clauses in contracts and agreements, teaching communication skills, and instituting certain forms of predispute negotiation.

Finally, and perhaps most troubling for practitioners who have worked with it, the classic DSD model fails to adequately consider organizational dynamics. It discusses the need for participants to develop knowledge, skill, and motivation to use a newly imposed dispute resolution system and acknowledges as well that the organization operates in a larger environmental and cultural context. However, the DSD model fails to address critical organization dynamics that have a direct impact on effective implementation, including organizational culture, resistance to change, and incentive and reward structures.

The Continued Evolution of Resolution

Taken together, OD, DSD, and the interest-based concepts of ADR provide the necessary ingredients to create effective conflict management systems. We call this synthesis of "best practices" from OD, DSD, and ADR interest-based conflict management systems design. We have illuminated some aspects of the negative aspects of both ADR and DSD for the express purpose of encouraging the evolution of this synthesis in the most principled manner possible.

As the history of conflict management systems, processes, and techniques evolves, we believe organizations and individuals will become more aware of their fight and flight responses to conflict and choose to adopt more systemic approaches to the management of such conflict. Moreover, stakeholders will seek an ever greater involvement in the process of designing conflict management systems. As a result, we believe that practitioners will be pressured to discover and utilize increasingly sophisticated interest-based design practices in order to create conflict management systems with stakeholders, not for them.

Chapter Four

Involving the Stakeholders

Interest-Based Conflict Management Systems

Practitioners who actually design dispute resolution systems, including alternative dispute resolution programs, have relied on a variety of practices and techniques to guide them in their interventions. Some of these practices are grounded in organization development (OD) principles, others derive from alternative dispute resolution (ADR) techniques, and still others stem from dispute systems design (DSD) principles. As societal, political, and economic forces nudge organizations toward more systemic conflict management models, however, we believe that practitioners will also be expected to integrate systems-oriented and participatory practices into their design interventions. They will be expected to design interest-based systems with stakeholders, not for them. If you build it, they may or may not use it. On the other hand, if they build it, they will use it, refine it, tell their friends about it, and make it their own.

We suggest that this is a "next generation" approach to design interventions and call it interest-based conflict management systems design. We see this model of organizational conflict management systems design as a commonsense evolution and synthesis of OD, ADR, and DSD "best practices."

The Evolution of Resolution

As practitioners have probably already recognized, interest-based conflict management systems design is neither radical nor revolutionary. It is simply further movement along the continuum of the
historical development of dispute resolution and conflict management. We see this “evolution of resolution” continuum (Figure 4.1, below) as having four “quadrants,” which represent how organizations have historically developed their approaches to managing conflict (Table 4.1, below). We see organizations moving increasingly into Quadrant IV as the next generation of conflict management: interest-based methods of dispute resolution created through interest-based processes of conflict management systems design.

The evolution of resolution continuum shows the journey taken by most U.S. organizations in seeking improved conflict management capability and how the DSD principles of power, rights, and interests have been utilized historically in the design process. It also illustrates the developmental attempts by organizations to design (“what”) and implement (“how”) systems for managing conflict, suggesting that organizations are now moving toward a conflict management model where there is greater congruency, once again, between the dispute resolution methods and the conflict management design process, with the congruency based upon interests.

In Quadrant I, organizations are dominated by the belief that they must fight for survival against their workers, their competitors, and their environment. The rewards of risking capital to organize a company can lead to beliefs that the owners are in charge and are entitled to dominate all facets of their milieu (the robber baron mentality). In this environment, disputes are seen as highly threatening. Historically, the rise of the U.S. labor movement and the relations between companies and their workers from the late 1800s into the 1930s illustrates this type of dispute resolution system. There was an explosion of strikes involving property damage, the use of force, violence, and death: power-based methods of dispute resolution through power-based design.

