

The Cost of Conflict: How to Save Time, Money and Grief in the Workplace

by Jackie Boor and Marsha Lang, JD

Sometimes it is as simple as what radio station a co-worker favors or as complicated as inequitable advancement practices. We use many different labels to describe it such as a “difference of opinion,” a “clash in values,” or “favoritism.” Disputes naturally occur in the workplace, and while generally seen as destructive, they can actually be opportunities. It is *how* we respond to conflict that can either exacerbate an issue or foster resolution. If left unaddressed, disagreements will rack up untold expenses within a business environment on multiple levels with reduced productivity the tip of the iceberg.

Quantifying the cost of conflict in the workplace is most commonly measured by excessive sick leave, number of hours off task while at the job, and litigation fees. As reported in 2010 on Entrepreneur.com, when CPP Inc.--publishers of the Myers-Briggs Assessment and the Thomas-Kilmann Conflict Mode Instrument--commissioned a study on workplace conflict, they found that in 2008, U.S. employees spent 2.8 hours per week dealing with conflict. This amounts to approximately \$359 billion in paid hours (based on average hourly earnings of \$17.95), or the equivalent of 385 million working days.

Dollars aside, additional costs include decline in personal health, damaged relationships, and the cultivation of apathy. All influence how we interact with co-workers, customers, family, friends and even perfect strangers.

Not only can conflict threaten both the financial health of a company and its personnel, it can also impact public perception and deteriorate an otherwise robust customer base. One need look no further than the United States Post Office and the tragic conditions that rendered into our vocabulary the concept of “going postal.” Despite the laudable and successful efforts in subsequent years by the USPS to proactively address conflict in the workplace, negative public perceptions remain.

From our experience with clients, ranging from government agency work groups to entire staffs of businesses, we have collected several basic observations regarding the anatomy of workplace tension.

When we ask clients what precipitated a certain dispute, we most often hear: poor communication, bad attitude, personality conflict, bias, misunderstanding, lack of clarity regarding roles and responsibilities, inefficient leadership, inadequate policies and procedures, and failure to include and appreciate.

Once conflict gains a foothold, any number of the following immediate symptoms can develop: people stop communicating, complaints mount, cliques form, morale drops, tempers flare, gossip prevails, criticism thrives, and employee turnovers increase.

As issues compound, without an effective intervention process in place, leadership is too often tempted to ignore the early warning signs and hope time will take care of the problem. If that does not “work,” management might isolate those involved from each other, direct the parties to work things out on their own or, a personal favorite, request they “not bring forward a problem until they have a solution, too.”

Decision-makers who encourage transparency and dialogue can also get mired in a protracted drama if their good intentions are not anchored in a deliberate and thoughtful process that defines and sorts interests before considering options for resolution. Such a situation gets even stickier if management is “part of the problem.”

According to Ron Claasen of the Center for Peacemaking and Conflict Studies at Fresno Pacific University, “There are only four ways to settle conflict: coercion, going to an outside authority, mediation and negotiation.”

Coercion translates into a person with greater power, such as a supervisor over an employee, determining the solution. The use of an outside authority is best illustrated by a courtroom setting where parties plead their case and a judge determines the outcome. Mediation is a process where a neutral participant guides disputing parties in a process toward crafting their own resolution. Negotiation is how most conflicts are handled—people talk it out between themselves. If that doesn’t work, Claasen says coercion is generally the next step, explaining, “Many business people believe that if they show too much cooperation, they will be perceived as a ‘yielder.’ They are wrong. Research studies over the past 50 years have established that cooperative behavior provides higher long-term profits than competitive behavior.”

Fear is a prominent component of conflict generally associated with the prospect of losing power and respect. Just the opposite usually occurs during our Common

Problem Resolution (CPR) sessions. The CPR facilitation model was specifically designed for groups of three or more who have a range of interests and want to “breathe new life” into a seemingly intractable situation. It is based on the premises that:

- * Conflict is a sign of people in distress.
- * We can go to war or we can go to peace.
- * A mediated discussion is an opportunity to de-stress and resolve disputes.
- * Agreement depends on reaching some level of mutual understanding.
- * We have a choice to focus on differences or seek common ground.

Depending on the scope of the issues at hand, the CPR process might take a day, a few weeks, or be spread over several months. Overall, compared to coercion or third party directives, the outcomes are more enduring and mutually satisfying, there is a higher rate of buy-in and compliance, agreements are specific and flexible, relationships are preserved and strengthened, and participants are better prepared for the next conflict that will surely come.

For those dealing with the rigors of annual budgets, business productivity and workplace harmony, conflict resolution facilitated by a neutral party will save time, money, and grief.

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