Workplace Conflict Resolution

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• Research Further Information

• Implement a Best Practice Approach

• Review and Calibrate
Welcome to Volume 4, Issue 8, of the BPIR.com Management Brief series

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Workplace Conflict Resolution: The Definition

Workplace conflict resolution involves a range of interventions that are designed to resolve or reduce employee conflict, disputes, relationship difficulties and grievances.

The Stage

Conflict is the most personal—and the most expensive—problem in the workplace. For this reason, managers and workers should be empowered to change the positive energy that arises from conflict into creativity and process improvement. A more harmonious work environment can lead to greater motivation, as well as staff satisfaction. When employees are able to deal usefully with conflicts that previously left them incapacitated, employers can expect improvements in productivity to be the end result. Conflict resolution procedures provide an opportunity for negotiation, and they offer a way of meeting the needs of opposing groups. Obviously, a key aim of conflict resolution is to defuse conflict before it leads to more serious problems, which in extreme cases can include litigation.

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Expert Opinion

Tim Roberts, a conflict management and transformation specialist at the University of Chester, in the United Kingdom, highlights the following important issues in connection with workplace conflicts:

• Managers spend 40% to 90% of their time dealing with conflicts in one form or another
• Unresolved conflicts lead to at least 50% of resignations
• The cost of replacing one employee is more than their yearly salary.
• Senior HR executives spend up to 20% of their time in litigation activities, most of which relate to conflict in the workplace. [1]

Roberts believes that training in conflict dynamics can empower workplace coaches to achieve better conflict resolution.

Since conflict resolution has such a significant impact upon workplace performance, gaining expertise in this field has many worthwhile benefits. Janice Dreachslin, professor of health policy and administration at Pennsylvania State University, and Diane Kiddy, director of governmental affairs at Universal Health Services Inc., underscore the fact that managing workplace conflicts consumes a significant amount of time and energy. [2] Citing the Mediation Training Institute International, it is estimated that more than 65% of performance problems result from strained relationships among employees. Generally, these are not related and result in a deficit in an individual employee’s skill or motivation. The table below (Figure 1), adapted from Dreachslin and Kiddy, summarises common causes of conflict, and suggests certain styles that may be employed for the resolution of workplace conflicts:

People tend to focus mainly on one particular style when resolving conflicts. However, the art of leadership is to know what style is appropriate to use at any given time. Organisational research suggests that a collaborating style leads to enhanced organisational flexibility. In addition, the collaborating style used with the accommodating style tends to lead to positive organisational climates when compared with the other styles.

The following diagram (Figure 2), adapted from Callanan and Perri, depicts the balance between assertiveness and cooperativeness in relation to the defined five styles for conflict resolution. [3]

![Figure 2: Assertiveness and Cooperativeness as Styles for Conflict Resolution](image)

<table>
<thead>
<tr>
<th>Common Causes of Conflict</th>
<th>Suggested Styles for Resolving Conflict</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unclear expectations</td>
<td>Collaborating: Openly exchanging information and examining differences to reach a win-win solution</td>
</tr>
<tr>
<td>Ineffective or poor communication</td>
<td>Competing: Forcing acceptance of a position whilst ignoring the needs of the other party</td>
</tr>
<tr>
<td>Lack of clear jurisdiction or boundaries</td>
<td>Compromising: Both parties surrendering something to reach a mutually acceptable solution</td>
</tr>
<tr>
<td>Interpersonal styles or attitudes</td>
<td>Accommodating: Diminishing differences and emphasising commonalities to satisfy the other party while sacrificing your own concerns</td>
</tr>
<tr>
<td>Conflicts of interest</td>
<td>Avoiding: Sidestepping issues and not addressing conflicts</td>
</tr>
<tr>
<td>Organisational change</td>
<td></td>
</tr>
</tbody>
</table>

Figure 1: Common Causes of Conflict and Suggested Styles of Conflict Resolution
The presence of conflict in the workplace can lead to good and bad outcomes. Robert Bacal, author of *Performance Management – A Briefcase Book*, states that in his experience, “the issue that generates the most emotion and frustrated comments is conflict within organisations.”[4] Workplace conflict is usually regarded as being counterproductive. However, if the parties involved understand the nature of conflict, then it is possible to harness its positive energy and direct it toward problem solving and organisational improvement.

