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**MEASURING AND REDUCING  
THE COST OF CONFLICT AT WORK  
IN UNHCR**

**The business case of conflict management**

Mémoire présenté en vue de l'obtention  
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*„Es hat alles zwei Seiten. Aber erst wenn man erkennt, dass es drei sind, erfasst man die Sache“.*

(There are two sides to everything. But only once you become aware that there are three sides, you start to comprehend).

*Heimito von Doderer<sup>1</sup>*

*“As we construct our realities moment by moment, we can choose what to focus on and thereby change our outcomes. We can focus on the conflict, and thereby aggravate it, or we can focus on the relationship, and the outcomes that we want. It is simply a question of knowing how.”*

*Barry Winbolt<sup>2</sup>*

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<sup>1</sup> Heimito von Doderer, Austrian author (1896 - 1966), cf. <http://www.zit.at/personen/doderer.html> [29 November 2008].

<sup>2</sup> Cf. <http://www.barrywinbolt.com/conflict.html> [25 January 2009].



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## 1. Introduction

In organizations worldwide, including the Office of the United Nations High Commissioner for Refugees (UNHCR)<sup>3</sup>, employees are likely to answer with “Yes” when asked if they have ever faced one of the following situations in the workplace: *“Did you feel your colleague sidelined you, was secretive or did not give you the information or support you needed? Did you feel your colleagues were engaged in a silent battle and you felt you were walking on eggshells when entering the office? Did your instincts tell you that you should react but you felt that engaging in a difficult conversation would only make things worse as the other person might get angry and react badly and the problem might escalate? Did you feel ill-equipped to address the situation? Did you want your senior management to pay more attention to the damage created by badly managed conflict and to deal with conflict situations before they escalated? Did you have the impression that management considers that work is all about getting the job done rather than paying attention to conflict management or staff welfare? Did you ask yourself what it takes to get senior managers to start considering pro-active conflict management as a higher priority?”*

Success in businesses and other entities, like international organizations, depends on several issues, a key one being cost control. Yet most leaders and their senior managers seem unaware of the negative impact that conflict in the workplace can have on their bottom line. Conflict in the workplace is a well known daily phenomenon and it is on an upward trend.<sup>4</sup> Increasingly insecure

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<sup>3</sup> UNHCR is a subsidiary organ of the United Nations and mandated to lead and co-ordinate international action to protect refugees and resolve refugee problems worldwide, cf. The Office of the United Nations High Commissioner for Refugees (UNHCR), <http://www.unhcr.org/cgi-bin/txis/vtx/home> [25 January 2009]; for more information on UNHCR see paragraph 3.1. below.

<sup>4</sup> *“Workplace conflicts are set to increase as the economic downturn deepens, costing businesses billions of pounds a year, experts have warned”*, Cf. <http://www.personneltoday.com/articles/2008/10/07/47778/rise-in-workplace-conflict-set-to-cost-businesses-billions.html> [7 October 2008].

employment combined with continuous changes in the workplace to achieve efficiency gains have increased stress levels amongst employees and lowered morale. To make matters worse, the current global financial crisis is adding significantly to staff concerns over future employment and organizations' concerns to maintain shareholder or donor support, forcing them to step up efforts to reduce costs.

Many employers have introduced tools over the past years to hold employees more accountable for their behavior at work. Such tools include zero tolerance<sup>5</sup> policies for wrongdoing in areas such as workplace harassment or fraud, protection against retaliation for whistleblowers<sup>6</sup> and codes of ethics<sup>7</sup> with accompanying sensitization and learning programs.<sup>8</sup> Such policies have helped bring the negative impact of conflict at work on staff more to light, but seem to have failed to address organizational conflict culture.

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Several internet sources provide background information related to questions on cost of conflict at work:

Cf. [http://www.conflictatwork.com/conflict/cost\\_e.cfm](http://www.conflictatwork.com/conflict/cost_e.cfm) [9 August 2008].

Cf. <http://www.mediationworks.com/mti/cost.htm> [9 August 2008].