In Quadrant II, the focus is on rights and entitlements, which are imposed. In this stage of dispute resolution systems development, organizations and interest groups usually take their disputes “off the streets” because the cost is deemed to be too high to institutions, groups, individuals, and society. The usual pattern is to provide legislative frameworks for determining who is right and then to pursue such rights through litigation and the courts. These rights-based methods are imposed through rights-based designs, which relieve the system of the high costs associated with violence and other power-based contests. Gradually, the system and its organizational players experience patterns of case law development, which provide precedent and guidance in sorting through the daily need for dispute resolution. Organizational players conform to these patterns and the system settles down for a while. This procedure is visible in the historical development of labor relations in the United States, where the Wagner Act of 1935 established basic rights for workers to form unions and to bargain collectively with their employers. Several decades of case law and further amendments

<table>
<thead>
<tr>
<th>Table 4.1. Comparison of Method and Design Characteristics in Conflict Management Systems.</th>
</tr>
</thead>
<tbody>
<tr>
<td>What: Method</td>
</tr>
<tr>
<td>Quadrant I</td>
</tr>
<tr>
<td>Quadrant II</td>
</tr>
<tr>
<td>Quadrant III</td>
</tr>
<tr>
<td>Quadrant IV</td>
</tr>
</tbody>
</table>
to the Wagner Act settled most of the critical questions for organizations dealing with labor unions—that is, what was permissible and what was prohibited in dealing with employees organized by a union. Historically, one can also point to the civil rights cases and legislation of the 1950s and 1960s as examples of Quadrant II dispute systems design: rights-based methods imposed through rights-based processes (courts and legislation).

In Quadrant III, organizations use interest-based methods of dispute resolution but design them in a rights-based manner: the organization uses ADR but imposes the ADR mechanisms on the disputants without identifying their concerns or preferences and without involving them in the design process. Those with a stake in the resulting system are left out of the process—the organization designs and decides for them, not with them, frequently with the advice of ADR "experts." This is where most organizations are today, particularly in their use of ADR. Examples include mandatory, court-ordered ADR and mandatory employee dispute mediation programs. Confronted with the high costs of using the rights-based forums and dissatisfied with the resulting "win-lose" impact on ongoing relationships, organizational leaders have flocked to ADR courses to learn the newer and perhaps more enlightened methods of resolving disputes. The problem, however, is that these interest-based methods are often imposed or required through rights-based design, with little or no input from institutional or individual stakeholders. The resistance that practitioners encounter to the acceptance and use of interest-based methods of ADR often stems from this incongruity. Resistance may also be a by-product of the disputants' lack of information about the change and how it will affect their dispute or may result from a lack of skills needed to pursue and use interest-based resolution processes. Disputants may also be concerned that the new system has been devised as a smokescreen to dilute their mandated rights. All of these factors diminish incentives to use an imposed system of interest-based resolution methods: interest-based methods through right-based design.

Quadrant IV is the direction in which many organizations are heading today; it is the next generation of conflict management, moving beyond imposed ADR regimes. Using interest-based conflict management systems design principles to create interest-based dispute resolution methods adds a congruency to the equation that has been historically absent. Such congruency makes the system more stable, more satisfactory, and more likely to be used by disputants. Here, the stakeholders have an active and integral role in creating and renewing the systems they use. This model has both a broader and a more customized focus than the other quadrants in that it admits and addresses the reality and inevitability of conflict within the organization itself, not just singular disputes with external entities. One of the most recent examples of the encouragement of the interest-based design of interest-based dispute resolution methods is Executive Order 12871, Labor-Management Partnerships, which developed from the Clinton administration's National Performance Review (NPR). Focused on "creating a government that works better and costs less," the Report of the National Performance Review (Gore, 1993) sought to encourage the reinvention and streamlining of the federal government by eliminating red tape, focusing on customers, empowering employees, and returning to basics. With respect to Executive Order 12871, while one can claim that a presidential executive order is clearly a mandate or power-based design, which executive branch managers, including military leaders, ignore at their peril, the language of the order itself is strikingly interest based. In the preamble to the executive order, federal managers are instructed to create partnerships with their counterpart unions to identify problems and craft collaborative solutions to problems arising in the reinvention and redesign of the federal workplace. The result of Executive Order 12871 and the National Performance Review has been the birth of a national structure and framework for the creation and support of agency "partnership councils," including the joint education and training of management and labor representatives in the use of ADR and the application of consensual methods of dispute resolution to issues of reinvention and workplace disputes. While mixed to date, the responses to the order have constituted a historical leap forward in the encouragement of interest-based dispute resolution methods through interest-based conflict management systems design principles. This has been accomplished by the example of the executive order as a vehicle for encouraging radical change in dispute identification and resolution processes, by the scale of the application (the entire federal executive branch population), and
by the nature of the imprimatur (direct involvement of key stakeholders in the creation and operation of joint councils in which the identification and resolution of issues will proceed).