Bacal describes two ways of considering conflict:

1. The ordered, or traditional view of organisational conflict, in which all workplace conflict is believed to be dysfunctional. Traditional organisations aim to create perfectly defined job responsibilities, authorities and associated job functions. Orderliness and stability are valued, and conflict is repressed. This type of organisation is modelled on a smoothly running clock, where each part has its place and function. The desire to have an orderly environment is inherent within most people. However, in practice, many organisations are characterised by constant change, and therefore require frequent adaptation. For this reason, attempting to design structures that eliminate conflict/disagreement while operating in a dynamic environment can absorb a lot of unnecessary organisational energy. At the same time, it can suppress any positive outcomes that might have arisen from healthy disagreements.

2. The functional view of organisational conflict, in which workplace disagreements are viewed as a productive force for stimulating employees to increase their knowledge and skills, leading to a contribution through innovation and productivity improvement. In this type of organisation, the keys to success are believed to be found not in structure, clarity and orderliness, but rather through creativity, responsiveness, and adaptability. This functional view of conflict regards conflict resolution as a mechanism for providing employees with ongoing operational feedback. In this environment, organisations manage positive conflict while avoiding situations where conflict might erode team cohesiveness and productivity.

### Bullying in the Workplace

Bullying is one of many inappropriate forms of behaviour that can occur in the workplace. Cindy Mahoney, head of talent management at UK outplacement specialists company, Fairplace, outlines the following actions, which may be construed as bullying:

- Insults – critical or demeaning comments intended to humiliate or ridicule
- Threatening Behaviour
- Harassment – constant pestering or psychological mind games
- Rejection – in the form of social exclusion.[5]

Through these actions, the bully attempts to create an imbalance of power, which can be exploited for his or her own benefit. According to the Chartered Institute of Personnel and Development’s 2004 survey “Managing Conflict at Work,” bullying costs UK employers lost some £2 billion, and 18 million working days per year. The physical and emotional impact upon individuals that experience bullying is significant. These unwelcome effects often extend to work teams, organisations, relatives and friends.

Personal consequences include:

- High levels of stress
- Loss of self-confidence
- Depression, sleeping difficulties and weight problems
- Deterioration of personal relationships.

Team and organisational level consequences include:

- Low morale
- Absenteeism
- Increased staff turnover
- Reductions in productivity
- Increased numbers of grievance cases and potential employment tribunal claims if problems are not addressed adequately.

What is the cure for bullying problems? Maureen Fitzgerald, an expert in conflict and collaboration, writes that once it has been determined that a true case of bullying exists, then there are really only two courses of action:

1. *Liberate the Bully*; thus ensuring that everyone is aware of the real situation. Bullies typically lack empathy and so usually will not understand the impact of their behaviour until confronted
face-to-face. An effective way to do this is via a group conversation, which involves all the people affected by the bully’s behaviour, including the bully and the bullied people. The idea behind the group conversation is to expose the bully and help them understand how it feels to be bullied. This will hopefully enable the bully to begin to understand, and to think before behaving badly in the future.

2. Remove the Bully; if the bully’s actions and attitudes do not change, the bully should be removed from the workplace. In the final analysis employers must protect their employees from psychological harm, while providing a work environment that supports a sense of dignity and emotional well-being. Bullies cause significant harm to staff and the workplace, and for this reason they should not be tolerated. [6]

**Personality Clashes**

Supervisors often spend a large proportion of their time dealing with personality clashes and acting as peacekeepers for squabbling employees. Author Dr. Robert Ramsey outlines the following potential causes of workplace conflict:

- Misunderstandings based on age, race or cultural differences
- Out-of-control competition
- Intolerance, prejudice, discrimination or bigotry
- Perceived inequities
- Misunderstandings, rumours or falsehoods concerning an individual or group
- Longstanding grudges
- Misplaced loyalties
- Fear of job loss or of being overlooked for promotion
- Sexual tensions/harassment
- Perceived threats to security, power or status
- Workplace romances gone wrong
- Comparisons of performance ratings or bonuses
- Blaming others for mistakes and mishaps
- Alcohol or drug-induced irrational behaviour. [7]

Workplace conflicts may continue long after the reasons behind them have been forgotten. Generally, the causes of conflicts are less important than the disruptive and distracting behaviour that they produce. Harmful workplace behaviour may range from shouting matches and name calling to nasty tricks involving sabotage or destruction of property, which may perhaps lead to actual violence. The following “Seven Don’ts” are suggested for dealing with workplace interpersonal conflicts:

- Don’t assume that interpersonal problems will go away without intervention
- Don’t ignore clashes or wait too long to step in – early intervention relates to less damage and easier resolution
- Don’t take sides – this creates enemies
- Don’t spend much time attributing blame – this is looking backward while resolution seeks to move forward
- Don’t treat the warring parties like children – despite their actions
- Don’t force the disputants to apologise as this can cause humiliation and deepen their alienation
- Don’t confront the parties in public – this can lead to resistance in order to save face.