Cf. <http://www.mediate.com/articles/fordSlater.cfm?nl=7> [9 August 2008].

Cf. <http://jobfunctions.bnet.com/abstract.aspx?docid=49998> [9 August 2008].

Cf. <http://www.communicatinghumanity.org/costsofconflict.htm> [9 August 2008]

Cf. <http://www.proactive-resolutions.com/> [30 January 2009].]

Cf. <http://www.frauenbuero.uni-mainz.de/762.php> [30 November 2008].

Cf. [http://www.bmev.de/fileadmin/downloads/spektrum/sonderdruck\\_konfliktkosten.pdf](http://www.bmev.de/fileadmin/downloads/spektrum/sonderdruck_konfliktkosten.pdf) [30 November].

En cas de tensions, recourir dès le début à un consultant, c'est éluder le problème, see *LE TEMPS*, Carrières, 3, 16 janvier 2009, cf.

[http://www.letemps.ch/Page/Uuid/c63d759e-e34d-11dd-b87c-1c3fffea55dc/Comment\\_traiter\\_les\\_problèmes\\_psychosociaux\\_dans\\_lentreprise](http://www.letemps.ch/Page/Uuid/c63d759e-e34d-11dd-b87c-1c3fffea55dc/Comment_traiter_les_problèmes_psychosociaux_dans_lentreprise) [16 January 2009].

<sup>5</sup> The term "zero tolerance" in this context refers to an Organization's policy to systematically sanction certain kinds of wrong doings, often of a severe character such as fraud or sexual abuse or exploitation, without regard to subjective judgments regarding the severity of such an offence.

<sup>6</sup> A person, usually an employee in an organization, who discloses to the public or to competent internal authorities cases of mismanagement, corruption or other wrongdoing. The term whistleblower derives from the practice of English bobbies blowing their whistle when they noticed wrongdoing. The whistle would alert both law enforcement bodies and the public at large, cf. <http://www.answers.com/topic/whistleblower> [25 January 2009]. The United Nations issued a whistleblower protection policy in December 2005, cf.

<http://www.un.org/apps/news/story.asp?NewsID=17017&Cr=reform&Cr1=> [25 January 2009]; for the text of the policy cf. <http://www.usunnewyork.usmission.gov/untai/resolution/SYG%20bulletin%20ST-SGB-2005-21%20-%20Enhanced%20Whistleblower.pdf> [25 January 2009].

<sup>7</sup> The *UNHCR Code of Conduct* was issued in 2004, see for the text:

<http://www.unhcr.org/protect/PROTECTION/405ac6d27.pdf> [25 January 2009].

The United Nations is currently revising the text for a new Code of Ethics. On 11 December 2008 the UN Ethics Committee agreed upon the text of a system-wide code of ethics. Once implemented, the code will apply to all U.N. staff members, cf. *The Wall Street Journal*, The U.N. Is Working Hard at Ethics, 30 December 2008,

<http://online.wsj.com/article/SB123069261678544811.html> [30 December 2008].

<sup>8</sup> For companies' best ethics programs overall listing (2008 US Government Contractors) cf. <http://ethisphere.com/best-ethics-programs-overall-government-contractors/> [25 January 2009].

While it seems obvious that unmanaged or badly managed conflict results in high direct and indirect costs for any organization, many leaders brush off incidents of low morale and unhealthy conflict as the unavoidable result of “doing business”.<sup>9</sup> The problem is compounded in not-for-profit organizations, which build on their staff’s motivation for “the good cause”. The same applies to international public administration bodies such as the United Nations. The impact of conflict in the workplace on the performance of the organization and its efficiency does not seem to be measured anywhere in the United Nations.<sup>10</sup>

It is striking to note that while significant efforts have been made over recent years to increase the level of accountability for personal behavior, money spent and results achieved and to increase efficiencies through various forms of cost reduction, the cost of conflict in the workplace is in most organizations not considered a variable worth measuring and pro-actively managed.