Quadrant IV participative design processes usually lead to an understanding that conflict management systems, rather than dispute resolution programs, yield optimal results and are more durable. It is an approach to design that leads to greater understanding and awareness among system participants that the causes of conflict are systemic, integrally connected to and in concert with the operation of other systems in the organization. It encourages the remedy of conflict systemically as well, building the capacity of the organization to learn about itself through the ongoing development of areas of disagreement and dissonance. Further, it allows system participants the opportunity to practice interest-based skills and joint problem-solving techniques, which stakeholders will need in order to use the system with satisfaction and empowerment. Lastly, designing interest-based methods through interest-based processes is both a partnering and a problem-solving process. When the system’s stakeholders are involved collaboratively in the design process, they become true partners in identifying, understanding, and managing their disputes—and have a more vested responsibility for the successful operation of the conflict management system.

### Table 4.2. Comparison of Conflict Management Systems.

<table>
<thead>
<tr>
<th>Identity of Designer</th>
<th>Quadrant I</th>
<th>Quadrants II, III</th>
<th>Quadrant IV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authority-Reactive</td>
<td>Experts</td>
<td>Stakeholder-Derived</td>
<td></td>
</tr>
<tr>
<td>Avoidance of Disagreements</td>
<td>Accommodation</td>
<td>Acceptance of Conflict</td>
<td></td>
</tr>
<tr>
<td>Analysis of Conflict</td>
<td>Random</td>
<td>Rational</td>
<td>Realistic</td>
</tr>
<tr>
<td>Method to Manage Conflict</td>
<td>Control</td>
<td>Criteria</td>
<td>Collaborate</td>
</tr>
<tr>
<td>Focus of Efforts</td>
<td>Institution</td>
<td>Individual Cases</td>
<td>Interest Groups</td>
</tr>
<tr>
<td>Key Players</td>
<td>Power Figures</td>
<td>Providers</td>
<td>Partners</td>
</tr>
</tbody>
</table>

**Comparison of Conflict Management Systems**

The distinctions among the four quadrants in the evolution of resolution continuum are perhaps best understood by comparison, as seen in Table 4.2.

**Identity of the Designer:** In an authority-reactive system, dispute resolution is dictated by those in charge within the organization. They decide how disputes will be handled and impose their decisions on the disputants. This method of designing dispute resolution programs is most common in Quadrant I systems, where power and rights-based approaches to conflict management dominate. In expert-imposed systems, consultants (usually from outside the organization) diagnose the disputes, design a new system based on what they think is best for the organization, and recommend that their design be adopted. Design is thus a product, not a process. This method of design is usually found in Quadrant II and III systems, where, for example, management makes the decision (rights-based design) that mediation (interest-based method) will be offered. Many of today’s ADR programs fall within this category. In Quadrant IV, stakeholder-derived systems, the stakeholders actively participate in the design, which is a process, not a product. Stakeholders may be guided by an expert or specialist, but the design is done by the stakeholders and with the stakeholders, not for them.

**Attitude Toward Conflict:** This category explains how the organization views conflict in its many forms. In Quadrant I systems, the preferred method of conflict management is avoidance of disagreements; conflict is seen as signaling a challenge to authority and thus the proper response is assertion of control. This is the “how dare they challenge us” approach—“they” being contractor, employee, customer, or claimant. Alternately, the system equates disagreement with unhappiness and has a low tolerance for it. In such an organization, denying or avoiding disagreement produces the least discomfort and the most control. In Quadrants II and III, there is a recognition and validation of the existence of singular or clusters of disputes but not of conflict as a broad concept. Disputes occur that must be “fitted” to the courts, legislation, case law, or other standardized attempts to manage conflict; thus, disputes are accommodated. An organizational attitude such as this admits
that disputes exist but does not see or admit the existence of conflict. This type of organization usually channels disputes into a predetermined format, perhaps preferring, in a sense, the use of the Myers-Briggs Type Indicator (MBTI) “Thinking” preference for decision making based on logic and objectivity (discussed in Chapter One). There is little, if any, effort to anticipate conflict or disputes, to use preventive interventions, or to be concerned about the effect of conflict on people. Often, such organizations have great difficulty with disputes that are deeply imbedded in personalities, organizational culture, or systemwide practices because such disputes do not fit the existing framework or are resistant to standardized resolution attempts. Quadrant IV systems sharply contrast with all of the others in that there is an acceptance of conflict as inevitable and natural: conflict is seen as an opportunity, not an obstacle. These organizations design flexible conflict management approaches that accept the organization as it is at the present time, facilitate disputants’ participation in the system, and provide a range of options for the settlement of disputes. In Quadrant IV, attention is given as well to the prevention of disputes and to the development of skills so that system participants will experience the greatest range of choice in their problem-solving efforts.

