



Enterprising Rural Families™

Chat This Month

Reminder: The chat this month is scheduled for North America: Pacific Time- 6 p.m., Mountain Time- 7 p.m.; Queensland, Australia: Eastern Time-12 Noon. The topic is “Addressing Conflicts in the Family Business.”

Suggested Progress by

Group: In order to stay current, by the end of this month you should be completed to:

Antarctic –

Arctic – End of Module 7

Atlantic – 2nd Week of “Project” in Module 6

Baltic – End of Module 5

Bering – 2nd Week of Module 4

Black – End of Module 2

Caribbean—End of Module 1

Coral –

Indian –

Mediterranean -

Pacific -

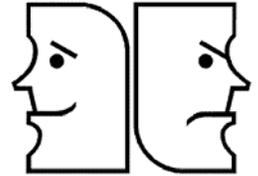
Contact e-mail for further course information:

information@ERuralFamilies.org

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Addressing Conflicts in the Family Business

Conflicts are a fact of life in businesses and organizations. Whether arising within the family or management team, among employees, or between supervisor and workers, conflicts can generate a range of effects, from good ideas and minor irritation to serious operational disruption and lasting hostility.



Conflicts may come from organizational, interpersonal, or intrapersonal conditions, and certainly no single prescription for resolving them applies to all. Several characteristics, however, are repeatedly observed in interpersonal conflicts:

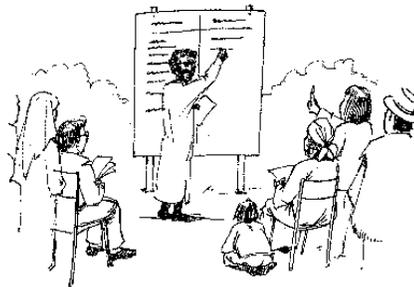
When conflict arises, the issue is not always articulated or clearly understood by either party.

People in conflict do not usually take the time to understand one another’s positions.

People often avoid trying to resolve their conflicts through discussion.

When people who disagree do converse, their discussions frequently become heated, tense, and aggressive.

Conflicts are sometimes settled by one person “giving in” and maintaining resentment.



People attempting to work through a conflict can use several communication skills—active listening, paraphrasing, reframing, using “I” messages, focusing on behavior rather than personalities, and staying alert to body language. A calm demeanor, persistence, and good will also improve the odds of reaching a constructive resolution.¹

Both competition and interdependence between individuals or groups in a family business are “structural” sources of conflict. When frictions arise from people or crews not getting what they need because another has either taken it first or not produced it as expected, an objective assessment can reveal underlying causes and point to solutions. The following steps are typical:



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Problem Definition. Identify symptoms of trouble, opposing objectives and concerns from perspectives of all involved.

Diagnosis. Distinguish factors contributing to the conflict, personal as well as structural.

Generation of Alternatives. Collect various ideas to improve or change causal behaviors.

Decision Making. Compare ideas and choose a promising alternative that all parties accept.

Tactical Planning. Design a specific action plan to implement the decision and a schedule for periodic assessment.

Implementation. Make the adjustments and evaluate according to plan.



Conflict Management Styles

A framework developed by Kenneth Thomas and Ralph Kilmann relates to modes of handling conflict to different combinations of two basic orientations: (1) assertiveness—the extent to which an individual attempts to satisfy his or her own concerns, and (2) cooperativeness—the extent to which an individual attempts to satisfy others' concerns.²

Five distinct modes of handling conflict are:

Avoidance: Pursuing neither one's own nor others' concerns.

Accommodation: With high concern for others' needs, giving in to them.

Competition: Being concerned only with one's own satisfaction and pursuing it at the expense of others. A power-oriented mode.

Compromise: Being equally concerned with own and others' needs and compromising between them. Never takes care of anyone fully.

Collaboration: Showing great concern for both own and others' needs; working with others to find a solution acceptable to all.

Circumstances in which each of the five modes are most appropriate:

Avoiding

When an issue is trivial, of only passing importance, or when other more important issues are pressing
When you perceive no chance of satisfying your concerns, e.g., when you have no power to change something (someone's personality, national politics)

When the potential damage of confronting a conflict outweighs the benefits of its resolution

When others can resolve the conflict more effectively

Accommodating

When you realize you are wrong, to allow a better position to be heard, to learn from others, and to show that you are reasonable

When the issue is much more important to the other person than to you, and as a goodwill gesture to help maintain a cooperative relationship

When preserving harmony and avoiding disruption are especially important

When the issue could help others by allowing them to experiment and learn from their mistakes

Competing

When a quick, decisive action is vital, e.g., emergencies

When unpopular courses of action are needed on important issues, e.g., cost-cutting, enforcing unpopular rules, disciplining