Is it the discomfort, fear and negative associations surrounding conflict that keep organizations from addressing costs of conflict at work? Or are the costs just not visible enough to gain the attention they deserve?

Some experts believe that unresolved conflict represents the largest reducible cost in many businesses, yet it remains largely unrecognized.<sup>11</sup> *Slaikeu and Hasson* consider that conflict management represents the “*greatest opportunity for cost control [for organizations] in the next century*”.<sup>12</sup>

The question arises of how to alert organizational leaders to these apparent untapped opportunities for achieving better efficiency. This thesis will provide evidence that this can be done in addressing conflict management as a

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<sup>9</sup> The soft or indirect financial costs of conflict to organizations are typically overlooked because they are not immediately associated with conflict and are accounted for as part of the normal cost of doing business, cf. <http://www.conniebarnaba.com/costofconflict.html> [20 November 2008];

<sup>10</sup> Result of individual interviews of the author with Ombudspersons/ Mediators of the UN system;

<sup>11</sup> Cram J. A. and MacWilliams R. K., *The Cost of Conflict in the Workplace*, <http://www.crambyriver.com/coc.html> [9 August 2008].

Dana D., <http://www.mediationworks.com/dandana.htm>. [9 August 2008].

<sup>12</sup> Slaikeu K. A. and Hasson R. H., *Controlling the Costs of Conflict: How to Design a System for Your Organization* (San Francisco: Jossey-Bass, 1998) xii.

business case. Addressing conflict in the workplace through integrated conflict management systems should be viewed as a *conditio sine qua non*<sup>13</sup> in achieving organizational effectiveness and enhancing productivity.

Recognizing the costs and underlying cost drivers, it is submitted, will motivate change. If the underlying dynamics of badly managed conflict are understood and their related high financial and human costs established in a measurable way through qualitative and quantitative data as opposed to anecdotes, senior management will not only have to address the problem but will also be in a position to reduce such costs by devising organization specific and efficient conflict management systems.

Being part of the workforce of the Office of the United Nations High Commissioner for Refugees (UNHCR)<sup>14</sup>, a large United Nations agency in the humanitarian field, it is the author's objective to take UNHCR as a concrete example in examining how workplace conflict management impacts on this Organization's efficiency. If conflict has negative consequences for UNHCR, stress and motivation levels of staff and the quality of services provided to UNHCR's main clients, the refugees, proactive conflict management should play an important role in reducing such negative consequences, including the financial and human cost of badly managed conflict for UNHCR. In doing so, this thesis will review selected theoretical principles and models developed in conflict literature and apply them to conflict management in UNHCR. Building on that analysis and survey data obtained from over 200 UNHCR staff, this study will review conflict management tools that provide potential for both reducing those costs and supporting a shift in UNHCR's conflict culture.

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<sup>13</sup> lat.: an indispensable condition.

<sup>14</sup> <http://www.unhcr.org> [31 January 2009]. The views expressed in this thesis are the author's alone and do not necessarily reflect the views of UNHCR or the United Nations.

Using UNHCR as a case study, this thesis is built on the following hypotheses:

- (a) the costs related to unmanaged or badly managed conflict in the workplace are significant but unrecognized and as a consequence not considered as a variable worth measuring;
- (b) some costs of conflict in the workplace can be measured;
- (c) a better understanding of conflict sources, conflict dynamics and cost variables will provide a basis for reducing costs with the potential to achieve significant efficiency gains;
- (d) mediation has a strong potential to support a cost-efficient conflict management system in UNHCR;
- (e) UNHCR, its workforce and its organizational culture provide a supportive environment for cost effective conflict management.

The hypotheses will be examined by reviewing some aspects of the theoretical dimensions of conflict and their application in UNHCR and by analyzing empirical data obtained from a survey filled by UNHCR staff.

The thesis is divided in four parts.

The first part develops and discusses the theoretical dimension of conflict in the workplace under five sub-headings: (a) conflict definition, (b) conflict dynamics - including the sources and evolution of conflict, human behavior in conflict and conflict styles, (c) cost of conflict - including a description of visible and hidden financial and human costs and their measurability, (d) an analysis of how those costs are measured and (e) approaches to resolving conflict including a review of the principles of conflict management and a review of the potential of workplace mediation.