Analysis of Conflict: Here we see that Quadrant I systems are random in the way they handle disputes, dealing with them on an ad hoc basis as they arise, with a reactive rather than a proactive posture. In Quadrant II and III systems, there is a rational approach to disputes—organizations can study them, classify them, categorize them, and, eventually, predict and stabilize them. This linear, Western method of categorizing disputes requires that disputes fit into a standard category, which practitioners note is increasingly rare. The Quadrant IV system provides a sharp contrast once more with its realistic (and dynamic/spiral) approach toward conflict—appreciation of conflict’s ever changing nature, its inherent polarities, and its ongoing responsiveness to changing demographics, culture, and markets. In such a system, conflict yields critical and valued information and feedback about organizational performance, thus serving as one more means of improving it.

Methods to Manage Conflict: In Quadrant I systems, organizations attempt to control conflict—avoid it, rename it, eradicate it, limit it, and deny it. The system’s unstated fear is loss of control; its challenge is to control conflict by any means, even if it results in higher overall costs to the institution and individuals. In Quadrant II and III systems, organizations develop criteria for dealing with conflict, often linear and logic-based processes and procedures for handling disputes. Here, the assumption is that conflict lends itself to prediction, identification, and standardization. By contrast, Quadrant IV organizations collaborate with stakeholders about how to manage conflict and how to create conflict management systems that honor and enact the principles of participation, openness, and feedback. Embracing these values generates conflict management systems characterized by flexible approaches to resolution, appreciative inquiry into the pattern of disputes, and substantial efforts to address and eradicate systemic causes of conflict.

Focus of Efforts: This category identifies who and what is the target of the organizational dispute system design effort. In Quadrant I systems, it is the institution or organization itself that is the all-important target. The state of the organization must be preserved at all costs and must be protected from the implied threat of conflict. In Quadrant II and III systems, the focus is on the ad hoc treatment of individual categories of disputes—events, cases, or dissatisfactions resolvable in isolation from each other. Quadrant IV systems focus instead on the interest groups (stakeholders: institutional, group, and individual) in the system as the target. Collective learning and feedback—from a variety of perspectives—about how well the organization is doing in its management of conflict as it relates to these interest groups is valued. By tapping into the whole system, both internal and external, organizational participants discover valuable information not only for adjustment and revision but also for creativity and growth. Thus, the target focus for the conflict management design effort in Quadrant IV systems is comprehensive and inclusive.

Key Players: In Quadrant I systems, these are the power figures in the organization: they control the questions and they decide the answers. In Quadrant II and III systems, it is usually the providers—experts and consultants—who decide what is wrong, figure out how to fix it, and then impart their specialized (and often “superior”) wisdom and knowledge. In contrast, Quadrant IV conflict management systems identify both the organization and its stakeholders...
as partners in joint problem solving and in the design process, each with rights and responsibilities for the ongoing vitality and overall health of the organization.

It may seem apparent that we are most supportive of the development of Quadrant IV conflict management systems. However, creation of Quadrant IV systems is certainly not the only answer for all organizations, nor even a possibility for many. As with any model or construct, it is just that—a model that must be adapted to the context and the circumstance of particular organizational systems. However, it operates from a set of assumptions and limitations that are well worth examining. For example, Quadrant IV assumes the existence of organizations and individuals capable of recognizing the crucial role conflict management plays in organizational performance and results. It assumes the wisdom and willingness of organizational leaders to loosen their perceived obligation to control and unilaterally determine organizational operations in favor of involving those with a stake in organizational conflict. It assumes a willingness to recognize the value and importance of ongoing openness, flexibility, learning, evaluation, and modification of any conflict management system.

