Your job as a leader would be a lot easier if everyone on your team got along one hundred percent of the time. But the truth is, conflict comes with the territory. The good news? Conflict can be managed in a healthy and even productive manner.

In this eBook, you will learn:

- What conflict really is
- How much conflict can cost your organization
- The wrong way to manage conflict
- The right way to manage conflict
- The upside of healthy organizational conflict
Workplace Conflict – What is it?

Conflict is present in every workplace of every size. People who spend 40-plus hours per week together in a confined space cannot be expected to agree and get along all the time.

When we think about conflict, we think about people clashing. However, workplace conflict is not always about personality or petty differences. In fact, most conflict can help a company improve.

Conflict over process, service, workflow, design and other job-related issues allows an organization to evolve as teams grow. When conflict is managed positively, it helps employees learn to collaborate, solve problems creatively, develop new ideas and grow.

Unfortunately, conflict that is personality-related, culture-related or not dealt with properly can have a negative impact on individuals, teams and ultimately, the entire company. Managers have a lot on their plates, and often avoid conflict resolution or they manage it inefficiently.

Learning to manage and even prevent conflict is necessary for leaders in any business with a goal of growing and evolving over time.
Why should you care about workplace conflict?
After all, conflict comes with the territory in most organizations.

It's true, some workplace conflict cannot be completely avoided – but while conflict is inevitable, it is costly. Conflict costs employers more than $1 billion per year. It is estimated that workers spend anywhere from 16 to 28 hours each week dealing with conflict, and HR managers spend between 24 and 60 percent of their time dealing with employee disputes.

Conflict doesn't just impact the people involved in the clash. It impacts everyone around them and leads to a host of organizational problems:

- **Lost productivity** – When people are dealing with conflict, they are not focused on their strategic work.
- **Absenteism** – Employees engaged in conflict tend to take more sick days both to avoid the conflict and to deal with stress-related illness.
- **Turnover** – Workplace conflicts impact nearly half of all resignations and over 90 percent of all cause-related terminations.
- **Administrative and legal costs** – Conflict-related litigation can take three to five years to settle.
- **Toxic company reputation** – In extreme cases, an organization suffering from chronic conflict can develop a “toxic” reputation, repelling top performers.
We know that some conflicts are unavoidable, and we know that conflicts can be costly to the organization. Therefore, managers need to keep an eye on conflict to prevent a small issue or even a healthy disagreement from becoming a major clash.

However, approaches like these, while common, are not effective:

- **Avoidance.** “If I ignore this, it will go away,” is a knee-jerk reaction for many managers. Some conflicts will resolve themselves, but denial is never constructive.
- **Emotional Response.** Becoming angry or aggressive only escalates the situation and builds resentment among your team.
- **Blame Game.** It’s easy to heap blame on one party – especially if that person tends to be difficult. However, conflict is rarely black and white and blaming does little to drive solutions.

Defense mechanisms like these are human nature, but they can have negative consequences for the organization. The way managers handle conflict determines whether a small disagreement pits entire teams against one another or instead, fuels strategic problem-solving and growth.

The key lies in how a manager deals with conflict.
Now that you know what NOT to do, what SHOULD you do when the inevitable conflict rears its head on your team? Follow these steps to navigate conflict and find real solutions and resolutions that will strengthen, rather than weaken your team.

**Seven Steps for Managing Conflict:**

1. **Identify the root problem.** Make sure everyone knows what the issue is, rather than pointing fingers.

2. **Assemble all parties involved.** Give each person a few minutes to present their perspective and opinion, following these rules:
   - a) No one interrupts.
   - b) Everyone has equal time to speak.
   - c) Meet together – never meet with parties individually.

3. **Set expectations for your involvement.** Let all parties involved know you will not take sides, and are committed to ensuring resolution. Express your confidence in their ability to resolve the conflict as civil adults.

4. **Actively listen.** Encourage all parties to use active listening – restating, in your own words, what the other person has said.
   - a) This key conflict resolution skill demonstrates that you understand and are concerned about the other’s point of view.
   - b) Responses have two components: naming the feeling the other person is expressing, and stating the reason he feels that way (e.g., “It sounds like you’re annoyed by Jim’s lateness.”).
   - c) Active listening promotes better communication and has a calming effect in emotional situations.
5. **De-escalate when necessary.** Use conflict de-escalation to keep a constructive discussion from turning into an argument. **Tips for de-escalating:**
   a) Stick with “I” statements; avoid “you” statements.
   b) Focus on work behaviors; don’t allow personal attacks.
      i) Do not allow name-calling or put-downs.
      ii) Require antagonists to stay factual and avoid sweeping generalities.
   c) Encourage participants to use a civil tone; soften your tone as well.
      i) Make sure body language is civil (crossed arms, clenched fists and eye rolling can be as hostile as spoken words).
   d) Take a time-out if needed to let everyone cool down.
   e) Acknowledge different points of view.

