

WHITE PAPER

Leadership Skills for Managing Conflict, Culture & Change

How a successful leader manages conflict, company culture, and organizational change.



Whether you are an experienced executive, start-up entrepreneur, or a manager moving up the ranks in your family’s business, you will need the right skills to

- » Effectively manage conflict in your organization
- » Ensure you have a healthy, thriving company culture
- » Successfully lead your employees through change

In this leadership survival skills guide, we take a look at the skills and resources that are essential for new, experienced, and hopeful leaders to effectually address these major issues.

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Tips for Resolving Conflicts

Resolving conflicts among employees and coworkers starts with learning to communicate honestly, while respecting the differences in perspective of each individual. It also involves identifying each person's strengths and challenges, and aligning everyone's values.

This process usually requires someone to facilitate the conflict resolution process, and as a business advisor I've had a lot of experience in that role. In my experience, successful conflict resolution occurs when employees are willing to deal with each other a little differently, burying the past, so to speak. If that's not possible, the best course of action is putting conflicts on hold to establish professional protocols, but that's just a Band-Aid that doesn't address the underlying problem.

The Effects of Complex Conflicts on Business

At their very worst, complex conflicts can create a hostile work environment that is likely to undermine anything the business has achieved. A better alternative is to try to clean the slate with regard to relationship history and work toward communicating in a way that benefits the "bigger picture" (the business).



It's a mistake to assume that all employees have the same values, since they are shaped by individual experiences.

Creating a Successful Company Culture

Whether you lead a public company or a family business, the culture at your organization will go a long way toward ensuring your employees are engaged, which will enhance your bottom line.

A recent article in [Work Design Magazine by Mike Bahr](#), a senior research specialist for Haworth, notes that \$450 billion is lost every year as a result of employee disengagement — and explains why revived company culture can help solve the problem.

Unspoken Rules Matter

Culture — including unspoken rules and what's important to management — plays a significant role in the success of any business, and also determines which employees are successful. Those who miss subtle cues, picking up on what's not being said — such as being humble rather than flamboyant and respecting the power hierarchy — may quickly find themselves on the outside looking in.

This can happen at any company, but it's especially rampant at family businesses, where culture subtleties are often “underground.” For example, some time ago, a client moved from a non-family business, where he was allowed to make decisions on his own, to a family business, where it was seen as disrespectful to act independently without running things by the owner. He erred because he wasn't familiar with that culture imperative.

Define Your Company Culture

How can a company's culture be defined? It takes more than just reading a mission statement; a great way to gain understanding is by holding culture interviews with your employees. Asking indirect questions like these is key:

- What would you tell a friend about our company if he or she was about to start working here?
- What is the one thing you would most like to change about the company?
- What is your favorite characteristic that is present in our company?
- What kinds of people fail in our company?
- What is your favorite question to ask candidates when interviewing for jobs here that usually predicts their success integrating easily into our company?

Equally important as getting answers to these questions is observing the behaviors and interaction patterns of those being interviewed. You may be surprised how much you can learn from non-verbal cues.

A Culture's Worth

Is it worth the effort to work toward creating a specific culture? Absolutely. Let's circle back to the topic of employee engagement. According to a [study by Dale Carnegie and Associates](#), 70 percent of employees are not fully engaged in the workplace — so it seems apparent that developing a culture to proactively promote employee engagement could be critical to the success of individual employees and the company as a whole.

It's also worth noting that what makes sense at one company with respect to culture isn't necessarily going to work at another. Cultures, like companies, are diverse; what's important is to be aware of your company culture, work on massaging it if necessary, and make sure it's clearly communicated to your employees.

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Successfully Leading Through Change

Many people don't care for change, while others absolutely detest it. So, how can leaders successfully manage teams through change, understanding they very well may face widespread resistance to moving from the "tried-and-true"?

It all starts at the top. Leaders must buy in and embrace the change first —and understand its impact on the behavior of their employees. They must also understand the concepts involved in change, and what change entails, along with the resistance and readiness that's present — in their employees and themselves.

Announcing Change & Managing Reactions

When announcing change and dealing with its repercussions, leaders must acknowledge that everyone will have a different response. The more familiar they are with the learning and behavioral styles of their employees, the more successful they will be in getting change buy-in. Also, all responses to employee's concerns must be authentic and empathetic to ensure sustainable behavior change.

Four Basic Conditions for Acceptance

Leaders will be well served to ensure the four basic conditions research suggests must be met before employees will positively embrace change in their behavior are present:

- **A Compelling Story.** They must see the point of change.
- **Role Modeling.** They must also see colleagues they admire modeling the desired behavior.
- **Reinforcement Systems.** Surrounding structures, systems, processes and incentives must be in tune with the new behavior.
- **Skills Required for Change.** They need to have the skills to do what is required of them.

According to an article from the Harvard Business Review, there are a number of questions leaders must ask — first at the top and then in each major unit — when defining an integrated change agenda:

- Is the leadership team aligned around a clear, inspiring strategy and set of values?
- Has the team collected unvarnished employee feedback about barriers to effectiveness and performance — including senior managers' own behavior?
- Has the team redesigned its organization, management systems and practices to address the problems revealed by that diagnosis?
- Is HR offering consulting and coaching to help employees learn on the job so they can practice the new attitudes and behaviors required of them?
- Do corporate training programs properly support the change agenda, and will each unit's leadership and culture provide fertile ground for it?

The messages gleaned from these questions support the work I do with leaders regarding change management: it's critical to involve employees, focus on culture change not just behavioral change, and teach and reinforce new behaviors on an ongoing basis.

Managing change poses a significant challenge for leaders, but those who do their homework will find it goes more smoothly than it will for those who ask their employees to "just do it."



All responses to employee's concerns must be authentic and empathetic to ensure sustainable behavior change.

Interested in one-on-one leadership coaching or training for your entire leadership team? Contact Federer Performance Management Group for a consultation and to discuss the real-time issues facing your organization.



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