However, in spite of the above preference, we along with countless managers, design teams, and practitioners know only too well that one must take the organization as one finds it: closed, poorly led, resistant, dysfunctional, frightened, in disarray, in crisis, in reorganization. We recognize these limitations and address some of the constraints posed by such eventualities on conflict management systems design later in the book (Chapter Twelve, “Resistance and Constraints: Having Tea with Your Demons” and Chapter Thirteen, “Changing the Culture: Accepting Conflict and Encouraging Choice”). We also recognize that there is no magic in Quadrant IV thinking; it is hard work for everyone involved, from organizational leaders and members, to other stakeholders and consultants, to practitioners and design teams. However, we think that Quadrant IV perspectives and approaches make good common sense in dealing with the scale and scope of organizational strife in today's turbulent environment. If organizations today make it an objective to utilize some if not all elements of Quadrant IV, that will increase the likelihood that tomorrow's conflict management systems will stand the tests of accessibility, fairness, durability, and effectiveness.

DSD Principles in Action

Interest-based conflict management systems design takes the basic DSD principles of power, rights, and interests and applies them in an organizational context. Rather than focusing primarily on dispute resolution methods, interest-based design applies DSD principles to the design intervention itself. This results in balancing and congruity: interest-based methods created through interest-based design is, in a sense, "walking the talk." Let us briefly examine the relevance of the six principles of the classic DSD model to the interest-based conflict management systems design context. For example, at the hypothetical SunSystem Consulting Company, which provides training and educational services, the six principles are relevant in the context of a dispute with a state government agency dissatisfied with the quality of software training manuals received from SunSystem pursuant to an ongoing contract.

The first principle, putting the focus on interests, really means that the starting point in organizational conflict management becomes the statement, clarification, and illumination of the issue at hand from the perspective of the needs and concerns from the interest groups. In other words, rather than initially seeking various means to cover up the core concerns that give rise to the dispute through positions (one party's idea of a solution) and other strategies to mask the real problem or concern, the conflict management system is designed to provide processes at the outset that promote and support the identification of such core concerns. In our hypothetical case, this means that the contract administrator for the state agency deals directly with the project manager at SunSystem, identifying the problem and the concerns it raises as soon as they occur. It may also involve designing some preventive mechanisms for measuring satisfaction with the product during the process rather than solely at the end.

The second principle, providing "loop-backs," means that the organizational conflict management system is designed to encourage a flexible return, if needed, to other interest-based methods, such as prevention or negotiation or fact finding, when the current process is unsuccessful in resolving the dispute. Such looping back to the full range of the ADR spectrum is cyclical and provides additional opportunities short of amplification of the dispute to glean
additional information or insight into the problem at hand. For example, at SunSystem, this may involve some type of negotiation between the contracting officer and the project manager, followed by presentation of the dispute to some neutral evaluator. If new information is uncovered by the evaluator, the parties may choose to "de-escalate" the dispute and resume interest-based negotiations.

The third principle, providing low-cost rights and power back-ups, means that the conflict management system includes in its design the realistic awareness that initial efforts will not always be successful and that reasonable alternatives are necessary to provide for continued low-cost efforts to reach satisfactory resolutions. Often, the availability of these backups can serve as leverage: some disputants may be more willing to explore the unfamiliar and unpracticed world of interest-based problem solving knowing that if it fails, there is always arbitration of the dispute (low-cost rights backup). At SunSystem, for example, the dispute resolution procedures spelled out in the contract (mediation, then arbitration) give the parties a backup, which allows them to engage in good-faith negotiation efforts.

The fourth principle, building in consultation before and feedback after, suggests that the conflict management system be designed to encourage discussion about the nature of the dispute and optimal ways of resolving it before resolution efforts begin. Then, once resolved, the system requires that an evaluation process occur so the results of the resolution process can be assessed and a determination made of the need for system modification. In this way, the conflict management system is encouraged to be one that is more intentional, open, and engaged in an ongoing learning process to allow system adjustment and encourage dispute prevention. At SunSystem, ideally the parties themselves (the project manager for the state and the contracting officer for SunSystem) would have been involved in face-to-face negotiation of the initial contract so that they could have achieved a mutual understanding of the scope of the project, as well as expectations and potential areas of disagreement. Once the current dispute is resolved, they would again sit down face to face and evaluate their satisfaction with the conflict management system, making any necessary modifications to benefit the ongoing contract.

