

Building Peace within Nonprofit Organizations

Presented February 5, 2005

14th Annual Symposium on Conflict Resolution, Ottawa, Canada

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Introduction:

Conflict competence is essential to create energetic organizations with strong relationships between staff, volunteers, members, partners, funders and other stakeholders. It improves morale, clarity of purpose and allows the non-profit to work with greater strength to achieve its goals.

In this paper I share some of the common sources of tension and conflict I see within nonprofit and voluntary organizations. These observations are also based on findings from 16 experts -- eight non-profit leaders and eight consultants who work with this sector. While they are not named to protect the privacy of their organizations and their clients, I am indebted to them for sharing their experience and wisdom.

A note on the Nonprofit and Voluntary Sector:

Nonprofit and voluntary organizations do essential work improving the quality of life locally, regionally, nationally and internationally. In 2003, 161,000 nonprofit and voluntary organizations operated across Canada¹. They primarily perform five functions:

- service delivery (e.g. hospitals, universities, sports and recreation associations)
- advocacy and public education (e.g. environmental groups)
- community development and stewardship in Canada and overseas
- advancing religious faith
- fundraising and providing support to other organizations (e.g. United Way)²

¹ All figures in this section are drawn from "Cornerstones of Community: Highlights from the National Survey of Non-profit and voluntary Organizations", 2003, Statistics Canada 61-533-SIE.

² *An Accord between the Government of Canada and the Voluntary Sector*, December 2001 page 7 available at www.vsi-isbc.ca. Appendix 2: Contributions of the Voluntary Sector page 19.

These organizations employ just over two million employees (roughly 10% of the Canadian workforce) and use the services of an additional 19 million volunteers.

A nonprofit organization is an incorporated body; voluntary organizations often are not. In this paper I use the terms interchangeably as their experience of conflict is similar.

Challenges and advantages of nonprofits in addressing conflict

Conflict is a part of everyday life in a healthy organization. People naturally have different views on how to accomplish an organization's work. If all see things in exactly the same way, an organization is closed to outside influence and is in danger of stagnation. It is only when conflict cannot be openly expressed and so cannot be used as a source of creativity that it becomes a hazard for an organization. This kind of conflict is the focus of this paper.

Nonprofit organizations face specific challenges dealing with conflict. There may be a sense that there is inadequate time, money or energy to address the conflict given the pressing nature of the organization's work. Sometimes there is concern that the organization will lose its external credibility and support if a divisive issue is publicly acknowledged. Often the full costs of unresolved conflict are not perceived. In the private sector, a production quota missed or a reduction in profits will trigger an investigation that can identify interpersonal conflict as creating a slowdown; a nonprofit organization can continue with reduced efficiency without attracting this kind of attention.

Despite these challenges, nonprofit organizations do have some particular advantages when dealing with conflict. Their strongly articulated values base often provides the common ground within which solutions can be found. Also, their stakeholders tend to have a strong heart-lead concern and commitment to the organization. While this can fuel explosive discussions or provide a greater potential for hurt, it also tends to mean that individuals are more willing to work to find collaborative solutions. Smaller nonprofit organizations also have the advantage of nimbleness: they can move quickly and experiment with new ways to address concerns.

Six Common Sources of Tension and Conflict in Nonprofit Organizations:

Most organizations respond initially to conflict the same way most people do: avoidance and denial. When the disruption from the conflict is too big to be ignored, organizations often use authoritarian power to make changes (e.g. firing, lateral moves or team re-organization) to diffuse conflict. There is another approach: that of dealing with the conflict creatively -- seeing it as a potential source of positive change for the organization and the people involved. Rather than a problem to be solved, this approach sees conflict as an opportunity to have a new conversation within the organization that will yield important information for making the organization stronger.

Here are six common sources of tension and conflict in nonprofit organizations and how they can be approached as a source of creative information. My goal as a consultant is to assist the organization in reaping the benefits of conflict and in this way to bring the organization to a higher level of collaboration and effectiveness.