The second part is a case study, describing and examining workplace conflict at UNHCR, including a description of UNHCR's mandate, its organizational culture, the available tools for addressing workplace conflict at UNHCR and the cost of conflict.

The third part is an empirical research based on a survey sent to 500 local and international UNHCR staff<sup>15</sup> worldwide, with questions on workplace conflict, its impact on staff, conflict management in UNHCR and the role of mediation. The survey aims at (a) examining the theoretic concepts presented in this thesis for their applicability in UNHCR and (b) assessing the potential for cost effective conflict management in UNHCR.

The fourth part develops conclusions and recommendations.

While this thesis is for the most part based on publicly accessible sources, a limited number of sources are UNHCR internal and indicated as such.

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<sup>15</sup> The term “local” is related to mostly locally recruited, national (General Services) support staff (G-staff); the term “international” is related to internationally recruited professional staff (P-staff), mainly filling managerial functions and subject to periodic rotation to locations in other countries. While the term ‘UN(HCR) official’ relates to staff recruited under the UN Staff Regulations and Rules, the term ‘staff’ also includes persons with other contractual status, including consultants and interns.

## 2. Theoretical framework

In view of the vast literature on conflict<sup>16</sup> and the restricted scope of this thesis, its following theoretic part is limited to the definition of conflict and the review of selected concepts and models developed in conflict literature which can be of particular relevance when analyzing cost efficient conflict management.

### 2.1. Definition of Conflict

To be able to measure and reduce the cost of conflict there must be clarity about what “conflict” means.

The word “conflict” is commonly used in everyday speech to label various human experiences, ranging from indecision to disagreement to stress.<sup>17</sup> “Disagreement”, “clash”, “quarrel”, “dispute”, “controversy”, “conflict”<sup>18</sup> are all terms that are interchangeable in everyday speech in describing seemingly similar behavior. The definition of conflict is therefore more difficult than initially apparent and requires a better determination of the distinctions between the different terms used.

One could argue that a “disagreement” can create a problem but does not automatically result in conflict, assuming that the use of the word conflict describes already a higher level of disagreement or escalation of disagreement. Disagreement has thus the potential to result in conflict if it does not lead to a solution or a common understanding.

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<sup>16</sup> A search on <http://www.amazon.com> [25 January 2009] on the word “*conflict*” resulted in some 470,000 results, and on the term “*Conflict management*” in some 30,000 results.

<sup>17</sup> Dana D., *Conflict Resolution* (New York: McGraw-Hill, 2001) 4.

<sup>18</sup> in German : “*Streit*”, “*Konflikt*”.

A “clash”, “quarrel” or “dispute” can all be limited to an objective argument<sup>19</sup>, can remain at the rational level and can be resolved without leading to a conflict. One could also argue that even if the parties get emotionally involved<sup>20</sup> this must not mean that there is a conflict, as long as no party feels emotionally offended.

From this brief analysis of the word “conflict” and its differentiation from other words used in every day speech to describe situations of disagreement, one can retain that the word “conflict” describes a certain level of escalation of arguments involving emotional reactions. With this in mind, selected conflict definitions will be reviewed for commonalities, before defining the specific situation of workplace conflict.

The literature on conflict does not provide a uniform conflict definition.<sup>21</sup> *Glasl*<sup>22</sup> even refers to an “inflation of the conflict definition”.

*Rosenstiel* (1980)<sup>23</sup> considers that there is already a conflict when two parties have irreconcilable positions. This definition does not require that one of the parties considers the unconceivable position as bothersome.

*Donohue and Kolt* (1992)<sup>24</sup> define conflict as: “A situation in which independent people express (manifest or latent)<sup>25</sup> differences in satisfying their individual needs and interests and they experience interference from each other in accomplishing these goals”.

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<sup>19</sup> in German : “Sachauseinandersetzung“.

