LEADERSHIP LAB

The long-term costs of not resolving workplace conflicts

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Do you worry about conflict at work?

Many leaders and their employees go to work daily worrying about conflict – referred to as unresolved conflict. The origin of conflict between employees can vary (such as a disagreement, debate, or harassment), and typically involves two or more colleagues.

When two people are engaged in a conflict, different factors can influence how it plays out, such as personality differences, their positions, the trust between them, their communication styles, stress, values, work style, history and perceptions.

It is common for employees, as well employees and managers to have disagreements. Conflict can often be helpful. But when conflict escalates and is allowed to go on without a resolution it can become distracting and costly to an organization. Unmanaged or unresolved conflict contributes to employee absenteeism that cost the Canadian economy an estimated $16.1 billion in 2012, according to the Conference Board of Canada.

Managing conflict is a critical competency for every leader and employee, regardless of the size of the organization. Leaders and employees who are not trained in conflict resolution often do not understand that conflict can be resolved as quickly as it comes on. Conflict resolution skills regardless of an employee’s role is necessary because the fact is human beings always have different filters of the world that result in different perceptions, beliefs and values. This is expected and normal. As result it should be expected that normal human beings will have disagreements sometimes. But when they are not resolved in a collaborative way and instead are left to fester, then the conflict has the opportunity to escalate.
Leaders who lack conflict management skills and avoid conflict often end up being less effective at achieving their defined business objectives, have more trouble managing people and being fulfilled by their job. Unresolved conflict can also have a negative impact on the leader-employee relationship. For example, it can result in eroded trust, decreased motivation, lowered morale, increased stress and health risks, decreased performance and productivity, increased absenteeism and presenteeism, and employees quitting.

New Brunswick lawyer Kelly VanBuskirk’s doctoral research suggests that employees who do not have an alternative mechanism to resolve workplace conflicts are more likely to consider taking or actually take legal action.

“The reason people sue is often not rooted in money as much as the person does not feel they are being treated fairly. Many organizations have gaps in their ability to facilitate conflict resolution. These gaps include a lack of mediation process, gaps in managers' competency to resolve conflict in a collaborative manner, and policies that promote social justice and fairness. As a result, the employee may come to the conclusion they have no choice but to look outside the workplace for a solution. However, if more employers focused on resolving conflict pro-actively from within their organizations they would be positioned to reduce their risk for costly and many times unnecessary lawsuits,” VanBuskirk says.

Unresolved conflict can grow like mould. The longer it is left, the greater the effort to solve the problem. Leaders who know the value for dealing with conflict understand its benefits, such as idea generation, building relationships and trust and defining personal and professional expectations. However, leaders who are uncomfortable dealing with conflict increase their conflict risk costs.

The purpose of the Conflict Risk Cost (CRC) quick survey [https://www.howatthronline.com/conflict/](https://www.howatthronline.com/conflict/) is to determine your current CRC score. This survey can be done at the employee level and employees’ average scores can be aggregated to create the organization’s CRC level. The ultimate goal is to increase awareness of the benefits for confronting conflict in an appropriate and timely manner.

More and more organizations are becoming pro-active in dealing with conflict by putting in place conflict resolution strategies such as volunteer mediation and conflict resolution training to help employees better deal with conflict.

One pro-active goal for leaders is to explore how they can better resolve conflict and to decrease the levels of unresolved conflict in their organization. One pro-active step is to develop a benchmark as to what the average employee perceives the current level of unresolved conflict is. With this information leaders can start to make plans. Understanding the CRC scores can help leaders get a point of view of the potential financial impact of unresolved conflict.

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