The fifth principle, arranging the procedures in low-to-high cost sequence, encourages the resolution of disputes, in the first instance, at the lowest level and by the least adversarial means possible. The progression is typically one of discussion and exploration of whether there is a dispute, to negotiation of the apparent differences, and then to some appropriate form of ADR. In this way, the disputants remain in control of the process for as long as possible. In addition, the choice to resolve the dispute and in what manner remains with the disputants themselves for as long as possible, and all the costs of the process are kept as low as possible for as long as possible. As noted above, at SunSystem, the backup of a final, binding, imposed resolution method allows the parties to engage in negotiation and other appropriate methods of ADR without fear of impasse or litigation.

The sixth and last principle—providing motivation, skills, and necessary resources—focuses on those factors that enable the other five principles to succeed. Here, the conflict management system is geared toward participation of stakeholders and the empowerment of disputants to resolve their differences themselves with the least escalation of costs and minimal third-party intervention. For this to occur, resources must be expended early on to a broader community within the organizational system in order to build greater knowledge and understanding of conflict itself, resolution options, and processes. All of this provides greater motivation to system participants to use a revised system. Further, in a systemic organizational conflict management design, a wider universe of system participants are trained in the skills necessary to achieve the goal of more local and interest-based resolutions of disputes. In addition, by the very act of supporting the effort to institute alternative dispute resolution methods, organizational leadership signals that a new age of conflict management has arrived. That in itself is a powerful motivator in any system intervention. At SunSystem, for example, this might mean an organizational shift at the state agency toward involving project managers (rather than just contract officers) in early contract negotiations in order to communicate expectations and identify potential problem areas that will require management support. This may also mean training project managers in contract procedures and explicit assurance to contracting officers that they are not being replaced or "cut out of the picture."
OD Values in Action

As mentioned above, many organizations today are operating from a Quadrant III framework when it comes to conflict management: using interest-based methods of ADR but designing these methods in rights-based ways. For example, the hypothetical Aztex Corporation might become alarmed at the number of complaints surfacing that are related to allegedly disparate promotions in certain departments and might as a result choose to require (rights-based design) that these internal concerns be channeled to the Office of the Ombudsperson (an interest-based method) before an employee is allowed to file any formal complaint with the Human Resources Department. If the new procedure is mandated by Aztex management without any input from employees or their representatives, it may be viewed as an attempt to co-opt those who file complaints and may be resisted to the point of public protest. Interest-based conflict management systems design, on the other hand, would create any new procedures by identifying first what the nature of the problem is with the active participation of those affected and interested. Only with such clarification and involvement would a representative design effort proceed to research, discover, and institutionalize appropriate resolution processes. With the OD values of participation, openness, and feedback honored and enacted throughout the design intervention itself, the result is greater acceptance of the problem at hand and the need for action.

By maximizing the ideas and input of all relevant participants, the resultant output—a conflict management system rather than a dispute resolution program—has greater potential to be durable, satisfactory, and actually used. Similar to the theory that there is a higher level of compliance with mediated rather than imposed resolutions because the parties have been an integral part of the process and have “owned” both the process and the resolution, so too with interest-based as opposed to imposed design. As practitioners have witnessed time and time again in organizational settings, stakeholders are more likely to use systems in which they feel they have a stake or have had a hand in creating. The notion of participation in this context is in the design process itself, not merely in the resulting, predetermined dispute resolution product.

For example, using an interest-based conflict management systems design model, employees or their representatives at the Aztex Corporation would actively participate in identifying the perceived problem, designing appropriate modifications to the existing complaint procedure and presenting those recommendations to Aztex’s senior officials. In other words, Aztex stakeholders would actually be involved in “shuffling the deck” and would not simply be dealt a new hand.

As discussed in Chapter One, “arrogant” organizational responses to conflict tend to look down on certain classes of disputants, believing that the organization must do things for them since they cannot do for themselves. One manifestation of this has been the tendency of some organizations to design dispute resolutions systems for classes of disputants, not with them, and to refuse to ascertain disputants’ needs, preferences, or concerns as a starting point for the design. In particular, organizations have tended to design for the disempowered—those who have fewer resources or muted voices. At Aztex, this may manifest itself as a task force, formed to study the problem, composed entirely of division directors and section managers.

Participation: Participation in interest-based design means involvement of all organizational levels in designing the conflict management systems that affect them. Each part of the organization has a purpose, population, and product that gives rise to disputes. By tapping into the entire system and its parts, an interest-based design process has the potential to address more disputes from a variety of perspectives. At Aztex, for example, getting input from employees as well as supervisors may reveal that the problem is actually not disparate treatment regarding promotions themselves but rather disparate assignment of tasks or responsibilities with higher promotion potential.