<sup>20</sup> e.g. by shouting.

<sup>21</sup> Beer P., *Was ist ein Konflikt?*, [http://www.beer-management.de/docs/was\\_ist\\_ein\\_konflikt.pdf](http://www.beer-management.de/docs/was_ist_ein_konflikt.pdf) [30 November 2008].

<sup>22</sup> Glasl F., *Konfliktmanagement, Ein Handbuch für Führungskräfte, Beraterinnen und Berater* (Bern, Stuttgart: Haupt Verlag; Verlag Freies Geistesleben, 8..Auflage, 2004) 13.

<sup>23</sup> Rosenstiel, quoted in *Ibid.*, 13.

<sup>24</sup> Donohue, W. A., and Kolt R., *Managing interpersonal conflict* (Newbury Park, Calif.: Sage Publications, 1992) 10.

<sup>25</sup> hidden/ open conflict.

*Gilbert and Kreikebaum* (1998)<sup>26</sup> consider that there is already a conflict when only one party senses disagreement.

*Schreiber* (2003)<sup>27</sup> defines conflict as a situation in which at least one person in his/her action, thinking or feeling perceives an encroaching difference in the action, thinking or feeling of at least one other person.

These conflict definitions refer to situations of irreconcilable positions or behavior among people. Some definitions require that one or both of the parties perceive this situation as bothersome. When combining the aforementioned definitions, a conflict definition includes the elements of irreconcilability, feelings<sup>28</sup> and perceptions.

In conflict the question is often whether positions are actually irreconcilable (actual conflict) or whether positions are only perceived by the parties of being irreconcilable (pseudo conflict).<sup>29</sup> This subjective dimension of a problem – not the objective dimension – provide the best potential for conflict resolution, as opposed to problems that are actually irreconcilable and often impossible to solve.

Combining the aforementioned literature and everyday speech, one could argue that the emotional dimension of behavior over an argument appears to lend itself for a meaningful distinction between conflict and other terms describing disagreement. It is thus only when differences in opinions lead to situations in which at least one party feels emotionally affected and offended that the threshold of a conflict situation is reached.

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<sup>26</sup> Gilbert D. U. and Kreikebaum H., *Konfliktmanagement in international tätigen Unternehmen* (Dissertation, Frankfurt/ Main, Sternfels, Berlin, 1998) 72.

<sup>27</sup> Schreiber C., *Mediation am Arbeitsplatz, - Auswirkungen ihrer Anwendung auf die Konfliktkultur in deutschen Unternehmen* (Diplomarbeit, Universität Lüneburg, 2003) 7.

<sup>28</sup> The feeling that the other party's position or action interferes with, attacks, blocks or frustrates one's own positions or actions.

<sup>29</sup> In situations of actual (i.e. not only perceived) differences (also "actual" (German: "echter") conflict versus "pseudo" (German: "unechter") conflict) a conflict will generally persist unless a decision is taken, which will result in a win-lose situation.

## 2.2. Definition of workplace conflict

Conflict in the workplace differs from conflict in other areas. As an example, colleagues at work have rarely chosen to work together and will in most cases have to continue working together following a conflict. Also, in a professional setting, expressing emotions is often perceived as inappropriate. In an environment where emotions are frequently hidden, people may be unaware of their behavior and the way their behavior can affect other people and they lack the skills to express honest emotions, namely verbally, in appropriate ways on the job.<sup>30</sup>

*Dana* defines workplace conflict as a condition between or among workers whose jobs are interdependent, who feel angry, who perceive the other(s) as being at fault, and who act in ways that cause a business problem.<sup>31</sup>

This analysis defines workplace conflict as a situation in which (a) interdependent workers, (b) perceive positions or action as irreconcilable, with the consequence that (c) at least one of the parties (d) perceives that disagreement emotionally upsetting, (e) causing a problem at work.

In addition to irreconcilability, feelings and perceptions, this definition includes the element of a workplace problem caused as a result.

