

Conflict could be costing your company more than you know

Conflict is not all bad. In fact, some conflict is good. Certain types of conflict can lead to good things. A conflict of ideas, methods, approaches or priorities can lead to innovation and creativity. Task or process related conflicts force us to improve, streamline, or re-think what's important, and then implement beneficial change. These conflicts almost always lead to improved morale and productivity when used as idea generators for problem solving and decision making.

However, relationship conflicts almost always lead to lower morale and productivity. Unresolved peer-to-peer, subordinate-to-manager, or manager-to-subordinate conflicts end up costing your organization plenty.

How much does conflict cost?

Conflict is a hidden, but high, cost. Its cost is hidden in your salary budget in the form of wasted time. It is hidden in your recruiting budget in the form of unnecessary turnover. It is hidden in the consequences of poor decisions that result from a decision-making process contaminated by power contests and other, more subtle, conflicts. Unnecessary restructuring, sabotage, theft, damage, health cost, lawsuits, and grievances are costs that can be directly and indirectly related to unresolved workplace conflict. The potential for workplace violence is greatly increased in an environment of unresolved workplace conflict. It is a serious business issue.

Strategy for managing conflict?

Every organization has a conflict management strategy, but few know what it is. It is imbedded in the organization's structure and culture, and the competencies of employees to resolve and prevent workplace conflicts.

Conflict management is a key strategic function of every organization, so it should be an intentional, conscious one — not left to chance. The unnecessary costs and increased risks are too great to ignore. And there is something you can do about it.

Five steps to take

Step 1: Assess the current culture and benchmark the current cost of conflict.

Step 2: Train all employees in the core competencies of how to resolve conflict.

Step 3: Train managers in the core leadership competency of how to



mediate conflict between employees.

Step 4: Establish a comprehensive, interest-based conflict management system containing procedures for han-

dling disputes of all kinds, including employee grievances, EEOC complaints, wrongful termination challenges, vendor disputes and other conflicts that may otherwise unnecessarily escalate to litigation.

Step 5: Re-administer the benchmarking instruments. Measure the progress by comparing aggregate costs of conflicts and index scores of conflict management strategies. Examine results for indication of appropriate next steps, if any.

While you still will deal with the constructive job conflicts, you will be able to eliminate the destructive relationship conflicts that cost so much in time and money. If you would like to have a free assessment of the current cost of workplace conflict in your organization, e-mail me.

Ben Adkins provides employee training and consulting in workplace conflict resolution, presentation skills, leadership and team development. He can be reached at (817) 313-1693 or e-mailed at ben@trainingspeaking.com.



IOWA'S NUMBERS ADD UP TO OPPORTUNITIES FOR BUSINESS AND ADVANTAGES FOR PEOPLE

Dear Business Leader and Future Iowan:

You got to the top of your company's organization chart by having an aptitude for numbers and a keen sense of opportunity. How does nearly \$1 billion invested in business and lifestyle advancement strike you?

Often in business, it all comes down to numbers. In Iowa, our numbers are way up — including those that reflect lifestyle. In Iowa, you don't have to choose between profit and pleasure.

Among the business advantages, three Iowa initiatives stand out. The *Iowa Values Fund* is a \$503 million economic growth package dedicated to creating 50,000 high-paying jobs in life sciences, advanced manufacturing and information solutions. Iowa's comprehensive *venture capital initiative* is attracting more than \$200 million in business growth through public/private partnerships. And our *Vision Iowa Program* is providing \$255 million in funding for the development of educational, cultural and recreational attractions throughout the state.

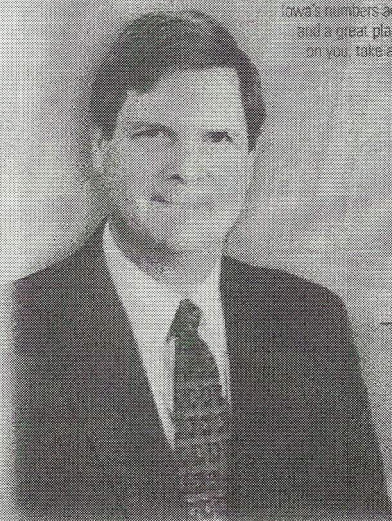
Other numbers add to Iowa's appeal. Major economic development research and reporting organizations — including the U.S. Chamber of Commerce, Morgan Quitno Press, North American Business-Cost Review, Beacon Hill Institute State Competitive Analysis, and Expansion Management Location Study — have recently issued rankings that show:

- Iowa's capital ranks 1st among 329 metro areas as best for location/expansion.
- Iowa's lifestyle makes it the 2nd most livable state.
- Iowa's liability system is the 3rd best in America.
- Iowa's cost of doing business is the 5th lowest in the United States.
- Iowa's metro areas are eight of the top 50 location/expansion places.
- Iowa's competitiveness scores are better than those of 38 states.

Iowa's numbers add up to a profitable place for business, a good place to make a living and a great place to live. For the future of your business and the people who depend on you, take a closer look at Iowa.

Sincerely,

Thomas J. Vilsack
Governor of Iowa
Chair, Democratic Governors' Association
Executive Committee Member, National Governors' Association



There's one more number you should know:
800-245-4692, the Iowa Department of Economic
Development. Or visit www.iowasmart.com.

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