6. **Make changes.** Discuss and commit to making changes necessary to resolving the conflict.
   a) Ask each participant to describe specific actions they’d like to see the other party take.
   b) Have participants verbalize what the other could do more of, less of, stop or start.
   c) Figure out what needs to be done, realistically, to achieve each individual’s goals.
   d) Find an area of compromise – is there some point on which everyone agrees? Use this as a starting point. If there is no area of agreement, focus on a common long-term goal and begin from there.
   e) Come away from the discussion with concrete steps each participant will take toward resolving the conflict.

7. **Review progress.** Once commitments are made, set a time to review progress – hold participants accountable for living up to their commitments.
Know When to Get HR Involved

Many conflicts can be easily worked out between the parties involved with a little intervention from management. However, some conflicts do require HR involvement.

It’s time to reach out to HR if:

- Someone accuses a co-worker of harassment or making threats.
- You witness an employee engaging in harassment or making threats.
- One of the parties involved is threatening to quit.
- The disagreement has deteriorated to the point of personal attacks.
- Productivity and morale of the entire team are being negatively impacted.
Create a Consistent Process

You have processes for training and for your employees’ daily workflow. Why not include conflict resolution as well? Implementing formal guidelines for managing conflict ensures each conflict is handled the same way and increases everyone’s comfort level. It will also provide tools for people to navigate conflict constructively, without help from above.

Create your process using these guidelines:

1. Expect conflict, because friction is inevitable in the course of any human relationship.
2. Don’t sweep conflict under the rug. Make it part of your culture to deal with conflict immediately.
3. Get employee buy-in by involving them in the process creation. Consider creating a simple, anonymous survey to understand the types of conflict your employees experience.
4. Set a regular time and place for airing grievances.
5. Use the 7-Step Process to resolve disputes before major conflicts arise.
6. Put your process in writing. Give a copy to every employee and make it part of your new hire packet.
7. Provide employees with formal conflict resolution training.
8. Find a way to reward employees for resolving conflicts in a civil, healthy way.
Managers and leaders play a critical role in managing employee conflict – but you are not immune from your own conflicts in the workplace. You may clash with your own higher-ups, your peers or even your employees.

If you want employees to become better at managing conflict, you must set the example and show your team it is possible to manage conflict and achieve healthy outcomes.

Use your new conflict resolution process when you experience disagreements, and above all else, forgive the other party. When you reach a resolution, move forward. Don’t dwell on the conflict or harbor negative feelings. Modeling forgiving behavior will be a great gift for your team.
Be Proactive – Manage Conflict by Preventing It

They say an ounce of prevention is worth a pound of cure. The conflicts that are most avoidable are those that involve personality clashes – but those make up just three percent of all conflicts. Most conflict is really related to lack of communication, miscommunication, differing priorities and failure to understand the urgency of a project or task.

All of those types of conflicts can be prevented with a little bit of work.

- Set formal guidelines for assigning and delegating tasks that include a firm due date, a priority level (low, medium, high), directions and supporting documentation.
- Make employees feel comfortable asking for clarification as well as help whenever they need it.
- Make sure all employees understand their job descriptions and responsibilities. Tie those responsibilities to the overarching organizational goals.
- Allow time for healthy debate about work issues. Let people air their feelings and provide them with answers to their questions.
- Accentuate the positive. Recognize and praise accomplishments to minimize “jockeying for position” that generates friction among competitive employees.
- Ignore and discourage gossip. Be a leader and role model by refusing to gossip, actively or passively.
Workplace conflict does not have to be a net-negative for a team or organization. When it is managed correctly, it can actually be quite productive.

Here are a few of the positives that can come out of well-resolved conflict:

- **Improved working relationships.** When disagreements are resolved in a controlled and civil manner, employees’ respect for one another grows.
- **Catalyst for creativity.** Conflict yields innovation. It provides a work group with opportunities to learn, grow and develop new solutions.
- **Fewer headaches.** In general, managers who deal with conflict successfully experience fewer employee complaints than managers who fail to do so.
- **Time and money savings.** Informal complaint resolution reduces administrative processing and eliminates legal fees.
Well-Managed Conflict Improves Corporate Culture

If you embrace conflict management as an opportunity rather than a burden, it can have a positive impact on your corporate culture.

- Handling conflict with respect and civility fosters a sense of peace and goodwill even when stress is high.
- Less stress leads to a more harmonious work environment.
- A well-balanced work environment allows employees to focus more on their jobs.
- Improved focus leads to higher-quality work.
Looking for Talented People Who Solve Problems (Rather Than Create Them)?

Hiring problem-solvers who tackle issues constructively, head-on can help you more easily manage and prevent conflict on your team.

A staffing partner can refer candidates with the experience and soft skills to tackle your toughest problems and build a more collaborative culture.

Get in touch today to learn more.