1. Unrealized vision

What it looks like:

Most nonprofits have big visions: economic justice, food for the hungry, care for the developmentally handicapped, equality for racial minorities and world peace, to name just a few. People tend to be involved because they believe in the cause of the organization. Volunteers donate their time to efforts they care about. People are hired to work for these organizations when their personal values match those of the organization.

Workers and volunteers within nonprofits can experience frustration when, despite their best efforts, the world doesn't seem to change at all or doesn't change quickly enough. This contrast between the organization's full vision and the external reality is a common source of frustration. This frustration can be taken out against each other within the organization.

I was once asked to assist with a social service organization that was suffering a 10-year quagmire of increasing dysfunction. As one person put it:

“We had such high hopes when we were first founded. We were going to be a model of excellence for others in our sector. Then we found we weren't able to do that, mostly because of lack of funding and political decisions way beyond our control. We started taking it out on each other.”

The result for them was a culture of fear, bullying, backstabbing, and exclusive and vengeful cliques.

An approach to dealing with this kind of conflict:

Carl Jung observed that the brighter the light we carry, the darker the shadow that is cast behind us³. This metaphor can be applied to an organization: its bright light is its idealistic and important mission and values. Yet where there is brilliant light there is always a proportionate darkness. An organization needs to acknowledge this and work with the essential information this darkness holds.

So in the case mentioned above, part of this group's path out of dysfunction was to explore its grief over their unrealized vision. They needed to explore the impact on their working relationships. This connection with their original ideals tempered with the experience of life since, allowed them to establish a new conception of what they could achieve together.

2. Internalized Oppression

What it looks like:

This phenomenon was noted by South American community development leader and educator, Paulo Freire. He observed that those fighting for equality might, because of their upbringing in a domination-oriented society, have domination deeply imbedded in their view of the world.⁴ As Berit Lakey and her colleagues write in *Grassroots and Nonprofit Leadership*:

"Many activists now acknowledge this: the arrows of negativity that hit us often lodge deep inside. Even though we break off the part of the arrow that shows in order to look good, the hurt remains. Racist messages from society -- both obvious and subtle -- are often absorbed and retained, damaging the self-image of people of colour. So also with classist, hetero-sexist, ageist, anti-Semitic, ableist, sexist, and other oppressive messages."⁵

Especially vulnerable are women's, native, and racial minority organizations who can be very effective in working with clients and very hard on each other. As one consultant commented: "Such groups can be breathtakingly beautiful and they can be breathtakingly awful."

³ Zweig, Connie and Abrams, Jeremiah, ed. *Meeting the Shadow: The Hidden Power of the Dark Side of Human Nature* (Jeremy P. Archer, 1991) p. xvii

⁴ Freire, Paulo, *Pedagogy of the Oppressed* (Continuum, 1997) p. 29.

⁵ Lakey B., Lakey, G., Napier, R., Robinson J., *Grassroots and Nonprofit Leadership* (New Society Publishers, 1995) p 151.

Lakey goes on to list the following consequences of internalized oppression:

- Damaged self-respect
- Irrational attacks on the leaders
- Divisiveness in the group
- Pessimism
- Settling for less strategically⁶

An executive director of a women's shelter shared an example of this kind of dynamic that had existed in one of her homes. Some staff were working a lot of (unpaid) overtime. Other staff were working the contracted hours. Difficulties arose when the first group challenged the second group for being selfish and lacking in dedication to their work. The workplace became increasingly dysfunctional. Both groups felt themselves to be the victim of the other group.

An approach to dealing with this kind of conflict:

Getting at the root of this conflict requires the difficult step of recognizing the dynamic. Once recognized, the situation becomes "discussible" and the group can start to deal with it.

A key conversation for people such as those in the women's shelter is to understand the motivation of each group. They need to explore the wisdom in each group's approach and come to a common understanding of how the shelter wants to handle the pressure of too much work. They may also want to examine their culture: they can strategize as to how they can guard against creating a culture of victimization within their organization.

