such as *We agree to be nice or friendly*. Instead, they should be **S**pecific, **M**easurable, **A**chievable, **R**ealistic, and **T**imed. It should be very clear who is to do what, by when, and how. It should be possible to know when a task has been accomplished. People should agree to do only those things they are capable of doing and that they are likely to do. By making a **SMART** and balanced agreement, you make it easy for people to succeed.

Tips for Developing and Deciding Options for Best Outcomes

Looking at the recommendations from the previous section for managing the transition from stage three to stage four of the Exchange Process, *Defining* and *Determining* could be seen as elements of stage three, while *Developing* and *Deciding* might be seen as elements of stage four.

When leaders help the employees explore possible solutions, some guidance that is helpful includes:

- *Now that we have a clear understanding of each of your perspectives and interests on this issue, let's look at possible solutions that would work for you.*
- *What are you willing to do to improve the situation?*
- *That puts everything in a different light; what are we going to do about it?*

During the discussion, the leader ensures that both employees are engaged and contributing to solution building. The focus should be on what employees will do, not what they won't do. Usually, leaders keep track of all solutions generated and follow up with an email to the employees or write the agreement up at the time, ensuring that both employees receive a copy of it.

After all decisions are reached about the **Issues**, important elements of a successful closure include clear expectations of follow-up, clarification of what will be shared with others, and letting employees know that you appreciate their efforts in working through the issues.

Closing Thoughts

Conflicts, disagreements, and honest differences are a normal part of any workplace. When they are ignored or dealt with in unproductive ways, they can escalate into more serious conflicts that take time, damage relationships, undermine productivity, and, ultimately, lead to lawsuits. The Exchange training gives you new tools for managing conflict so that creative resolutions can be reached that reenergize the workplace and bring new ideas to old problems. The hope is that these tools will give you and your employees greater confidence in your ability to handle conflicts successfully. By working together to understand the facts, the feelings, and the potential solutions, you can create the outcome of a healthier and more inclusive work environment for all. There is an extra case at the end of this companion learning guide for you to continue to practice the process together.

What are the ways that the Exchange methodology blends a problem-solving approach and a human-centered approach?



NCRC THE EXCHANGE

- A process for managing conflict
- Consideration of workplace dynamics and how to improve them

What is one takeaway for you from the program?

WHAT'S NEXT

➤ For Information on Other Workshops, Contact Ashley Virtue, Director, External Relations
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NCRC NATIONAL CONFLICT RESOLUTION CENTER

Workplace Dynamics



As a closing to the **Culture, Conflict, and Communication Workplace Leader Certificate Program**, we will look at this Workplace Dynamics graphic. At NCRC, we had learned about the *Social Discipline Window* from our work in Restorative Justice. We recognized that workplaces had similar dynamics as the family structure examined in Restorative Justice.

A workplace that has **High Accountability** and **Low Support** creates a competitive environment in which employees feel threatened by each other, are less likely to share best practices, or to feel part of a team.

A workplace that has **Low Accountability** and **High Support** creates a friendly work environment, but one in which best practices are not achieved because people are not held to high standards. Often, leadership wants to be friendly and fear giving appropriate feedback.

A workplace that has **Low Accountability** and **Low Support** has the worst morale. Often employees feel neglected and undervalued. Some workplaces intentionally take this approach to force an employee to quit, but, more often, it is a work environment in which leadership are unfocused or burnt out themselves.

Lastly, a workplace that has **High Accountability** and **High Support** is the ideal working environment. Employees thrive in this healthy workspace. The energy, the commitment, the passion to the work come out in this workplace dynamic. We have found that no matter which one that leaders find themselves in of the other three environments, once they learn about this, work on their own leadership utilizing the skills and approach taught in this program, the dynamics can and do improve.