The climate of the workplace itself may have a significant influence upon the generation, or reduction of workplace conflicts. Too much pressure or competition, and too many unrealistic expectations and unrealistic deadlines can lead to a “powder keg” environment, where conflicts are endemic. Some work-tested ways for dealing with on-the-job conflicts are outlined below:

- Encourage employees to settle conflicts themselves before bringing them to management
- Separate the disputing parties if necessary – this may involve a transfer, a change of shift, or a move to another location/workstation
- Clearly delineate lines of authority to eliminate divisiveness and power struggles
- Reduce competition by stressing teamwork
- Remind employees to carefully consider both how they say things and what they say
- Provide formal anger-management or conflict-resolution training, as required
- Impose a “cooling off” period for disputants
• Require disputing parties to write down their view of the issues, including their recommended remedies, and refer the disagreeing parties to counselling, mediation or arbitration
• Focus upon the unacceptable behaviour of the disputants, not upon their personality or character
• Get co-workers involved in helping the parties to resolve their differences
• Appeal to the disputants’ sense of pride and professionalism
• Use appropriate progressive disciplinary steps as specified in workplace contracts, including reprimands, suspension with pay or suspension without pay, to emphasise to the offending factions the serious nature of the conflicts
• As a last resort use termination as a consequence of continued conflict: “Get along or move along”.

Grievance Procedures

Formal grievance procedures have been an important requirement in the workplace in the UK for a number of years. Clive Day, a solicitor at Eversheds LLP, outlines new procedures introduced in response to increasing levels of employment tribunal litigation in connection with disciplinary and grievance issues. The new legislation aims at encouraging the parties themselves to seek resolution before pursuing litigation as a remedy. New legislation has introduced the following minimum three-step procedure:

1. The employee is to notify the employer in writing of his grievance.
2. The employee is to be invited to a meeting to discuss the issue, and is afterwards to be informed of any decision made, and reminded of his right to appeal.
3. The employee may appeal, in which case an appeal meeting is held, following which the employer must inform the employee of his final decision.

In addition to these specific steps, the general requirements outlined below are imposed upon the parties:

• Each step must be taken without unreasonable delay
• The location and timing of meetings must be reasonable and they should enable both parties to put forward their case
• The employee should have the right to be accompanied at the meetings. [8]

At any subsequent appeal meeting, the employer should (where practicable) be represented by a person more senior than the person who conducted the previous meeting.

Emma Poyner, senior solicitor with specialist New Zealand employment law firm Kiely Thompson Caisley, writes that there is no magic disciplinary formula available for employers. However, she provides the following seven-step guidelines for minimising the risk of an employee successfully contesting disciplinary action:

2. Check the employee’s employment agreement and any relevant policies: These documents may outline a process that the employer is obliged to follow.
4. Inform the employee of any concerns: Employers should advise the employee of their concerns in writing, and hold a meeting to hear the employee’s account. Employees should also be advised that they are entitled to have a support person with them at meetings.
5. Hear the employee’s side of the story: Record the meeting in writing and ask the employee to sign the meeting notes to acknowledge accuracy. Investigate any issues that the employee has raised and consider a response to them (overnight at least).
6. Advise the employee of decisions made: Meet with the employee (and support person if used), and communicate the decision.
7. Finally, review the process as objectively as possible: Should the employee claim to have been treated unfairly, the Employment Court will scrutinise each and every step of the process to determine whether a fair and reasonable employer would have reached the same decision. [9]

Disciplinary Procedures

Cynthia Guffey, NASA, and Dr. Marilyn Helms, Dalton State College, write that two main disciplinary models tend to be followed by most large organisations: Progressive discipline and positive discipline. [10]
Progressive Discipline is a four-step process:

- An oral warning
- A written warning
- Suspension, and finally
- Dismissal.

Positive Discipline, on the other hand, seeks to use a participatory approach to encourage employees to recognise certain deficiencies, and thereby to recommit to the goals and mission of the organisation. Positive discipline places the responsibility for change upon the employee, and provides an incentive for improving job performance. Workplace discipline can have both corrective and educational components. Discipline is an inevitable part of a manager’s responsibilities and they must provide fair, factual and timely disciplinary feedback to employees.