3. Practice not aligned with an organization's values

What it looks like:

I am part of a community justice organization that runs circle processes for offenders and victims of crime. Our work is based on a deep belief that providing opportunities for inclusiveness, respectful listening and personal accountability can help heal communities from the damage caused by the crime. A number of years ago a board of directors meeting became difficult as we struggled with a budget question related to lack of funding. Board members competed for airspace, gaining the floor by interrupting each other. Ideas would be rejected or accepted before they were fully expressed or understood.

The irony in this situation is typical of this kind of non-profit conflict: we were an organization that wasn't running its own meetings in a way that we deeply

⁶ *ibid.* p.152.

believed was essential for any difficult conversation. Our behaviour was not aligned with our own deeply held values. We all went home a little bruised but at the next meeting, when some board members raised concerns about the atmosphere at that meeting, the group was able to return to more respectful communication. And what a valuable lesson to us: when pressure increases, we too easily become competitive and speak without really listening.

While this experience of inadvertent values violation is not limited to nonprofits, it can paradoxically be harder to deal with in the nonprofit context. The mere fact that an organization has stated their values can blind them to the reality of their practice. Because the values are so boldly expressed, people can believe they are living those values. The words can become numbing.

Approaches to dealing with this kind of conflict:

Two approaches can reduce the likelihood of this dynamic arising and can help deal with it when it does arise.

The first involves engaging the organization in a regular consideration of the meaning of the organization's values for their work. Some organizations will post the values in their meeting rooms or read them as part of the introduction to meetings. Annual planning sessions can be a time for a group to ask itself: "What do these values have to do with how I do my work, and how we work as a team?" Values statements have the most meaning for the group that actually created them. So the statements need to be renewed so they can have meaning for new employees and volunteers.

A second approach is in training members of an organization how to raise questions of values adherence in a productive way. Because the importance of fundamental values is so much at the root of a nonprofit's work, there can be a pendulum effect between operating in disregard to values to using values statements in a way that co-workers perceive as an attack. Training in how to give effective feedback and how to receive feedback is useful in this regard. This is one of the core skills in an organization using conflict creatively.

4. Unfamiliarity with effective models for collaboration

What it looks like:

Most of the current understanding of governance, accountability and management has grown out of our authoritarian history. Organizations are products of the society. Authoritarian solutions are still our most common response to the discomfort of conflict. As a society we are still evolving mechanisms to bring collaborative values into governance and management practice. The rub occurs when an organization does not have the competence to

carry them out. As one nonprofit leader put it: "We're challenging the status quo ... and we are the status quo." Here follow three examples where this gap between the desire for collaboration and the skill in the mechanics of collaboration can be seen.

Egalitarian organizations

Many nonprofit organizations seek collaborative ways to structure their organization. They often aspire to being as "flat" as possible, having a low number of management levels between a front line worker and the top executive post. Some organizations have moved to a collective model where all in the organization receive the same salary and are considered equal members of a team. Within society at large there is not a lot of wisdom and experience in how to do this well. Diminishing organizational hierarchy does not eliminate power dynamics. Sometimes it can render them invisible and therefore much harder to discern or challenge. Unhealthy conflict can breed in such situations.

Inter-disciplinary Teams:

Another example is the growing use of interdisciplinary teams in social service agencies. A community health centre, for instance, can have a team of a physician, a nurse-practitioner, a social worker and a dietician. They will meet together to consider a patient's needs. This structure carries out the value of holistic care that is fundamental to the community health centre mandate. Yet understanding of how best to run such teams is still evolving. Participants can experience confusion: who has ultimate responsibility for the patient? Who has authority? Team member can feel isolated since they are separated from their natural "clan" of other nurses or doctors; they can feel loss at not being able to confer with professional colleagues. While the team structure suggests a shared accountability, few workplaces conduct performance assessment on the team as a whole. Rather such assessment is still usually done on an individual basis. And in many situations, a manager from outside their discipline carries out the assessment. This can be a source of confusion and conflict within teams. These challenges are being addressed; practices to support effective teams are developing. But this remains an area where organizations have moved to a more collaborative management structure while still learning *how* to support these teams.

