

Foresight: The CPA Podcast

Season 5 Episode 3: How CPAs can manage a more polarized workplace

Neil Morrison: Welcome to Foresight: The CPA Podcast. I'm Neil Morrison.

If you've spent any time on social media, it will come as no surprise to you that we are becoming increasingly polarized. Political debates on Twitter, if you can call them that, are mostly binary. Whatever the issue, you're either for or against it. There's no room for nuance or taking the middle ground. The algorithm wants emotion and it elevates extreme positions, and this has spilled over into real life, outside social media, and it's also seeping into the workplace. In a recent survey, the Society for Human Resource Management found that 40% of workers said that discussions of political issues have become more common in the workplace in the past three years. About one in four workers said they have personally experienced positive or negative treatment because of their political views or affiliation. That's a huge increase over the last time the survey was conducted four years ago, in fact, it's more than doubled.

Now a lot of the research on polarization comes from the U.S. experts in Canada say, the situation in this country is not as bad as it is south of the border, but the trend is the same. The Eurasia Group's top risks report for 2023 listed deepening polarization and regional antagonism in Canada as a key threat to political stability. On this episode, we're going to begin with an assumption. If polarization in Canada is growing overall, then it's going to show up in the workplace. It's unlikely Canadian offices will be sheltered from the overall trend. And this trend is going to be particularly important to CPAs. We've heard a lot on this podcast about the critical role CPAs increasingly play in bridging the gap between various parts of an organization, working with different specialties, bringing people together around common goals. This is so central to the role of the modern CPA, that conflict management is identified as a competency in the new foundational common core listed in the CPA Competency Map 2.0. So with that in mind, what skills do CPAs need to master to successfully navigate this developing and emerging issue? Liane Davey is the perfect person to answer this question. She's a team effectiveness advisor and the author of *The Good Fight*. It's a systematic guide to managing difficult conversations at work. Liane says there's something uniquely challenging about conflicts at the workplace compared to any other aspect of life.

Liane Davey: I think there's a few things. First of all, as humans, we tend to dislike conflict. We've evolved for millennia to get along, and so there's just a basic animalistic dislike for it. The second is in the workplace, we know there's a lot riding on this, so how people perceive us, our reputation, those sorts of things are hanging in the balance. In the workplace, the risk is, you know, what if I get fired? What if I really tick somebody off? What if I do something that gets me thrown off the plum account or, right?

Neil Morrison: So the stakes are really high.

Liane Davey: The stakes are really high.

Neil Morrison: Right. Okay. There are many levels of polarization that can occur at the workplace. At the highest level, there is the political stance of the organization on controversial social issues. What can a CPA do when the organization's position on a political issue is in conflict with their own views?

Liane Davey: Yeah, that's a really challenging situation because when you work in an organization, you have essentially signed up to not do any harm to that organization, not to be publicly in conflict with the things that are the stated policy. So if you find yourself in a situation where your personal views are at odds with the stated policy of your firm I think you have to make a choice. One option is, "I understand that it wouldn't be my choice, but I can manage it. I'm okay with it. I will agree that publicly I will tow the company line." That's one choice. A second choice is you can leave and move to a place that better aligns with your values. That's a good choice. It's the third option that is the bad choice, which is I stay, I continue to take my paycheque from the firm, and yet I find ways to insidiously, passive-aggressively gossip, vent, undermine the official firm policy that is very unhealthy.

It's unhealthy for you. It's very stress-inducing, but it's also very bad for the firm. It's bad for your reputation. I think it's much less of a problem to be transparent about why you disagree and to have that conversation openly and then either choose to stay or go than it is to, to do it in a passive aggressive way that can really harm your reputation. Something you want to be very careful of in your career. You always want to take the high road and have integrity. You can have a different position and a different opinion. What you don't want to do is, really be undermining the firm in a way that's not transparent.

Neil Morrison: Right. So if it's something that you're able to put aside, recognize the commitment made to this organization, recognize your role within this organization and put this to the side for now, then great. If you find that you just can't, that this really undermines something of profound value to you, then you have a choice, probably it's not the right place for you.

Liane Davey: Yes, absolutely. And those are both good choices, right? It's just really that middle ground where you, where you try to live without being true to what you value, without being true to the firm that's employing you. That's an unhealthy path.

Neil Morrison: Or you try to campaign from the inside to change the organization's politics.

Liane Davey: I think if you're campaigning from the inside, if you're openly asking for a forum to share your disagreement, that's probably okay. What's not okay is when you are just undermining, when you're complaining, bitching, moaning, gossiping about this. When you're finding forums, even, you know, at the hockey arena, sitting next to someone to complain and slander the firm over these policies, that's what really is unhealthy.