Termination and Discipline

Employment legislation has become increasingly complex, and employers wishing to discipline or dismiss an employee may face a difficult task. Jennifer McCarthy, a UK specialist employment law solicitor, states that the majority of claims to employment tribunals relate to unfair dismissal or discrimination. There are five defined reasons for which an employer may legitimately dismiss an employee:

- Capability
- Misconduct
- Redundancy
- Illegality of the contract, or
- “Some other substantial reason”. [11]

Note: This final category can only be relied upon in very exceptional circumstances, with the most common reasons for dismissal being the first three categories. Even with legitimate reasons for dismissal, it is crucial that a fair process be followed, otherwise the dismissal may be deemed unfair by an employment tribunal and the employer ordered to pay compensation.

Employers may often consider that it is kinder to dismiss a troublesome employee on redundancy grounds, rather than taking them through a disciplinary process leading to dismissal for misconduct. However, this is not advisable. Should the employee appeal to an employment tribunal and it be found that there was no real redundancy situation, the dismissal would be deemed unfair. It is unlawful to discriminate against employees. Dismissing an employee for any of the following reasons would be unfair, and there is no cap on the amount of compensation that may be awarded:

- Gender
- Pregnancy or maternity absence
- Marital status
- Race
- Disability
- Religion or belief
- Trade Union membership
- Gender re-assignment
- Sexual orientation
- Part-time workers
- Fixed-term workers.

Workplace conflict resolution may be simplified by providing staff with the following: (a) written contracts, (b) written discipline and grievance procedures, and (c) a detailed staff handbook. This documentation is not only a legal requirement, it is also an invaluable tool for ensuring that staff are clearly aware of their rights and responsibilities.

Monitoring Email and Internet Use

Chauncey DePree, a professor at the University of Southern Mississippi, and Rebecca Jude, a principal from the law firm Jude & Fude, write that the monitoring of email and Internet use has become a necessity within growing numbers of organisations. According to the American Management Association’s 2005 Electronic Monitoring & Surveillance Survey, 76% of employers monitored web site connections, 26% had fired workers for misusing the Internet, and another 25% had terminated employees for email misuse.

Inexpensive software packages have made it feasible to rapidly detect and to act upon misuse. Employers are responsible for illegal, discriminatory or offensive communications that are transmitted over their systems or viewed by others from a company computer screen. Sexually explicit, graphically violent or racially inappropriate web sites open to view by co-workers may be used to support claims of discriminatory behaviour or
a hostile work environment. Emails sent by managers may also be used by employees to prove claims of corporate misconduct. Since emails can appear to be very informal, managers and employees are more likely to record matters in them they would be most unlikely to put in a letter. However, unlike letters, emails enable impulsive and thoughtless comments to be forwarded to thousands of people with the touch of a button.\[12\]

Resolution Methodologies

Kelly Mollica, a leadership development specialist with the Centre Group, and associate professor of business at Bethel College in the United States, writes that it is important that managers do not become involved in the resolution of all workplace conflicts. Managers seeking to deal with all such conflicts will be drawn away from more important work, create a climate of dependency and deprive employees of the opportunity of solving their own problems.\[13\]

The following steps are suggested to empower employees to take responsibility for resolving conflicts, and to enable managers to intervene only when absolutely necessary:

1. Listen and support employees involved in a conflict without automatically taking ownership of the problem.

2. Provide ongoing employee training in conflict resolution, beginning with self-assessments relating to conflict-management styles and the pros and cons of using a particular style.

3. Communicate clear expectations that employees are expected to attempt to resolve conflicts before approaching a manager for help.

4. Set specific guidelines regarding what employees should do if they experience conflict.

5. Create a culture in which conflict management is valued by treating it as a core job competency. Incorporate observable and measurable criteria, based on guidelines or protocols for resolving conflict, into job descriptions and performance reviews.

6. Continually remind employees to focus on behaviour, not personalities, thus avoiding creating animosity or damaging relationships.

7. Have an open-door policy letting employees know that you are available to coach them on how to work through specific situations, and schedule follow-up meetings for specific cases.

8. Know where to draw the line by clearly communicating that management must always be notified and involved of certain types of conflict, for example, indications of physical violence, harassment, theft or illegal substance use/or possession.