Board of Directors Decision-making:

A final example from the governance realm is decision-making at board of directors meetings. Many non-profits use *Robert's Rules of Order*.⁷ Yet, strict adherence to these rules runs contrary to the values of open communication and inclusiveness espoused by many nonprofits. For instance, in *Robert's Rules* a majority of 51% is required for most decisions. Yet a decision supported by 51% of the decision-makers is usually not enough for the organization to move

⁷ *Robert's Rules of Order: An Authoritative Guide to Parliamentary Procedure* (Toronto: Checkbooks, 1981)

forward with strength. Strict use of *Robert's Rules* has been a source of conflict for some organizations.

An approach to dealing with this source of conflict:

It is from a desire to live its values that nonprofits move to new methods of management and decision-making. Flatter organizations, team structure and consensus decision-making are slowly growing in popularity, but there is a way to go before non-profit organizational and decision-making structures are aligned with their values. With a spirit of experimentation and learning from the experience, organizations can adopt more collaborative processes and play a role in developing practices that will be useful to other organizations.

As in any significant change in process, the organization needs to keep in touch with the needs and potential impact of stakeholders in the change process. In this way the organization can make a strong structural change and deal with any unforeseen consequences in a timely way.

5. Significant change

What it looks like:

Nonprofits change as they respond to opportunities to achieve their mission. The most common form of change is growth. Organizations seem to grow in spurts. A charismatic leader can attract a few pioneers to create an organization out of nothing more than a great idea and their own energy. This group toils away building support and a funding base. Communication between them happens by telephone and in person. Task lists are long yet excitement is usually high while they climb the steep mountain of establishing themselves as an organization. If successful in fundraising, the group can move to having a full board of directors with hired staff, an office and the other infrastructure needed to deliver their service.

This change, akin in its scope to a caterpillar becoming a butterfly, will require a transformation in how the now larger number of people involved relate to each other. Communications, priority setting, management of their operations need to be adapted, and in some cases completely re-created, to meet the needs of the growing set of people who care about the organization.

Unlike the butterfly analogy, this is but the first stage of a potential growth pattern for a nonprofit organization. This group can still all fit in one room, they all know each other by name. Success may lead to the hiring of more staff, the taking on of a bigger service area or the branching out into new areas of work. An organization that used to have lunch together around the same table finds itself to be a multi-site operation with big challenges in communicating the appropriate things to the right people. Old-timers can become discontented and talk with

nostalgia of "the good old days." The malaise baffles new comers. Opposing "camps" can start to develop.

An approach to dealing with this source of conflict:

Organizations need to track their needs and make strategies to meet them at each new level of complexity. To avoid negative conflict in this area, every stage of significant change requires consideration of how it effects all stakeholders. When conflict is being experienced, the organization needs to look at the conflict as an opportunity to improve its ability to be a bigger organization. A discussion with people from throughout the organization usually yields important new understanding and solid ideas for improving communication, management structure or other areas of the nonprofit that have been affected by the change in size.

One national organization considered carefully their changing communication needs. This nonprofit had grown from a regionally based, socially conscious retailer into a national organization with 30 sites and over 1,000 employees. To get back to the directness with which people had communicated in earlier times, the CEO instituted a national tour program. Twice each year he visits each site and hosts a pizza night for the staff. He shares what is happening from his national perspective and then invites the staff to participate in an open microphone session to express their perspectives. While sometimes these sessions are rough for the CEO, they are considered important in re-establishing the link between the executive leadership and front line workers.

6. Financial Stress

What it looks like:

Financial stress is a common challenge for nonprofit organizations. Service organizations are increasingly burdened as governments move out of social support without passing on the financial resources to those community-based organizations that pick up the slack. When there is funding, governments and foundations increasingly provide resources for program delivery, but inadequate money for the cost of the administrative work that is required to house, support and govern those programs.