Neil Morrison: Yeah. And that's where we start to see the next level down, which is the interpersonal conflict, which is what I really want to get into with you. What are some of the skills? What are some of the steps? What's the process for making your way through a difficult conversation that comes up at work, one where there is polarization?

Liane Davey: Yeah, absolutely. So at the highest level, the thing to remember is that when we get into a conflict like this, particularly when it feels like a very polarizing issue, what we want to do is ram our truth

down the person's throat. "Here's why you're so wrong. Let me give you these 17 statistics." Or, "let me show you a, the white paper," or the opposite, people are hitting you with these anecdotes. And so that's what we tend to want to do, and that's the exact wrong answer. So if somebody makes a statement on something that is very contrary to what you believe and you can feel it triggering you, first of all, take a deep breath. Notice where in your body you are reacting. How do you know that you just reacted? Is it that you can feel your pulse getting quicker?

Can you feel your palms starting to sweat? Did you notice you were about to start speaking at a much higher volume? So one of the really helpful things to buy yourself a moment is to ask where in your body are you feeling this? The really helpful thing about that, it does buy you a second, but the other thing is it helps you realize that you are not that feeling. You have agency, you have control. So that feeling can be happening in your body, that doesn't mean it is how you have to react. So start there. It's great to, after you ask yourself where this is happening, ask what is happening? What story am I telling myself, what that I value just felt infringed upon there? What's going on? So just give yourself a moment. But then the most important thing you can do is actually to try and understand where they're coming from. So you can ask questions to understand, OK, take me through your thought process. What is important about that for you? How do you think about the stakes in this situation? These kinds of questions are going to give the person a chance to expose the things that they value and believe and care about that feel under threat to them. And so the silly metaphor I always use is that if the dragon is breathing fire, it's because they're protecting treasure. So if that person is being very strong or yelling or pounding the table or those sorts of things, if they're breathing fire in some way, you can know that something they care about or value or some story they're telling themselves feels under threat. And instead of putting facts like bricks in a wall between you, you want to do the exact opposite. You want to get them to lower the drawbridge and let you in so you can figure out what is that treasure that they are so concerned about. So those questions like, how are you thinking about this? Take me through your thought process. What is at stake for you here? What are we not paying enough attention to? Those kinds of questions will allow the person to project onto these nice big open-ended questions, what they care about and what they value.

Neil Morrison: The interesting thing about what you're saying is these are not "gotcha questions" where you're asking for their underlying thinking so that you can then tell them how they're thinking is all wrong, right?

Liane Davey: Yeah, exactly. The touché moment, right?

Neil Morrison: Exactly, I'm going to give them all sorts of rope so they can hang themselves.

Liane Davey: Yeah. Yeah. Doesn't work. And you only learn through experience that makes things worse, not better. And the question is, do you want things to be worse or do you want them to be better? This is the workplace you have to go to every day. If you're into that with something like guns or immunization, I would say in the workplace, those are things for you to back away from. The workplace is just not the place to have that conversation. I think if you're a CPA and the polarizing comment is political and the political has a link to your job. So for example, regulation, how much regulation is good for business, taxation, these sorts of things. Well, these are not just personal opinions when you're a CPA, these decisions affect your clients, they affect your regional economy those sorts of things.

And so, to me, those topics are the ones that are maybe worth having those really uncomfortable but important conversations to understand one another more so than the vaccination kind of conversation.

Neil Morrison: Right. That makes a lot of sense. OK, I think there's a third step that we didn't get to. First one is self-assessment, checking yourself, understanding how you're reacting and responding to what's come up. Then it's the process of opening the drawbridge, asking them, being authentically interested in where they're coming from, where their position is coming from. And then I think you were going to move on to a third step.

Liane Davey: Yeah. So I, I think there are so many ways you can go from here. So much of it now is about "take the high road as a human." So how do I find a constructive way through this? I talk about them as the conflict strategies for nice people, right?

Neil Morrison: Ah I love this.

Liane Davey: How can we find an answer that solves for both of our truths? That's your truth. This is my truth. How do we move forward in this way? So the final thing is really understanding how do I listen well? How do I share candidly and transparently how this is affecting me? How do we work together toward an outcome that's going to be useful? So yeah, the two truths strategy is one of my favorites. And it's certainly a situation where I've seen people just get to a much better place when you go through this effort to understand what is this about for you? What is your truth? What are we trying to solve for here? And then I can share with you what's important to me and my truth. And then together we say, all right, well, if we just assume that these two things are true, where from here? Right? How can we move forward?

Neil Morrison: Do you have an example of someone you heard about? You work with a lot of people, so I wonder if you have an example of someone who's implemented this approach successfully and maybe they came back and shared it with you?

