DIVIDUAL OF STUDY

Warring Egos, Toxic Individuals, Feeble Leadership

A study of conflict in the Canadian workplace

Foreword

Psychometrics Canada undertook this research to study Canadians' experiences of conflict at work. We wanted to identify the most common workplace conflicts, their causes and their effects. We were curious about how employees viewed these conflicts and wanted their thoughts on how conflict could be dealt with more effectively. We wondered how effective people are at dealing with conflict, and what employees, managers, and senior leaders could do to reduce the number of negative outcomes. In the end, we wanted to know how conflict could be better managed, and how positive outcomes could be reached from something so many see as unconstructive or harmful.

There are two issues that make studying workplace conflict interesting. First, everyone defines conflict differently. Most people think of conflict as fighting, but even fighting is something that people cannot agree on. For example, one person sees a sharp retort as nothing more than blowing off steam, while another takes it as a personal attack. Second, conflict comes in many forms ranging from short disagreements to long-simmering feuds, and from verbal jousting to physical violence.

For the purpose of this research we defined conflict as a struggle that results when one individual's concerns are different from another person's. This allowed us to examine the many different causes of conflict and embraces the idea that all conflicting parties can raise valid concerns and have good ideas. This is a significant change from seeing conflict as a collision of incompatible forces. It opens the possibility of managing conflict in a greater variety of ways, rather than simply finding a winner and a loser.

The results of this study are at times surprising. While negative outcomes are common, well managed conflict can result in improved working relationships, help drive creativity, and produce major innovations.

The Research

Recent research about workplace conflict in the US and UK made us curious about the Canadian experience of conflict at work. To study this issue, we surveyed Canadian HR professionals to gather their thoughts about the type, frequency and causes of conflict.

From November through December 2008 we surveyed 357 HR professionals currently working in Canadian organizations. These individuals work in the business, government, education, consulting and not-for-profit sectors. These people are on the front lines of workplace conflict and are those best able to give a clear picture of how it plays out in the Canadian workplace.

"The most intense conflicts, if overcome, leave behind a sense of security and calm that is not easily disturbed. It is just these intense conflicts and their conflagration which are needed to produce valuable and lasting results." **Carl Gustav Jung**

Executive Summary

Our study found that almost all HR professionals (99%) deal with conflict. The most common causes of conflict are warring egos and personality clashes (86%), poor leadership (73%), lack of honesty (67%), stress (64%), and clashing values (59%).

These conflicts frequently result in negative outcomes. Three out of four (76%) have seen conflict result in personal insults and attacks, and 43% have witnessed someone being fired. 81% of those surveyed have seen conflict lead to someone leaving the organization, and 77% have seen it result in sickness or absence.

Yet workplace conflict can also have benefits. HR professionals have seen conflict lead to better solutions to problems and challenges (57%), major innovations (21%), increased motivation (31%), a better understanding of others (77%), and higher work team performance (40%). Clearly, conflict is not always harmful, but can add to the success of an organization.

The challenge is managing conflict in a way that leads to positive conclusions. Given the number and frequency of negative outcomes of conflict, and the impact of the positive ones, it is not surprisingly that nine out of ten rate the ability to handle conflict as either a very important or critical leadership skill.

However, there is a serious gap between the importance of conflict management skills and the effectiveness of current leaders. 18% of those surveyed indicated that current management and leadership is not at all effective at dealing with conflict, and 63% said that they are only somewhat effective. This finding shows that there is a lot of room for improvement in the management/leadership ranks when it comes to dealing with conflict.

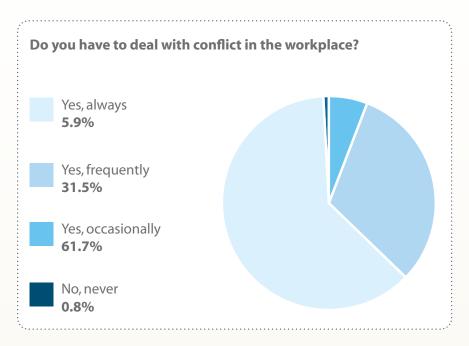
Those surveyed said that Canadian managers can do more to deal with conflict effectively. Recommendations include: manage toxic individuals more firmly (75%), provide more clarity about their expectations (77%), and model appropriate behavior (84%). These recommendations seem to be self-evident, suggesting that when it comes to dealing with conflict, some managers are avoiding an important part of their job.