Tight resources can have negative impact on an organization. Overburdened staff lack the time needed to do their jobs well. Employees and volunteers can respond to scarcity by redoubling their efforts and putting in more time during which they do more work. Over the long haul, this leads to burnout. Burnout brings a loss in efficiency, an inability to accomplish even routine tasks, reduced morale and individual health risks. At a time when staff need more support, managers can be pre-occupied with their increased workload. People can feel

too busy to attend meetings and thereby start an erosion of common understanding of the organization's goals and a weakening of interpersonal relationships. Leaders rushing from one meeting to another or feeling burdened about the number of meetings they attend can be unconsciously invalidating to the others at that meeting. Burnout threatens to reduce the capacity of people just when the organization needs them to have greater strength.

If financial stress mounts it can lead to laying off workers. This process is always painful for an organization and a source of insecurity and stress for all. Reduced, demoralized staff and volunteers with less support puts a greater load on each remaining individual as service demands continue. Since workers carry bigger loads, there is a greater impact on an organization if one individual is not performing well. All these factors are breeding grounds for conflict.

An approach to dealing with this source of conflict:

A discussion within working teams of the impact of financial stress on them and on their organization is an essential starting place. "What is the use of complaining?" some may respond to that idea, "Nothing can change." Yet groups who take this step are relieved to have the impact of financial stress mapped out. They can then make choices as to how to respond.

For instance, one organization providing home support to families with developmentally handicapped children carefully examined a rising workload that was occurring without a commensurate rise in resources. It had been providing monthly visits to all families on its service list. When they re-examined their goal they saw it could be met without straining staff if they reduced to once every two months the visits to families that were doing very well. While such families appreciated the monthly visit, they were fine to know the organization would visit them if a special need arose, but that generally they would only see the organization once every two months. Staff were left with manageable workloads again and the confidence that the needs of clients were being met.

Collaborative solutions are even possible in situations that are usually seen as necessarily adversarial. Here follows an example regarding layoffs. One former CEO described to me a collaborative process she led when forced to reduce her hospital workforce. She met with the five union presidents and laid out the hospital's financial situation. All agreed that reducing the workforce was required. Their views of how the workforce should be reduced differed naturally as they represented different workers. She asked each "What do you value most as I approach making these cuts?" Together they mapped out different scenarios that corresponded to what they each valued most. They then used a process to test each of these scenarios from the perspective of all the different stakeholders in the layoffs. One person would metaphorically wear a "doctor" hat, another

"clients" hat, a third a "community member" hat and so on.⁸ They tested all the scenarios in this way. This approach allowed the union leaders and the CEO to share the best of their knowledge in a way that could not have come out in a traditional adversarial discussion. When they reached the decision-making point, the union leaders said they could not be part of the decision. The CEO asked them: "Have we researched the situation fully enough for an informed decision to be made?" The union leaders agreed that there was no further information needed to make a decision. The CEO then proposed moving the decision to the senior management team; the union leadership agreed. The decision was made and carried out. And while it was a very difficult time, the CEO reports that this process positively transformed her relationship with the union management.

Key principles in dealing with such sources of tension and conflict:

To summarize, here follow the principles a nonprofit needs to respond to the situations above:

Vigilance and Skill-building:

Bring to awareness what is happening within an organization and welcome what is noticed. Develop the expertise to have needed conversations.

Questions to ask: How do we treat dissenters (are they marginalized, tolerated, welcomed?) How do we respond to conflict? How do we try to avoid it? Do people respond defensively to criticism? Do we know how to give and get feedback? Are there questions people are not allowed to ask? Do people say, "This shouldn't be happening in our organization"?

Needs Analysis

Explore the organization and the individual needs from all vantage points

Questions to ask: What are we trying to accomplish? What values inform our work? What is actually happening? Do we know how to give and get feedback? What is the impact? How do we want to be? What needs to stakeholders have in this situation? How aligned are our values and our work? What has changed as we have grown?