No workplace will ever be totally devoid of conflict, which is a natural outcome in an environment where employees with varying priorities, ideas and behaviours must work together toward a common goal. If managers sensibly “push back”, it may enable employees to learn valuable workplace skills, and allow managers to protect their own time.

Doug Hickok, founder of Accept No Limits Training and Coaching in Richmond, Virginia, provides four steps towards defusing workplace conflict:

Step 1 – Mirroring: This is an appropriate response to a person seeking to express something believed to be important or having the potential to cause conflict. The listener mirrors the speaker by repeating small segments of what they have heard, whilst asking for confirmation if the comments are correct. Mirroring does not necessarily indicate agreement, but reveals that the speaker has been heard and understood. Mirroring also helps to slow the pace of the interchange, allowing more time for calm thought.

Step 2 – Validating: After the speaker has finished talking and the listener has mirrored comments appropriately, a validating statement may be made. Commonly, there will be something communicated with which the listener genuinely concurs. A validating statement sums up and confirms all points of agreement.

Step 3 – Empathising: This involves the listener using emotion-based statements to convey to the speaker that he or she can identify with the speaker’s feelings. In Hickok’s opinion, this step is an important key for lifting difficult interactions onto more positive ground. Commonly, speakers want others to recognise the emotions that they are experiencing, and an empathetic statement can confirm this, whilst not necessarily indicating complete agreement with the point of view expressed.

Step 4 – Behaviour Change Request Contract: After empathising, listeners can further defuse the conflict by making a behaviour change request; this ultimately is intended to become a behaviour change contract with the parties agreeing on appropriate actions to be taken. Behaviour change contracts should spell out in detail what
is desired, with confirmation being given by the parties involved regarding their willingness to commit to what has been requested. Mirroring, validation, empathy and behaviour change contracts can enable conversations to be carried out in a safe and respectful way. Using this methodology, participants are able to respond to each other’s viewpoints after listening closely to what has been said without necessarily relinquishing their own position. Validation and empathy help to find common ground between the two parties, while behaviour change requests allow them to state very clearly what is required. [14]

Working with Aggrieved Customers

Dr. Andrew Edelman, an expert in conflict management, provides the following key strategies for effectively resolving disagreements and disputes with customers:

1. Establish a Connection: Both verbal and non-verbal language should be used to create an atmosphere of interest and genuine concern. Phrases that generate negative imagery such as “What’s the problem?” or body language that indicates disinterest or disrespect should be avoided.

2. Acknowledge Feelings: It is important for staff to acknowledge the customer’s perspectives, points of view and feelings of stress, anger or fear – even if they have an opposite viewpoint. Often the person yelling the loudest feels the greatest lack of control and, deep down, is seeking someone who will understand his or her pain.

3. Explore Options: Conflict resolution must be a partnership; for this reason, it is critical to always include the customer in the decision-making process. Never assume what the customer wants, always ask. By exploring options through asking questions and eliciting customer feedback, the communication process is more likely to move towards a productive course of action.

4. Negotiate a Resolution: Once the customer has agreed on a course of action, the decision should be documented with a copy given to the customer. This cements the agreement and partnership in the problem-solving process and gives feelings of control back to the customer. It also increases the likelihood of establishing a loyal, long-term client relationship. [15]

Emotional Intelligence

All conflicts tend to have a high emotional content, and so emotional intelligence plays an important role when resolving workplace issues. Dreachslin and Kiddy [2] cite Daniel Goleman of the Consortium for Research on Emotional Intelligence. Goleman described the central components of emotional intelligence as:

1. Self-Awareness (our own feelings)
2. Self-Management (managing our emotions)
3. Social Awareness (recognising other people’s feelings) and
4. Social Skills (managing emotions in others).

An understanding of these factors can assist managers to create trusting relationships, perform more effectively under pressure, make better decisions, and defuse potential workplace conflicts. The following chart (see Figure 3), adapted from Goleman, outlines the five components of emotional intelligence that are particularly applicable to the workplace:

<table>
<thead>
<tr>
<th>Component</th>
<th>Definition</th>
<th>Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-Awareness</td>
<td>Ability to recognise own moods, emotions and aspirations, and how they affect others</td>
<td>• Self-confidence • Realistic self-assessment • Self-deprecating sense of humour</td>
</tr>
<tr>
<td>Self-Regulation</td>
<td>Ability to control impulses/moods and suspend judgements</td>
<td>• Trustworthiness • Integrity • Comfort with ambiguity • Open to change</td>
</tr>
<tr>
<td>Motivation</td>
<td>Passion for work beyond remuneration and status. Persistence in the pursuit of goals.</td>
<td>• Drive to achieve • Optimistic • Organisational commitment</td>
</tr>
<tr>
<td>Empathy</td>
<td>Able to understand the emotional make-up of others, and skill in relating to others</td>
<td>• Expertise in building and retaining talent • Cross cultural sensitivity • Service oriented</td>
</tr>
<tr>
<td>Social Skills</td>
<td>Proficiency in managing relationships and in building networks</td>
<td>• Effectiveness in leading change • Persuasiveness • Expertise in leading and building teams</td>
</tr>
</tbody>
</table>

Figure 3: Components of Emotional Intelligence
Survey and Research Data

Workplace Bullying Common at all Management Levels

The Chartered Management Institute in the United Kingdom surveyed 512 executives in public and private sector organisations on workplace bullying. The following reported being bullied in the past three years:

- 39% of all managers
- 49% of middle managers
- 29% of directors, and
- 42% of junior managers.

Women appeared to be more frequent victims of bullying than men, with 54% of women as opposed to 35% of men reporting having suffered from bullying. The most common forms of bullying were:

- Misuse of power/position (70%)
- Verbal insults (69%), and
- Undermining by overloading or criticism (68%).

For those having workplace conflict policies, training was particularly effective for deterring bullying:

- 83% of managers from organisations whose policies included training rated their organisations as quite or very effective at deterring bullying. Effective policies for deterring bullying included, a contact point for advice (82%), internal confidential counselling (82%), and external mediation (81%).

The Cost of Unresolved Workplace Conflict

In 2006, Total Conflict Management, a UK consulting organisation, conducted studies that revealed a growing awareness of the human and financial costs associated with unresolved workplace conflict:

- According to the Chartered Institute of Personnel and Development (CIPD), the average UK employer is involved in 30 formal disciplinary cases and 9 formal grievance cases per year, spending approximately 12 days managing them.

- The average employer receives 3 employment tribunal applications per year and spends 16.4 days preparing for them.

- Bullying costs employers 18 million lost working days and £2 billion in lost revenues per year.

- 10% of employees have experienced bullying in the last six months.

- Research into 16 bullying cases in one organisation arrived at costs of £20,000 per case. 

Workplace Discipline Bosses Too Soft

In the United States, the Wyatt Company surveyed 3,500 employees covering a wide range of geographic areas, industries and job levels. Approximately 50% of the respondents stated that management was “too soft” on employee performance. 30% of the participants stated that their managers did not know how to adequately solve people problems in the workplace. Similarly 30% of the employees thought that supervisors failed to give regular performance feedback.

Ethics and Organisational Cultures

A Watson Wyatt survey of American worker attitudes by Work USA 2004 found that hypocrisy and favouritism were considered the most important ethical lapses in the US workplace. A sizeable proportion of managers received low marks, with 16% of respondents either disagreeing or disagreeing strongly with the statement: “Top management in our organisation behaves with honesty/integrity in their business activities”. Co-workers were also seen as showing disrespect and knowingly violating company policies. Employee commitment to their organisation had dropped approximately 5% on the last survey (conducted two years previously) and 33% said they would leave their company if they could. 9% of workers reported that the demands of work almost always put pressure on them to do things that conflicted with what they thought was right. 77% said their company had clear codes of conduct or ethics policies that were clearly communicated to employees, but 19% worried that employees reporting unethical behaviour would be considered troublemakers.
Employers Use Employee Electronic Surveillance

In 2001, a survey of 1,600 large American employers revealed that employees were being monitored in the workplace in the following ways (see Figure 4, below):

- Monitoring Internet connections (62.8%)
- Storage and review of email messages (46.5%)
- Telephone use - numbers called, time spent (43.3%)
- Video Surveillance for security purposes (37.7%)
- Storage and review of computer files (36.1%)
- Computer use - time logged on, keystroke counts (18.9%)
- Video recording of job performance (15.2%)
- Recording and review of telephone conversations (11.9%)
- Storage and review of voice mail messages (7.8%).