Conflict at work can relate to relationships among colleagues at different hierarchical levels, relations between management and staff unions or relations between employees and third parties (such as clients). This analysis is limited to interpersonal conflicts between individual interdependent colleagues in the workplace and is therefore not addressing internal conflict within a person<sup>32</sup>, conflict between management and staff unions or conflict with third parties.

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<sup>30</sup> Weinstein R. J., *Mediation in the Work Place* (Westport, Connecticut; London: Quorum Books, 2001) 11.

<sup>31</sup> Dana D., *Conflict Resolution* (New York: McGraw-Hill, 2001) 5.

<sup>32</sup> The intrapersonal, internal conflict can consist of dilemmas such as the decision between two options.

Before analyzing dynamics of conflict at work in more detail it is important to stress that this analysis is dealing with negative implications of unmanaged or badly managed conflict, those elements which impact negatively on human relations and the efficiency of an organization.<sup>33</sup>

This distinction is important as conflict is a reality of our daily lives and conflict is thus inevitable in a human workplace.<sup>34</sup> Disagreement occurs even in the best working relationship and challenging another's ideas can strengthen an outcome. Though the claim that well managed conflict automatically results in efficiency gains is challenged by some<sup>35</sup>, it is generally accepted that the right kind of friction and constructive confrontation and arguments over ideas in an atmosphere of mutual respect can help any organization and has the potential to drive greater performance and creativity and help produce major innovations.<sup>36</sup> <sup>37</sup> The question how well conflict is managed and how conflict is addressed can either add to or take away from an organization's bottom line.

Well managed conflict<sup>38</sup> in an enabling environment allows for issues to be tabled and discussed with objective language. Each party is empowered to state his or her position with confidence that the other party is genuinely

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<sup>33</sup> Other authors refer to healthy/ unhealthy conflict; negative/ positive conflict; unproductive/ productive conflict or destructive/ constructive conflict: Capobianco S., Davis M. and Kraus L., *Good conflict, bad conflict: How to have one without the other*, Mt Eliza Business Review; Summer 2004 – Autumn 2005; 7,2; ABI/INFORM Global, 31.

<sup>34</sup> Townsend A., *Assertiveness and Diversity* (New York: Palgrave Macmillan, 2007) 58.

<sup>35</sup> Beer Kalus P., *Was ist ein Konflikt?* [www.beer-management.de/docs/was-ist-ein-konflikt.pdf](http://www.beer-management.de/docs/was-ist-ein-konflikt.pdf) [30 November 2008]: Beer does not question that under certain conditions conflicts can have positive results. He challenges however the position that conflicts are required and an essential condition for human development.

<sup>36</sup> When asked to comment on positive outcomes of conflict, nine in 10 HR managers in Canada have seen conflict lead to something positive including: better understanding of others (77 percent), better solutions to problems and challenges (57 percent), improved working relationships (54 percent), higher performance in the team (40 percent), increased motivation (31 percent), major innovation/ idea was born (21 percent), see: Psychometrics Canada Ltd. *Warring Egos, Toxic Individuals, Feeble Leadership, A study of conflict in the Canadian workplace*, page 13,

[http://www.psychometrics.com/docs/conflictstudy\\_09.pdf](http://www.psychometrics.com/docs/conflictstudy_09.pdf), [30 January 2009];

See also: International Centre for Human Resources in Nursing (ICHRN), *Positive Practice Environments*, cf. [http://www.icn.ch/matters\\_ppe.htm](http://www.icn.ch/matters_ppe.htm) [30 January 2009];

Sutton R. I., *The No Asshole Rule* (New York, Boston: Warner Business Books, 2007), 17.

<sup>37</sup> Although the lesson itself is quite valid, the notion that the Chinese written character for conflict is composed of symbols for both danger and opportunity seems to be an American invention, cf.

<http://www.mediate.ca/conflict-overview.htm> [6 July 2008].

<http://www.pinyin.info/chinese/crisis.html> [6 July 2008].

[http://chineseculture.about.com/library/symbol/np/nc\\_conflict.htm](http://chineseculture.about.com/library/symbol/np/nc_conflict.htm) [6 July 2008].

