



## CONFLICT COST TOOL FOR TEAMS

*"Workplace conflict costs can be managed and are reducible"*

<b>Time lost to increased tension, actual disputes, recovery, and delays in collaborative projects</b>	<b>Cost estimate</b>
Primary individuals involved [hours x hourly pay rate(s) x employees affected]	
Secondary individuals involved such as co-workers, observers, etc. [hours x hourly pay rate(s) x employees affected]	
Supervisors/managers (up to 20% of time/salary typically is spent on conflict management)	
<b>Subtotal</b>	
<b>Staffing</b>	
Recruitment and hiring costs following terminations (ranges from 30% to 150% of annual salary per employee)	
Replacing employes through transfers (ranges from 30% to 150% of annual salary per employee)	
Resignations (temporary restructuring of duties, interim staff, postponed changes, change in direction, etc.)	
<b>Subtotal</b>	
<b>Decision quality</b>	
Delay in making decisions (include loss of potential discounts, additional charges, postponed changes, etc.)	
Haste in making decisions (consider unnecessary equipment, unwise staff choice, commitment to a faulty plan, etc.)	
Reorganization/restructuring based on personnel rather than business needs (facility, equipment, interim staffing, communication, etc.)	
<b>Subtotal</b>	
<b>Lowered productivity/reduced effectiveness</b>	
Primary parties [hours x hourly pay rate(s) x employees affected]	
Secondary parties such as co-workers, observers, etc. [hours x hourly pay rate(s) x employees affected]	
Supervisors/managers [hours x hourly pay rate(s) x employees affected]	
<b>Subtotal</b>	
<b>Complaints/charges</b>	
Customer complaints (staff hours as well as cost of changes, accommodations, etc.)	
Grievances (measure investigation, counseling, ruling time, hearing cost, etc.)	
Discrimination charges with EEOC (measure consultation fees, internal investigation time, response time, morale, etc.)	
EEOC charges handled in mediation (include legal fees, staff time, loss of productivity prior to this point, etc.)	
EEOC charges going through investigation (productivity, morale, legal costs, etc.; can take up to two years)	
Legal fees not already counted (\$100,000 is a conservative cost of a wrongful termination defense)	
Settlement costs & awards (\$38,000 is the average claim paid on a sexual harassment claim--Rand Corporation, 2001)	
<b>Subtotal</b>	
<b>Health costs</b>	
Leave time due to stress-related causes (hours x hourly pay rate(s) x employees affected)	
Health payments (expenditures are nearly 50% greater for workers who report high levels of stress)	
<b>Subtotal</b>	
<b>Theft and loss of public confidence</b>	
Theft of real and intellectual property	
Damage to reputation and public image (can affect future sales, profits, recruitment ability, business alliances, etc.)	
<b>Subtotal</b>	
<b>COST OF UNMANAGED CONFLICT TO YOUR TEAM</b>	<b>TOTAL</b>