It was reported that 77.7% of employers used some form of employee surveillance in 2001. In another survey involving 600 remote workers, a web-enabled camera was set up at each workstation. The stated aim was to ease communication between team members; however, participants reported feelings of humiliation and indicated that they had no sense of privacy.\[19\]

Example Cases

Valuable lessons can be learned from the following organisations:

- **Cantor Fitzgerald L.P., UK**
  **Workplace bullying and constructive dismissal**

Steven Horkulak suffered mental distress as a result of targeted bullying against him by his CEO at Cantor Fitzgerald in the United Kingdom. Unable to tolerate the behaviour any longer, Mr Horkulak resigned and brought proceedings against his employers, contending that he had been constructively dismissed, he had been subjected to “foul and abusive” bullying by his boss and that the outbursts had undermined his authority to manage staff, resulting in a breakdown of the duty of mutual trust and confidence and breaching his contract of employment. Criticisms concerning Horkulak had not been properly raised or handled, and the CEO had vented his disapproval directly to Mr Horkulak, both in private and in the presence of others. Consequently the judge ruled that he was entitled to damages for constructive dismissal, which were awarded in the sum of £912,000 for his loss of fixed salary and bonuses.\[20\]

- **Walkers, UK**
  **Employee discipline and witness protection**

Several Walkers UK employees were accused of misappropriating company money. Because of the likelihood of retribution, the informants were deeply anxious to remain anonymous. Walkers protected the witnesses by:

- Specially drafting witness statements to avoid identification
- Limiting contact with informants to just one trusted manager
- Limiting access to witness statements and not allowing copies to be retained by the accused or their representatives.

Balancing the need for accused employees to know the case against them and the need to protect informants, the Employment Appeals Tribunal recognised that the degree of protection afforded to witnesses was appropriate. It was noted that Walkers would probably have never been able to obtain sufficient evidence for disciplinary charges had they not put in place the strict safeguards on anonymity. It was found that the dismissals resulting from the investigation were fair.\[21\]
**Dow Chemicals, USA**  
*Email surveillance used to discharge employees*

Dow Chemicals systematically sorted through a one-day sample of employee e-mails. During this period it was found that 254 employees had saved, filed or sent emails that had sexually-related, violent or other inappropriate content. Because the actual participation and involvement of Dow’s employees varied considerably, a set of criteria was devised so that discipline taken, if any, could be based on each individual employee’s behaviour. The criteria included offensiveness, what the employee did with the material (such as circulating the materials within Dow), and the frequency of the conduct. Dow discharged 20 employees and disciplined others. A subsequent court case, although recognising that Dow was most likely using the surveillance exercise as a tactic to break up union activities, upheld the company’s review and its use of employee email messages. [12]

**Automated Waste Disposal Inc. (AWD), USA**  
*Electronic monitoring saves overtime hours*

Global positioning equipment was installed in AWD’s 200 waste disposal and sales vehicles to enable better accounting for productive time. This enabled the operations manager to gain a full picture of the location of employees using the radio-tracking devices and an Internet-based system. Before the installation of GPS equipment, employees were charging the company for overtime that they actually did not work. Using GPS, overtime dropped from 300 hours to 50 hours per week, and productivity increased. It was noted that when using electronic surveillance technologies, employers needed to ensure that their use was solely for business purposes, and that employees were well informed as to why the technology was being used. [22]

**US Internal Revenue Service (IRS)**  
*Workplace discipline to ensure employee success*

The disciplinary model used within the IRS was a hybrid model using both progressive and positive disciplinary methodologies. Employee rights were preserved through the progressive disciplinary process along with an optional grievance process in which an employee could appeal managerial decisions. Managers had responsibility for motivating peak employee performance and for providing discipline in a fair, impartial and timely manner. A study of the IRS systems noted that many of the problems experienced by managers during the discipline process could be reduced through proper training, establishing clear and effective work rules, following guidelines and procedures consistently, and documenting disciplinary actions. The main aim of the IRS disciplinary procedures was to maximize the potential for employee success. [23]
Measure and Evaluate Business Excellence

The following provide some simple ideas on how workplace conflict resolution processes might be assessed:

Employee Grievances, i.e., the number of employee grievances or complaints per period. This forms a measure of tangible dissatisfaction among the workforce. A low level of morale often manifests itself in a high level of complaints or grievances – even those against other employees.

Employee Complaints, i.e., the number of complaints by employees or the percentage of employees that have made complaints. This provides a measure of employee dissatisfaction. The measure is dependent on the organisation having a formal system for measuring employee complaints.

Employee Satisfaction: Pride, i.e., employee pride in the organisation as measured by survey. This is a measure of the employees’ perception of the overall experience and benefits from working for, and the values demonstrated by, the organisation.