Our study demonstrates that conflict has negative causes and negative outcomes. It is apparent that conflict is not easy to handle. Yet when properly managed, conflict can lead to improved personal relationships and better organizational performance. If organizations invest in conflict management training, leaders can harness conflict's creative energy.

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Frequency, Cause, Effect

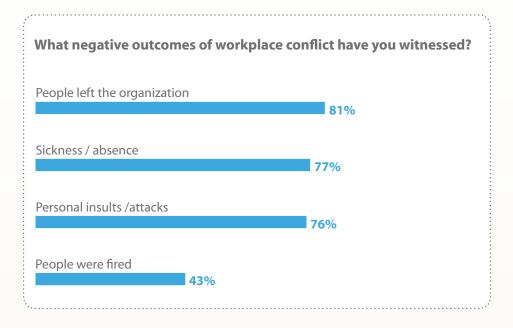
Conflict is a reality of working with others. Given the range of activities, stressors and personality types that must come together, it is no surprise that conflict exists. However, the degree of conflict is surprising. Almost everyone has to deal with conflict at some time or another. In fact, less than one out of one hundred respondents say they never have had to handle conflict, while almost 38% say they deal with conflict frequently or always.



The three work sectors where frequent conflict is most common are government (42.7%), education (41.8%), and not-for-profit (41.3%). There is a big drop in dealing with conflict in the business (36.7%) and consulting (27.6%) sectors. This raises a number of questions for a future study. Is conflict more problematic in work environments with significant rules and regulations? Why does conflict appear to occur more often in the service oriented sectors than those that are driven by a profit motive?

When conflicts are not addressed effectively, individuals suffer. This in turn hurts job performance. Over three quarters (81%) of human resource personnel have seen someone leave an organization as a result of conflict, and almost half (43%) have seen someone fired because of it. While all of these departures are not unwanted, the disruption generated by conflict can lead to long-term problems.

Short-term problems also result from poorly managed conflict. Three out of four professionals have seen conflict lead to sickness or absence (77%) while a similar number have seen conflict result in personal insults and attacks (76%). While it is difficult to measure the economic impact of these outcomes, it does have a negative impact on staff engagement, productivity, and working relationships.

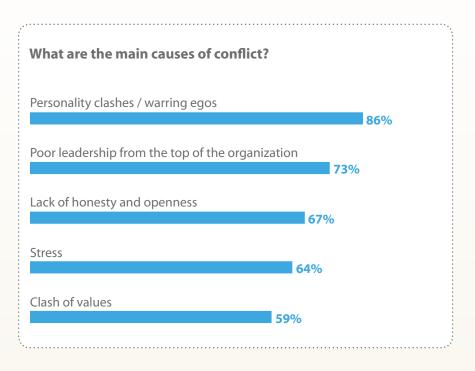


The causes of conflict are as varied as their results. However, certain triggers are common. When asked what they see as the main causes of conflict, employees report that personality, leadership, communication and the work environment play considerable roles. Top of the list are personality clashes and warring egos, which 86% of respondents see as playing a frequent role in conflict.

Leadership, or the lack of it, is the second most commonly mentioned cause of conflict. 73% of respondents indicate that poor leadership from the top of the organization plays a significant role in generating conflict at work.

Issues related to communication and the work environment follow closely. 67% report that the lack of honesty and openness frequently causes conflict, and 64% indicate that work stress is a main reason.

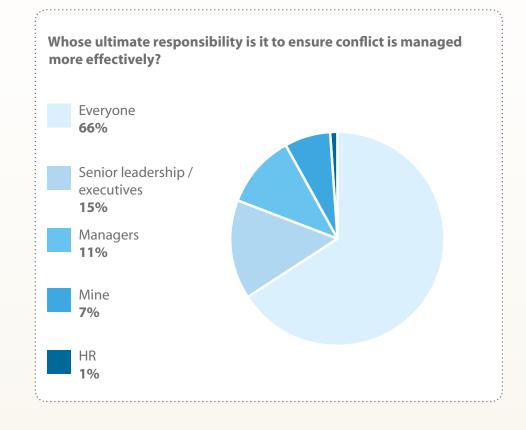
This is rounded out with a cause of conflict that likely has its roots in all of the areas above – the clashing of values. More than half of the respondents (59%) identify the clash of values as a main cause of conflict. Since individuals' communication and leadership styles are rooted in their values and what they see as important, this could be one of the more difficult areas in which to resolve conflict. When people disagree on what is important, conflict can become intractable and require a high level of skill to resolve.