<sup>38</sup> Bobinski D., *The Hidden Costs of Conflict*, <http://www.hodu.com/conflict-cost.shtml> [6 July 2008].

listening, wanting to understand. Possible solutions are explored with open minds.

In badly managed conflict, personal attacks are common. People can get visibly angry and feelings get hurt. Words can become weapons that leave nasty scars.

When co-workers do not respect the fact that approaches in addressing issues at work can differ, everyone suffers. Left unresolved, conflicts risk simmering with great potential to escalate. Emotionally, the work environment grows more toxic and financially, the toll can be catastrophic.

Having defined workplace conflict it is important to identify the sources of conflict and its evolution, in order to better understand and address interpersonal conflict at work and the related cost implications.

### **2.3. Conflict dynamics**

With the workplace conflict definition in mind, including the relevance of the emotional dimension of conflict and potentially negative consequences of conflict in the workplace, the following chapter will review some selected components of conflict dynamics for their relevance in detecting conflict cost drivers and determining parameters for the development of cost efficient conflict management.

#### **2.3.1. Sources of workplace conflict**

A first question to ask is: *“why do people get into conflict in the workplace?”*

The sources of workplace conflict can be multiple and include personality clashes, stress, heavy workloads, poor leadership, lack of openness, lack of role clarity or poor performance management. An international work

environment with a great diversity of staff adds a multitude of cultural, linguistic and socio-economic differences.

*Slaikeu and Hasson* opine that one or more of the following is present in every conflict: denial, skill deficits, lack of information, conflicting interests or values, psychopathology, personality style, scarce resources, organizational deficiencies, selfishness or evil intent.<sup>39</sup> Other authors refer to categories such as operational conflicts, task conflicts or identity conflicts.<sup>40</sup>

Such categorization helps understanding that conflicts are not necessarily the result of colleagues' behavior. An operational conflict can simply be based on unclear job-descriptions leading to differences on roles and responsibilities.

A number of recent studies of conflict in the workplace in the United Kingdom and Canada found that personality clashes, stress and poor leadership were considered the main causes of conflict.<sup>41</sup>

As described above, a conflict exists when personal and emotional aspects are involved alongside disagreement on substance. Most conflicts have a dominant

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<sup>39</sup> Slaikeu K. A. and Hasson R. H., *Controlling the Costs of Conflict: How to Design a System for Your Organization* (San Francisco: Jossey-Bass, 1998), 7, 8.

<sup>40</sup> Pel, M., *Referral to Mediation, A practical guide for an effective mediation proposal* (The Hague: Sdu Uitgevers, 2008) 28.

<sup>41</sup> When asked to state the main causes of conflict, half of 5000 employees in nine countries around Europe and the Americas mentioned "Personality clashes"; other sources of conflict mentioned in the same survey included: stress (34 percent), heavy workloads (33 percent), poor leadership (29 per cent), lack of honesty and openness (26 percent), poor line management (23 percent), lack of roles clarity (21 percent), cf. CPP Global Human Capital Report, July 2008, *Workplace Conflict and how Businesses can harness it to thrive*, 10, cf.

<http://www.scribd.com/doc/9657380/Workplace-Conflict-and-How-Businesses-Can-Harness-It-to-Thrive> [20 November 2008]; see also

[http://www.opp.co.uk/public/media/pdfs/fight\\_flight\\_or\\_face\\_it.pdf](http://www.opp.co.uk/public/media/pdfs/fight_flight_or_face_it.pdf) [11 November 2008];

In another survey conducted with 357 HR professionals in Canada, when asked about the main causes of conflict, almost nine in 10 respondents mentioned "Personality clashes", other sources of conflict mentioned included: poor leadership (73 percent), lack of honesty (67 percent) or stress (64 percent), cf. Psychometrics Canada Ltd. *Warring Egos, Toxic Individuals, Feeble Leadership, A study of conflict in the Canadian workplace*, page 13, cf.