Liane Davey: Yeah, actually I have a great one on the two truths actually. So I was working with the executive team of an arts organization, a not-for-profit arts organization. And our listeners will like this because it was actually the CFO that was the troublemaker in this scenario. So what happened was, we were talking about the budget, and they were in a situation where their plan for the next fiscal year, the things that they wanted, the productions they wanted to do, and how they wanted to do them, they were sitting with a \$2 million deficit based on the money they had raised to date. And so that's where we were sitting and we were trying to figure out what do we do about it? Where do we go from here? And the head of fundraising said, I wish that we could just send the budget to the board showing the \$2 million deficit.

And it was as if she had said something that was heretical. The CFO, just, he, he like everything, his body language, everything was just, "what?" And I knew that this had stressed him out because he used the F-word and we all know what the F-word is in this case. He said, "We have a fiduciary responsibility to," I was like, uh oh, the CFO just said fiduciary, when, when the CFO uses the F-word, we know we've gotten serious. So this was the scenario we were in. So I had taught them the two truths technique, and so I gave him the side eye and with nothing but a look suggesting to him, "Hey dude, you know better than that". And so I let him have a do-over.

And instead of judging her and raising his voice and telling her why she was not a good executive, which was essentially how it came across, “You idiot, how could you ever suggest such a thing?” He said, “Okay, help me understand what you’re trying to achieve by doing that.” Which is a great question, right? What makes you suggest that we send the budget to the board not balanced, right? And she said, “You know what, I just feel if they saw what we’re giving up, they might make another phone call or write a bigger cheque or that sort of thing.” And what was fascinating was, as she said that, the artistic director, the face of the organization just came to life and said, “Yes, I’ve always thought that the board doesn’t have the sense of urgency we need them to have. I know they want to do all these things next year, put on all these productions, and I feel like if they knew what we’re giving up, I feel like they would have a greater sense of urgency.”

So at that point, we were able to write on the whiteboard: truth number one, we have a fiduciary responsibility to balance the budget. Truth number two: we want a greater sense of urgency from the board. And then it becomes like doing algebra. Once you know your equation and their equation, you can solve for the unknown. So I said, alright, well if both of these things are true, what are our options? And I think it took them about 30 seconds to decide what they would do is create a one-page document with all of the major budget line items on it, and the cost of them with a dotted line that showed where they were 2 million shy and below the dotted line were all the things that were in the plan that they were going to have to cut if they didn’t get any further.

And they were going to take that to the board so the board could see, “Oh, dance the nutcracker naked, we can’t afford costumes,” or something like that. And it was just such a great example that once the head of fundraising felt heard about the sense of urgency problem, and when the CFO felt heard about how profoundly he takes the responsibility to balance the budget. And you know, when we let him really talk, he just said, “I’ve been in not-for-profits that get sloppy with this stuff and they aren’t around anymore. And this, I cannot let that happen here. This organization is too important.” And, and you could feel that it wasn’t that he was a cold heartless CFO, just sort of...

Neil Morrison: It’s the opposite.

Liane Davey: ...cutting off the purse strings. It was the opposite. He profoundly felt that responsibility to protect this organization, to ensure it was viable. And, when he understood that the head of fundraising wasn’t naive or trying to do something reckless, she was similarly so invested in the program and in the plan. And so when we learn these techniques and we just hear each other better and appreciate we’ve been seeing each other as fire-breathing dragons, and when we see the treasure that one another is protecting, we just relate to one another in such a different way. So it was a really powerful and positive experience.

Neil Morrison: That’s such a great...

Liane Davey: And I think they did get some more money too, <laugh>, which is,

Neil Morrison: Oh, really? There we go. So it worked out. It’s such a great example.

Liane Davey: Yeah, it was, it was really powerful.

Neil Morrison: What can leaders do to foster an environment where this is the way conversations unfold? In this case, you're talking about the CFO, I just wonder if a culture can be created that does this, and if so, how can a culture be fostered?

Liane Davey: Yeah, I love that question and I think it's one of the most important things leaders should be focused on. And the biggest thing is that we've come to see conflict as a sign that we're doing it wrong, when conflict is inherent in all healthy organizations. You know, if you take this example from the arts organization, absolutely this fundraising person should be constantly putting tension on the system to be more and more aggressive on these sorts of things. Bigger, bolder plans, so that you can get out there and tell a compelling story. And the CFO should always be putting tension on it to be more prudent, to be more predictable, all these sorts of things. I always say, if sales and operations aren't fighting in an organization, sell your shares because nobody's working hard enough. Sales should be fighting for more features in the product, more differentiation for customers and operations should be fighting for more consistency, more efficiency.