Dealing with Conflict

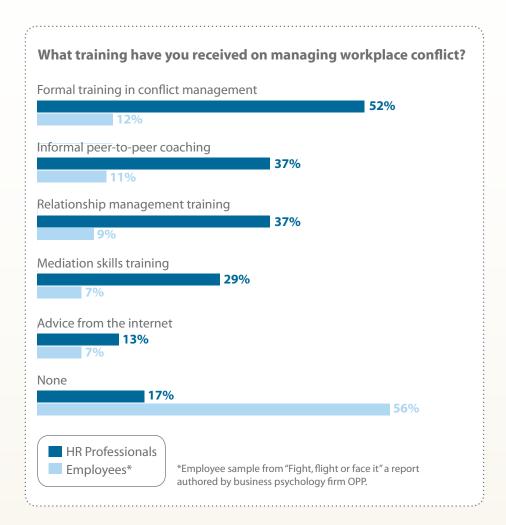
It is safe to say that everyone in an organization will experience conflict, not just management or human resources. But whose responsibility is it to manage conflict? When asked, more than six out of ten (66%) respondents say that everyone has a role to play in conflict management.

Most others believe that senior leaders (15%) and managers (11%) are responsible for ensuring that conflict is dealt with appropriately. What is most interesting is that HR professionals certainly do not see managing conflict as their ultimate responsibility. Only one percent believes that they are the final arbiters of workplace conflict.



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While HR professionals do not see themselves as ultimately responsible for dealing with conflict, they have received a fair amount of training in the area. Even though a good number of HR professionals have received no training (17%) and some are perhaps desperate enough to look for advice on the internet (13%), more than half (52%) have received formal training. A recent study of 5000 full-time employees in Europe and the Americas found that only 12% of them had received formal training.

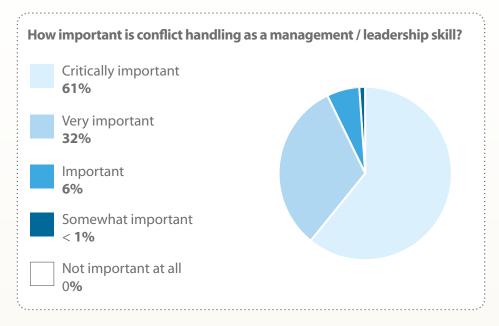


There is obviously a significant discrepancy in organizations when it comes to managing conflict. HR professionals are the most highly trained employees, but dealing with conflict is not seen by HR professionals as one of their key responsibilities – and they are probably right. Generally by the time HR departments are involved in a workplace conflict, things are out of hand. What is desirable is for all employees to be able to manage conflict before it escalates. Yet the majority of employees do not receive any training in this regard.

OPERATIONS OF STUDY

Leading Through Conflict

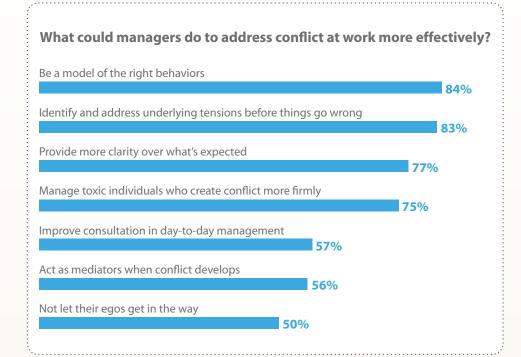
We asked HR professionals to rate how important they believe conflict management is as a leadership skill. More than nine out of ten respondents view conflict management skills as either 'very' or 'critically' important for leaders. Such a high endorsement rate indicates that conflict management is seen as a key part of good leadership. While everyone has some responsibility for dealing with conflict, those in leadership must have good conflict management skills if they are to be effective.



Yet at the present time, it appears that many leaders are falling short. When asked how well leaders deal with conflict, only 13% said they are effective. Instead the vast majority of leaders seem to be muddling their way through, with 64% being rated as only somewhat effective. Clearly there is opportunity for managers to improve how they lead people through conflict.



If leaders are expected to do more in dealing with conflict, it is useful to know what tasks and activities they should be engaged in. We asked what managers could do to increase their effectiveness and the answers provided a long list ranging from being better role models to not letting their egos get in the way. What is interesting is that many things are highly endorsed, suggesting that most managers need to do a lot of things differently to be more effective. Respondents touch on the need for better communication and a willingness to deal with difficult individuals and situations before they get out of hand. These findings reinforce the hypothesis of a gap between leaders' current conflict handling skills and what is necessary for them to be successful.