When the issue is vital to your business welfare and you know you're right

Compromising

When goals are moderately important but not worth the effort or potential disruption of more assertive modes

When two opponents with equal power are strongly committed to mutually exclusive goals

When temporary settlements must be achieved for complex issues

When expedient solutions must be arrived at under time pressure

Collaborating

When consensus is important within the business or commitment is needed for successful implementation

When you want to understand the views of others and test your own assumptions

When it is desirable to merge insights from people with different perspectives

When it is time to work through hard feelings that have been interfering with an interpersonal relationship.²

(To learn more about managing labor in businesses, including family and agricultural businesses, go to: <http://AgHelpWanted.org> and view excerpts from the book *Ag Help Wanted: Guidelines for Managing Agricultural Labor*. Details on ordering the book are also available at this site.)

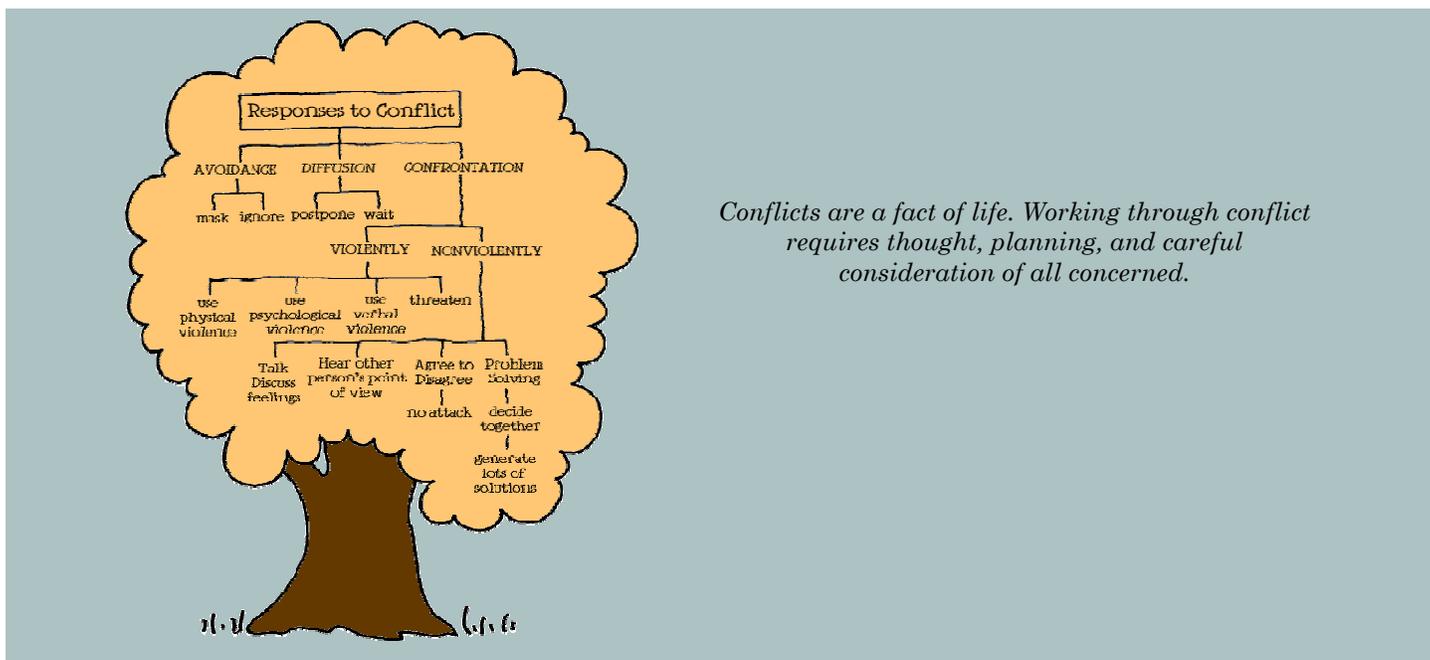
For more information on this topic and the management of rural family enterprises, check the Enterprising Rural Families website at <http://eRuralFamilies.org>.

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References:

¹Rosenberg, H., Carkner, R., Hewlett, J., Owen, L., Teegerstrom, T., Tranel, J., & Weigel, R. (2002). *Ag help wanted: Guidelines for managing agricultural labor*. Greeley, CO: Western Farm Management Extension Committee.

²Thomas, K., & Kilmann, R. (2002). *Thomas-Kilmann conflict mode instrument*. Tuxedo, NY: Xicom Incorporated.



Conflicts are a fact of life. Working through conflict requires thought, planning, and careful consideration of all concerned.