And if neither of them is pulling on the rope hard enough, this is probably not an organization that's going to thrive. So I think the first thing we need to do is realize that conflict, being able to optimize decisions, make hard trade-offs between very different perspectives, different needs and wishes and demands. That's our day job, all day, every day. And so when leaders can describe what those tensions should look and feel like, normalize them. The other thing I see all the time is leaders who, you know, they're so invested in harmony. So there's a lot of conversation about, okay, we can argue behind closed doors, but once we're out there, we're a united front. And I always say, well, then you aren't role modeling or teaching people that part of the process is the healthy conflict to come to the best answer. So yes, leave the room aligned, leave the room with everyone saying this was the right decision, but leave the room saying, and here were some of the tensions we had to contend with. Here were some different perspectives. Here's somebody who at first disagreed and here was a risk they brought up, and here's how we've mitigated that risk in the plan that we're moving forward with. So a big part of it is understanding and mapping out we should, must, have productive tensions in a healthy organization. And, and if we know that, and if we can talk about those and normalize those, we would go a long way to using conflict as a force for good, which we really don't do right now.

Neil Morrison: And the key thing there, I think what you said is recognizing the productive conflict from the unproductive conflict, and that's going to become especially important as environments, as workplaces become more politically polarized, is being able to have that spidey-sense or discernment that this is not, this is an unproductive pathway to go down this particular conflict.

Liane Davey: Yeah. The difference between, so the way I describe it, it might be helpful for listeners, is healthy conflict to me, you can think about as tension. So I always describe it, all conflict is uncomfortable. Healthy conflict is uncomfortable like yoga. It's, oh, it stretches you into places that you didn't know you could go and it hurts but even as it's hurting, it's making you stronger, it's making you more flexible, more agile, making you healthier. You're like, oh, I didn't want to have to think about that from the client point of view or from the compliance point of view, or from the marketing point of view but now that I have, I see how that is going to make it a better solution for our clients. Unhealthy conflict is like friction, like a blister. So it's just rubbing, it's slowing us down. We're, it's not getting any better, it's not

productive. We're not getting anywhere. So we really want our, and what we have in organizations is too little tension and too much friction. So we want to know what's the healthy tension we should be leaning into, finding more of, bringing to a discussion, and then where do we see the friction, which is, it's becoming personal. We're not listening. No one is changing their perspective or their position after somebody else talks. We're just retrenching and digging in. That's the blister form. And there's nothing good about a blister.

Neil Morrison: Liane, this has been such a great conversation. I feel like I've learned a lot. I'm going to start implementing some of it in my own household.

Liane Davey: The last chapter of my book is actually called Try This at Home. So, you know those commercials with fancy cars where it says, do not try this at home, right? I always say, no, try it at home. I have a 21-year-old and a 17-year-old daughter. All of my conflict techniques have been trialed on teenage girls. So yes, please try it in your firm. Try it with your clients, try it at the volunteer board you're a part of, and most certainly try it at home.

Neil Morrison: Awesome. Liane. Thank you so much for talking to me. I really appreciate it.

Liane Davey: Oh, my pleasure, Neil. It was great.

Neil Morrison: Liane Davey is a team effectiveness advisor and the author of *The Good Fight*. On our next episode, we are going to take a look at a fundamental shift in our society. Something that will drive change in the accounting profession for the next 10 years. And that is the rise of Gen Z. This is the cohort born after 1996. A massive study called, "*Groundbreakers: Gen Z and the future of accountancy*" looked into what this generation wants and expects out of their career. The results are fascinating but one finding that really stood out is Gen Z's focus on mental health. Here's how Charlotte Hamilton describes what this means to her and her peers.

Charlotte Hamilton: Overall, I think what really we're looking for is compassion. We want to be seen as people and we want to be understood that, you know, not every day is going to be a good day. Some days you might be able to get eight hours of work done in eight hours. Some days it might be four hours of work done in eight hours. Some days it might be 12 in eight hours. Right? So I think it's just a shift from understanding people as ways to be productive versus people as a holistic human being that maybe has a bad day and wants that compassion and to be seen and understood. And I think that's really the driving factor behind that push for mental health is that compassion.

Neil Morrison: That was Charlotte Hamilton. She is a senior consultant and EY Canada and one of three guests on our next episode when we look at the rise of Generation Z.

But that's it for this episode of Foresight: The CPA podcast. If you like what you heard, please give us a five-star rating or a review wherever you get your podcasts and share it through your networks. Foresight is produced for CPA Canada by PodCraft Productions. Please note the views expressed by our guests are theirs alone and do not necessarily reflect the views of CPA Canada. Thanks so much for listening. I'm Neil Morrison.

Disclaimer: The views and opinions expressed in this podcast are those of the guest and do not necessarily reflect that of CPA Canada.