Obviously handling conflict is a critical leadership skill, and taken with other results, these findings suggest that leadership is important in resolving conflict but also plays a role in causing it. So are the conflicts generated by leadership/management helpful or harmful to the organization, and what benefits, if any, can be realized from workplace disagreements?

Different Environments - Different Needs?

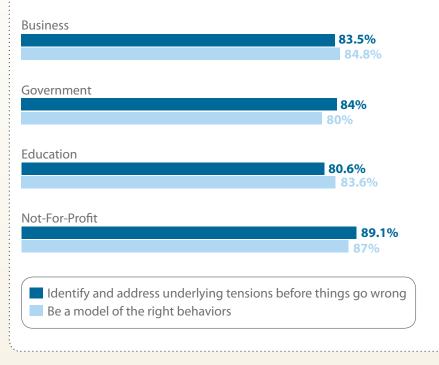
We wanted to know if organizational differences impact how leaders can best deal with conflict. To find out we surveyed HR Professionals from four different work sectors: business, government, education and not-for-profit. Results indicate that the ways managers can effectively resolve conflict are universal, and not dependent on their work environment. All respondents, regardless of their place of employment, rated the following two behaviors as their top recommendations for what managers could do to address conflict more effectively:

1. Identify and address underlying tensions before things go wrong.

2. Be a model of the right behaviors.

These two basic recommendations were selected by more than eight out of ten people from all work sectors. Two key things jump out from these results. First, they indicate that effective conflict management is based on general skills and does not change from one work environment to another. Second, and perhaps more shockingly, they indicate that current leaders are not modeling desired behavior or identifying and addressing problems before they get out of hand. This suggests that leaders are struggling with some of the most basic aspects of resolving conflict.

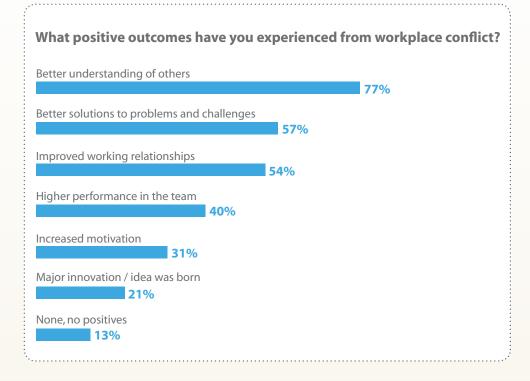
Percent of respondents in various work sectors who indicated what managers could do to address conflict at work more effectively.



Benefiting from Conflict

This study identified many of the problems that result from conflict and the difficulty that leaders have with managing it effectively. However, we are not convinced that workplace conflict is always damaging, and that it should be avoided or solved as quickly as possible. Previous case research indicates that organizations can find significant benefits from disagreements and differing opinions.

We asked HR professionals if they have seen any benefits arise from workplace conflict. Almost 9 out of 10 (87%) have seen conflict lead to something positive. Three out of four (77%) found it led to a better understanding of others, and more than half have seen it result in better solutions (57%) and improved working relationships (54%). As a further indication of the positive effects that conflict can have, 21% of respondents have seen it lead to the creation of a major innovation or new idea at work.



When people see conflict as purely negative, the desire is to avoid it and resolve it as quickly as possible. However, when the conflict is a result of differing ideas, it might not be in the work group's best interest to immediately remove the tension. Instead, taking time to work through the differences can lead to better solutions and improved outcomes. This requires that people do not see conflict as something to be avoided at all costs, but something that can bring creative energy. The challenge is finding ways to best handle conflict.

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Generating Positive Outcomes

For leaders and employees there are benefits that can be realized from conflicts that are dealt with effectively. What is important is finding ways to deal with conflict that lead to positive outcomes while minimizing the negative effects on people.

Since we have seen that workplace conflict varies tremendously, it only makes sense that how we deal with conflict should change depending on the situation. The best type of conflict management is that which is most productive for a given situation. The problem is that most people approach all conflicts the same way. Sometimes their fall-back approach works, but most often it does not.

Conflict researchers Kenneth Thomas and Ralph Kilmann identified five ways in which people typically deal with conflict. Each person usually picks one of these methods and uses it exclusively. However, people who are good at dealing with conflict adjust their behavior and methods to fit the specifics of the situation.

Avoiding - "I'll think about it tomorrow"

Many people try to avoid conflict and hope it goes away. When used in this way, avoiding conflict will rarely lead to a satisfying conclusion. However, avoiding conflict can be useful when dealing with issues of little importance, when tensions need to be reduced, or when it is necessary to buy time.