Collaborative Problem-solving

Generate ideas and chose a path for action

Questions to ask: How will we meet the needs of the organization and the stakeholders? What are the needed elements of a proposal for change? What path for action will we take?

⁸ de Bono, Edward *Six Thinking Hats* (Penguin, 1985)

Monitoring Progress

Create mechanisms for monitoring and feedback so that proposed changes are communicated and carried out

Questions to ask: How will we ensure we have achieved needed change? What will success look like? What are the indicators? How will we know in one month, ... one year, ... three years, that this conflict has been resolved and the issues which started it have been a source of learning for the organization?

Some peacebuilding interventions for Nonprofit Organizations:

Assisting organizations with vigilance, skill building, needs analysis, collaborative problem solving, and monitoring progress provide the backbone for organizational conflict resolution. After working with an organization to determine the conversation they need to have, we identify together what the group needs to move forward. The interventions I lead can thus look quite different. Here, organized by the need that emerges from the group, are some examples:

Purpose:

- Creation of mission, vision and values statements
- Collaborative establishment of goals and plans to achieve them

Structure:

- Understanding organizational roles: board, executive director, manager, staff etc.
- Creation of a performance appraisal system linked to roles description
- Ensuring a match between responsibility and needed authority/autonomy
- Creation of needed communications processes: e.g. complaints process, a conflict resolution system

Inter-personal Understanding and Communication skills:

- Increasing a group's understanding of each other as people
- Exploring learning/communications styles
- Learning positive habits of communication, effective feedback etc.
- Teambuilding
- Creation of a framework for a positive organizational communications culture

Systemic approach to change:

- Understanding the nature of change and organizations
- Assessing readiness for change and requirements for organizational buy-in
- Assisting an organization to work at all levels ... individual, team, organization so change is integrated
- Conducting a stakeholders needs analysis

Engaging the assistance of external conflict resolution professionals

Organizations are increasingly engaging the assistance of external facilitators/mediators to assist them in revealing the hidden benefit of conflict.

Twenty years ago when I started working within non-profit organizations, identifying and resolving conflict in a conscious manner with the assistance of an objective mediator was unknown to me. No one I knew brought in such help.

Things have changed. The non-profit sector is now more sophisticated in its capacity to manage its staff and volunteers. Collaborative leadership and team building are now seen as necessary management skills; larger organizations commonly have highly trained human resource managers. The rise of “learning organization” cultures⁹ since the 1990's mark the move to seeing conflict through a more creative lens. All sectors have seen an increase in wrongful dismissal and other human resource litigation. The threat of high legal cost, potential negative publicity and rupture of relationship that ensues from legal action has made mediated solutions a desired route for non-profits.

And unlike twenty years ago, there is now a large and varied source of alternative dispute resolution professionals. These individuals, be they mediators, management consultants or facilitators, keep abreast of new practices and developments in organizational development. As skilled external neutrals, they shine light on a path toward more harmonious relations for the organization.

A final reason for conflict competence:

Unresolved conflict has many costs for a nonprofit or voluntary organization. In my work mediating organizational conflict in this sector, I see how the valuable work done by these organizations can be undermined. Unresolved conflict takes the energy of staff and volunteers. It can use up financial resources on managerial time, severance packages and legal bills. It can cause people to leave the organization. Unhealthy relationships can increasingly define the organizational culture. An organization in a progressively weakened state is less able to carry out its work.

⁹ As popularized by Peter Senge in his book *Fifth Discipline: the Art and Practice of the Learning Organization* (Doubleday, 1990).

There is a final, profound reason for nonprofits especially to focus in this area: conflict competence is needed for an organization to live in accordance with its values. Non-profits will be most effective in their leadership toward a fairer, egalitarian, participatory, conflict-resolving world to the extent they create it within their own organization. As Mahatma Gandhi advised:

"We must become the change we wish to see in the world."