Openness: Interest-based conflict management design requires an openness by all stakeholders to dialogue and to possible change; a mutual willingness on the part of both the organization and its stakeholders to explore interests and dissatisfactions directly, honestly, and in a true spirit of partnering; joint problem solving; and stewardship. As practitioners know, openness can be difficult in organizations. Past practices of rewarding constructive criticism with reprisal and contribution with ostracism are common. To create
openness, preliminary work often needs to be done to establish a safe environment. This might occur at Aztec, for example, by having organizational leaders express their preference for (and belief in) initiating a dialogue about possible changes to existing complaint procedures related to promotions and by establishing representative focus groups to raise concerns and then a representative task force to explore the issue and make recommendations. Openness in the interest-based design process is really a matter of how people give and receive communication in the organizational context about the issue of conflict management.

Feedback: Giving and receiving constructive feedback about dispute resolution practices and processes is integral to the learning and evolution of the organization's conflict management system. Feedback is a corollary concept to openness, to open systems thinking, and to the principles of interest-based conflict management systems design. It represents a willingness on the part of the stakeholders to offer useful comment and critique as well as a willingness on the part of the organization to consider valid comment and critique.

Feedback as it relates to interest-based conflict management systems design requires both the ability and the willingness to ask how well things are working, to learn about what is not working, and to pursue making changes where necessary. In interest-based conflict management systems design, providing feedback is a right with corresponding responsibilities. Drawing forth comment or criticism is the first step. However, one cannot simply criticize or complain. One must also take part in the re-creation of the system; one has the responsibility to couple a complaint with a request for change. Under this model, for example, the representative Aztec task force would do more than merely conclude that the existing procedures are not working; as organizational stewards with responsibilities to the system as a whole, the task force would generate options for possible change strategies and feed these options back to appropriate organizational stakeholders, such as Aztec management and Aztec co-workers.

Interest-based conflict management design has one further characteristic that links it to OD and sets it apart from the classic DSD model and ADR approaches. Instead of assuming stability and predictability in the management of conflict and disputes, it assumes almost continual change and progression. The model sees conflict management as an open system; there is a recycling, a renewal process that makes the design evolutionary, dynamic, and spiral in nature. This continuous improvement of the system through reevaluation and reflection ensures that it addresses the interests and needs of both the organization and its stakeholders. Interest-based conflict management systems design is thus not a one-time process where you do it once, put it on paper, and move on to the next project. Rather, this model of design maintains an openness to constant feedback in order to acquire information and opportunities for action. In this sense, interest-based conflict management systems design is never done or complete. Some practitioners and, to use the MBTI once more, some "Judging"-type organizations prefer closure and may find this concept of design as an ongoing process disconcerting and uncomfortable. Nevertheless, interest-based conflict management design is about staying open and dynamic.

Lastly, interest-based conflict management systems design honors the OD value of stewardship by all stakeholders, who assume responsibility for the health and continued vitality of the organization. There is a mutuality or partnership in such a design process: stakeholders are responsible for offering valid, constructive feedback with suggestions for change; the organization is responsible for encouraging and considering such feedback.

**ADR Practices in Action**

Many design practitioners are also mediators or are familiar with mediation as a dispute resolution technique. In significant respects, interest-based conflict management systems design is really the mediation of an entire system. It is the designer acting as a facilitator, providing processes, and otherwise assisting the organization and its stakeholders to work together to fashion their own conflict management system. It is the designer questioning whether system stakeholders and other necessary parties are "at the table," are involved meaningfully in the design process from the beginning. Similarly, just as a mediator has no power to impose a decision on the parties, neither does a designer impose a conflict management system on an organization and its stakeholders. However, as in
mediation, an interest-based designer can assist an entire system in understanding and accepting its conflict, can guide it through the highly participatory process of discovering consensus about resolution potentials, and, by not imposing a decision, can empower system participants to accept and manage their own conflict not only now but in the future. Just as disputants are more likely to comply with a resolution reached through mediation because they were integral to the process, so too are stakeholders more likely to use and be satisfied with a conflict management system that they have helped to design.

In the ensuing chapters of Part Two, we will explore the “how to” of each of these specific tasks of interest-based conflict management systems design and look at the practical steps in creating Quadrant IV conflict management systems.