

## **How to Cut a Deal: The Difference Between Resolving a Conflict and Compromising**

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A trillion here, a trillion there! Pretty soon you're talking about real money. So, we have a deal. The goons from the bank aren't going to show up at the White House and start carting off the furniture. The teenager at the Quick-Stop won't keep the credit card when Uncle Sam tries to buy a six pack. We found a compromise. That's the American way. Right? Well, maybe. The debt limit deal is being called historic, a landmark deal, monumental, etc., etc. This is, of course, hyperbole but it is how things often get done. But, who really won? Each side will claim a victory, blame the other side for the weaknesses in the bill, and bemoan the fact that they didn't get everything that they wanted. We averted disaster but no one really won. We all know this. I suspect that we could look at the details of the agreement and acknowledge that, for the most part, it isn't much different from what we could have agreed to six months ago. When I do mediation, I am often amazed at how similar the two sides really are. If you had word for word transcripts of the two points of view, they would appear almost identical when it comes to the important elements of the arguments. Organizational leaders (political leaders, societal leaders, etc.) often talk about compromise as a virtue. I believe that I understand their meaning. They see compromise as a movement away from the "winner-take-all" mentality that leads to tyranny. It seems to be very hard for leaders to accept the idea that there can be genuine no-lose or win-win solutions. These phrases have been so over used in corporate America that people no longer take them seriously. They assume that win-win really means compromise.

We are not, as a rule, very good at resolving conflict. Even when there is very little disagreement, we often stumble. There is an old management parable called the [Abilene paradox](#).<sup>1</sup> The story goes this way. A group of people are sitting on the porch playing dominoes on a sticky, hot evening in a small town in Texas. One member of the group suggests they all go to a restaurant in Abilene (50 some miles away). Everyone in the group assumes that everyone else wants to go. In reality no one wants to make the trip. Because no one speaks up and challenges the assumption, they all make a hot, dusty, uncomfortable trip to eat an unsatisfactory meal when they could have stayed home and enjoyed a cool lemonade. This phenomenon is very similar to what has been called [groupthink](#).<sup>2</sup> Failure to speak up, challenge authority, unwillingness to risk being called "not a team player," can combine to produce stunningly poor decisions. President Kennedy's "Bay of Pigs," and Nixon's "Watergate" have often been cited as egregious examples of groupthink. But perhaps the most discouraging of all is the tendency, on a day-to-day basis, for leaders to jump to compromise when true win-win solutions are possible. There are a number of reasons that leaders don't seek win-win outcomes.

- They don't believe it is possible. They are convinced that compromise is the only way to avoid win-lose outcomes.
- They don't have a history of win-win conflict resolution. Their predecessors may have been tyrants who always won no matter what. Or, it may have been the opposite. Their managers may have been the type who always gave in and let others "have their way." Both approaches spell disaster.

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<sup>1</sup> Harvey, Jerry B. (1988). *The Abilene Paradox and Other Meditations on Management*. Lexington, Mass: Lexington Books.

<sup>2</sup> Janis, Irving (1972). *Victims of Groupthink*. Boston: Houghton Mifflin.

- They believe the leader should always win. The culture of the organization may be the kind that views anything other than outright “victory” as a sign of weakness. They don’t want to be viewed as timid.
- They are afraid of strong emotions. They worry that if they don’t immediately give up something important, that the conversation will turn ugly and they will have to deal with those messy feelings.
- They equate stubbornness with strength. They may confuse intractability with conviction. They think they are taking a principled, moral high ground by “standing their ground.”
- They make incorrect assumptions about motives and intentions. Each assumes the other is trying to take an unfair advantage in some way.
- They don’t have the skills. While they may believe that seeking win-win outcomes is desirable, they just don’t know how to do that.

Most of these ideas are based on poor assumptions. In high performance organizations win-win outcomes are not only possible but common, there is a history of mutually satisfying outcomes even with serious conflicts, the leader doesn’t “win” at the expense of the team member, people know how to talk about sensitive, emotional topics, people are willing to listen to opposing viewpoints, people make fewer assumptions about the motives and intentions of others, and the leaders (and team members) have been trained to facilitate true win-win problem solving. One of the primary obstacles to discovering true win-win solutions to problems or conflicts is the tendency to begin the conversation with an emphasis on pre-conceived solutions. All problem solving begins with a clear definition of the problem. When we are talking about conflict, the definition must include a clear understanding of the needs of the parties involved. Making a clear distinction between the needs of the parties involved and their proposed solutions is absolutely critical to successful conflict resolution.

Managers will sometimes say, “Don’t bring me problems. Bring me solutions.” While I understand the motivation for that is to encourage team members to be more independent and try to solve more problems on their own, it is also a very dangerous thing to say. In fact most conversations about conflict start with disagreements about solutions, not needs. Even in the debate about the U.S. debt ceiling, the needs of those involved were not that far apart in some ways. Everyone could agree that: The U.S. Government should not default on its obligations, our obligations should be closer to the amount of income we have, we should maintain our good credit rating, we should be able to honor our commitments, and so forth. At that level, there is little argument. Those are needs. The animosity comes from the feelings toward the proposed solutions: raise taxes, cut spending, close loopholes, eliminate programs, etc. Each side accuses the other of base, unprincipled political motivations. That is what makes it so darn hard to reach a conclusion that is satisfactory to all (or even most) of the people involved. So, we all end up going to Abilene.

Organizational leaders face the same kinds of conflicts every day. The engineers want to spend more time developing the new product. The sales people want to bring it to market today. The accountants want to cut the training budget. The HR department wants to introduce an extensive leadership training program. Those are, of course, solutions. The conversations can become heated. Everyone would agree that the new product should be designed correctly, we should take advantage of good sales opportunities, we should not spend more on a project than its worth and that the organization’s leaders should have the appropriate skills to do their job effectively. Those are the needs. How many times have we witnessed an organizational trip to Abilene. The organization ends up with a one-day leadership training program that no one likes, produces no good results, and still costs too much money. Or, we end up with a product with



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eight new features but still doesn't function the way our customers want. The ability to talk clearly and thoroughly about the needs behind those solutions is absolutely crucial to success.

Good leadership training can accomplish a lot. The fundamental communication skills that are essential for all leaders include the ability to listen (really listen), the ability to state your own needs clearly, and a deep understanding of the steps of the problem solving process. Learning to "park" your assumptions and solutions for a while can go a long way toward finding mutually satisfying solutions to many organizational problems and toward resolving many conflicts, even those that appear intractable.