Job Satisfaction, i.e., the percentage and areas of employees responding positively or negatively to the job and workplace satisfaction survey criteria. This forms a measure of employee satisfaction with the job and/or the workplace. This can highlight areas that, if addressed, can influence issues such as employee retention, absenteeism, injury rates, reliability, productivity and overall satisfaction.

Employee Absenteeism, i.e., the number of working hours or days lost as a percentage of total available working days or person-hours. The absence rate can provide a measure of dissatisfaction or sickness. The unauthorised absence rate is when the reason for absence is not known.

Employee - Transfer Requests, i.e., the number of requests for, or the number of employees requesting interdepartmental transfers as a percentage of the total number of employees. This measure provides an indication of how content employees are in their employment position.

Employee Termination Ratio, i.e., the number of people terminated as a ratio of the total number of full-time employees. This measure can be used to determine ethical behaviour, employee satisfaction, recruitment or training process effectiveness, or leadership effectiveness.

Employee - Turnover (Churn Rate), i.e., the number of employees resigning or being terminated (or both) as a percentage of the total number of employees. This measure provides an obvious indication of employee satisfaction.

Employee - Tenure, i.e., the period of employment with the organisation to date or,

- Average period of employment with organisation, or
- Average period of employment with organisation per level or type of role, or
- Average period of employment with organisation per age group.

This measure can provide input into analyses of areas such as employee or job satisfaction, effectiveness of HR policy, demographic trends, employee development or career path plans.

Employee – Loyalty, i.e., the percentage of employees that leave the organisation in a given time period, or the average length of service, or the age/service profile (the percentage of employees that are of a given age / length of service). This measure provides an indication of how long employees wish to stay with the organisation, and as such is an indicator of employee satisfaction.

Employee - Recommendation of Organisation as an Employer, i.e., the percentage of employees that are willing to recommend the organisation as an employer to a friend or,

- Average number of applications or enquiries received regarding employment following recommendation, or
- Percentage of applicants or appointees that have received recommendations from current employees, or
- Percentage of vacancies or skills gaps filled by recommendations.

This is a measure of the willingness of employees to recommend the organisation to others as an employer. This can also be an indicator of employee satisfaction.
Summary

Managers spend a large proportion of their working week dealing with workplace conflicts. It is obvious therefore, that time spent gaining expertise in this field will be worthwhile. Resolving human conflicts and discord can involve styles that range from collaboration to avoidance, and involve varying degrees of cooperation and assertiveness. Workplace conflict is usually regarded as being counterproductive. However, if the positive energy associated with conflict can be harnessed, it may then be directed towards problem solving and organisational improvement. This viewpoint regards conflict resolution as a mechanism for providing employees with ongoing operational feedback and for encouraging creativity.

Bullying places a significant financial burden on employers and high emotional costs upon employees. Its unwelcome effects often extend to work teams, relatives and friends. Bullying is a negative form of conflict, which should be eradicated from the workplace. Employers should strive to provide a work environment that supports a sense of dignity and emotional well-being. The climate of the workplace has an influence upon the generation or reduction of workplace conflicts. Too much pressure or competition, or too many unrealistic expectations or deadlines, may lead to unhealthy conflict between employees. For the effective management and resolution of workplace conflict, formal disciplinary and grievance procedures are necessary. Carrying out disciplinary procedures is an inevitable part of every manager’s responsibilities, and this involves the provision of fair, factual and timely feedback for employees. However, employment legislation has increasingly become more complex, and employers face ever-increasing difficulties when seeking to discipline or dismiss employees.

The majority of claims to employment tribunals relate to unfair dismissal or discrimination. Employment law in most countries makes it unlawful to discriminate against employees. Dismissing an employee through discrimination would obviously be classed as unfair. In addition, there is no limit to the amount of compensation that an employee, once adjudged to have been unfairly dismissed, may receive. Workplace conflict resolution can be effectively managed by providing staff with written contracts, written discipline and grievance procedures, and a detailed staff handbook. This documentation is an invaluable tool for ensuring that staff are clearly aware of their rights and responsibilities.

No workplace can ever be totally devoid of conflict, simply because conflict is a natural outcome in environments where employees with varying priorities, ideas and behaviours work together toward a common goal. As a result of the reality of day-to-day discord in the workplace, it is important that managers do not become involved in the resolution of all workplace conflicts. To do so would draw them away from more important work. Managers need to act sensibly, take a back seat with employees, and allow them to solve some of the workplace conflict themselves.
References

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