Accommodating - "It would be my pleasure"

Individuals who are accommodating in times of conflict find out what the other person wants and do whatever they can to make it happen. This behavior is characterized by a high level of cooperativeness and a low level of assertiveness. This method is useful for showing reasonableness, developing performance, creating good will, and dealing with issues of low importance. The drawback is that the accommodating individual's needs are never met.

Competing - "My way or the highway"

Those who see conflict as a competition fight hard to get what they want. The opposite of accommodating, competing individuals are highly assertive and uncooperative. This approach works best for taking quick action, making unpopular decisions, and discussing issues of critical importance when you know for certain that your position is correct. Over use of competition can damage long-term relationships.

"A good manager doesn't try to eliminate conflict; he tries to keep it from wasting the energies of his people. If you're the boss and your people fight you openly when they think that you are wrong - that's healthy."

Collaborating - "Two heads are better than one"

Collaborating is the method commonly used by people who are both cooperative and assertive. When approaching conflict their goal is to work with the other person to find a win-win solution. This method is very useful when integrating solutions, learning, merging perspectives, gaining commitment, and improving relationships. There are two difficulties with collaboration. First, it requires trust and communication, which is not always present. Second, it is time consuming, with even simple decisions often taking longer than is necessary.

Compromising - "Let's make a deal"

Compromising is often identified by people as the best way to deal with conflict. With the goal of finding a middle ground, it involves negotiation and splitting the difference in opinion. Everyone leaves the conflict with a few of their concerns met. Probably the most overused way of dealing with conflict, compromising is useful when dealing with issues of moderate importance, developing temporary solutions, or when you are under time constraints. However, by focusing on compromise, the conflicting parties leave with an equitable, but not satisfactory, resolution. Over time both parties often end up unhappy.

How to effectively manage conflict

1. Evaluate your situation. What are the critical factors – time, cost, positive and negative effects of a wrong choice? You need to identify the importance of the issue.

2. How you choose to deal with the conflict should be based on your evaluation of the situation. For most people, their preferences for avoidance or compromise are not the best way forward. Very important issues might best be handled through conflict or collaboration. Very unimportant issues might best be accommodated.

3. Focus on the positive. See conflict as a source of energy and catalyst for creativity, rather than something to be avoided. When you think of conflict in only negative terms that is all you will find.

4. Don't stifle differences of opinion. While often uncomfortable, arguments between people can be fertile ground for new ideas.

5. Everyone plays a role in workplace conflict, and all should be coached in how to deal with difficult situations.

"I argue very well. Ask any of my remaining friends. I can win an argument on any topic, against any opponent. People know this, and steer clear of me at parties. Often, as a sign of their great respect, they don't even invite me."

Insights

Conflict is unavoidable

Conflict always has, and always will be a reality of the workplace. Whenever people work together the difference of opinions and ideas will result in conflict. Seeking to eliminate conflict is therefore impossible. Organizations' goal should be to manage conflict, not eliminate it.

Conflict can have negative consequences

This study shows that conflict can result in negative outcomes. The loss of staff, decreased morale, and absenteeism come with real costs to an organization. This makes reducing the negative effect of workplace conflict desirable.

Conflict can have positive benefits

The disagreements between people at work can lead to better solutions, new ideas, and increased performance. Like King Solomon wrote: "As iron sharpens iron, so one person sharpens another." By maximizing the positive outcomes of conflict, managers can bring direct financial benefits to the organization.

Managing conflict is an important leadership skill

Our results indicate that effectively dealing with conflict is a key skill for leaders. Given the significance of the negative and positive effects of conflict, leaders must develop the skills to manage potentially difficult conversations in a constructive way. Respondents indicate that the current leaders in Canadian organizations are not as effective as they could be.

Dealing with conflict is everyone's responsibility

While there is a significant gap between leaders' current and desired conflict management skills, it is unfair to place dealing with conflict solely at their feet. Respondents overwhelming indicate that everyone has responsibility to deal with conflict effectively.

"Whenever you're in conflict with someone, there is one factor that can make the difference between damaging your relationship and deepening it. That factor is attitude." William James

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Psychometrics Canada

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Our client list of more than 5000 organizations includes 84 of the top 100 companies in Canada. These clients use our assessment products and services to identify the strengths and potential of people - better enabling these individuals to work together, complete projects, plan their careers and lead others.

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