



Stanford eCorner

Ways to Resolve Leadership Conflicts

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Video URL: <http://ecorner.stanford.edu/videos/3033/Ways-to-Resolve-Leadership-Conflicts>

Polyvore CEO Jess Lee and Benchmark Capital's Peter Fenton talk about resolving differences and conflicts between founders, executives and directors. Lee explains differences of opinion can be solved through testing competing approaches to problems and Fenton encourages helping executives work toward finding interlocking objectives that allow teams to raise their focus to a higher, shared purpose.



Transcript

So to repeat the question for Jess and for me, how do we deal with resolving conflict and tensions that exist between founders and other directors, and maybe founders too? Yeah, I mean we've definitely had sets of strategic disagreements at the company. When it's between the founders, like it's harder because you both have to be there, right. If it's from a new executive you are going to hire, you can actually screen for a lot of those things, like if they say hey I think the direction of the company should be this and you are like wait, wait, wait, wait, that's - we don't want to become - we don't want to carry inventory and ship stuff to Polyvore members, you can screen for that ahead of time but when it's with the founders that's a little bit more difficult. So we - at the end of the day I think you have to be on the same page to the rest of the company, right. So you have to have a unified front. One thing we've tried is - and it isn't really happen that often - but like let's take an example, maybe how - when we are - earlier days like how we were going to make money? We sort of set a time window on these things, like alright we don't necessarily agree about whether we should sell virtual goods to our users or do - sell advertising on the site. But we're going to pick one and that might be influenced by who's actually going to spend time to work on it. And then give ourselves a window to prove that out as - in that - within that window of time and that - at least there is an agreement around that and then after that point you can go back and like alright we totally failed at this like what do you want to do now? Let's go back or let's continue? You can sort of reevaluate it but to give yourself that framework I think is one way to solve it. Yeah, this one of the areas where I think you can learn - hyper-learn conflict resolution. There's all sorts of ways to study how one does it and in my experience there's whole varieties of conflict but they end up shaping your daily existence because those are things that stress you out.

And the first step always in conflict resolution in my experience is you got get people focused on the right goal or agenda. And you can find situations where people let their self-interest get in front of the company interest, that's easy to spot and that happens with directors. Where directors say look I'd like to sell the company or not sell the company and you have to say okay, you have to think about the shareholder here as a third party, this is a bit of the Rawlsian moment of disinterest and saying okay pretend like you could be anybody, what's the right thing for the company? And getting someone to focus beyond themselves to that higher good can really be an antiseptic for most the problems that emerge. The bigger issues in conflict I think come up between executives that are peers and this is a routine problem where engineering wants X, product wants Y, sales wants Z and a lot of what we do in working with the CEO is to help them be the hinge between those executives and there's this moment that occurs in a great executive team where they feel shared interlocking objectives and when you see that, it's like a soccer team moving in perfect flight. You say, 'Something special happened here.' So, it's rare. And, when you don't see it, you say, 'Okay, well, you guys have got to get on the same page and it's very clear from this Board meeting you've got conflict that's being talked about but a lot of it not talked about where there's passive aggressiveness.' And so, by trying to get the foreground more clear and saying these are the things we are committed to beyond ourselves, here's what I have to do

to be successful by making that other person successful, and here's what they have to do to make successful. They are interlocking dependencies. You start to move above the two individuals going at each other's throat. But, it's - it defines our existence. And so, there is not a single answer I can give other than you can study it and study it aggressively and I think it serves you well.