[http://www.psychometrics.com/docs/conflictstudy\\_09.pdf](http://www.psychometrics.com/docs/conflictstudy_09.pdf) [11 January 2009].

conflict issue. Often there can be multiple layers of underlying conflict dimensions hidden under a seemingly open and dominant conflict issue.<sup>42</sup>

To diagnose and address conflict situations it is not only necessary to understand the sources of conflict, it is equally important to understand how conflicts emerge and how they develop.

### 2.3.2. Evolution of workplace conflict

As explained, not every difference in views develops into a conflict. However, if differences of views are not dealt with satisfactorily in a timely manner, they may gradually shift from factual business or workplace differences to personal blame and eventually escalate. *Glasl*<sup>43</sup> analyzed this natural tendency to escalation and developed the concept of a conflict escalation ladder describing phases of escalation with specific characteristics which impact on the appropriate conflict management tool to use. In that logic, there is an initial phase of each conflict in which the parties are still ready to cooperate. In the second phase the parties start to threaten each other and in a last phase the parties enter into full confrontation. *Glasl* argues that it is generally only until the end of the second phase and the very beginning of the third phase that classic mediation is productive and the only point at which the parties still have some regard for each others interests, but not later in the third phase when the parties aim at destroying each other.<sup>44</sup>

*Glasl's* model underscores the importance of addressing conflict situations early. In addition, it shows that the degree of escalation is an important indicator

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<sup>42</sup> Also defined as "open conflict" and "hidden conflict" "Hidden conflicts" are not immediately recognizable but do show in the form of tense atmosphere, a closed communication culture (*versus* open communication).

<sup>43</sup> Glasl F., *Konfliktmanagement* (Haupt Verlag Bern, Verlag Freies Geistesleben Stuttgart, 2004) 236, 237. *Glasl's* escalation ladder consists of nine steps (first phase: steps 1 to 3, second phase: steps 4 to 6 and third phase: steps 7 to 9).

<sup>44</sup> *Ibid.* 399, Glasl builds on different forms of mediation developed by J. Folberg and A. Taylor, S and S. Williams and R. Bush and J. Folger (1994), *ibid.* 395; in that categorization *Glasl's* "Classic Mediation" is also referred to as "Shuttle Mediation" or "Structured Mediation".

of the applicability and potential effectiveness of conflict resolution tools, including mediation.

### 2.3.3. Human Behavior

To understand how people react to conflict situations and why they employ certain conflict styles it is useful to review some of the theories underlying human behavior in dealing with conflict situations.

A variety of theoretical perspectives have emerged to explain people's behavior in conflict situations. These theories include the Face Negotiation Theory, the Attribution Theory or the Reciprocity Theory.<sup>45</sup>

The *Face Negotiation Theory*<sup>46</sup> refers to the potentially "face-threatening" character of conflict. The theory explains that the various facets of individual and cultural identities are described as *faces*. Conflict occurs when people perceive their face threatened.

The *Attribution Theory*<sup>47</sup> builds on studies revealing that it is in people's nature to attribute their own negative behavior to external factors while attributing others' negative behavior to internal factors.

The *Reciprocity Theory*<sup>48</sup> builds on research finding that individuals are likely to reciprocate what is done to them.

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<sup>45</sup> This research does not attempt to provide a detailed description of the sociological framework embedding the selected theories. This random selection of theories aims however at highlighting the importance of examining and understanding underlying patterns of human behavior in deciding how to address conflict situations.

<sup>46</sup> Developed by theorist Ting-Tomney (1985), cf. <http://www.colorado.edu/conflict/peace/ref&fr1.htm> [25 January 2009].

<sup>47</sup> Lindner E.G., *Emotions and Conflict*, in: Deutsch M., Coleman P.T., Marcus E.C., *The Handbook of Conflict Resolution* (San Francisco: Jossey-Bass 2006) 276.

<sup>48</sup> Thompson L., Nadler J., Lount R., *Judgmental Biases in Conflict Resolution and How to Overcome Them*, in: Deutsch M., Coleman P.T., Marcus E.C., *The Handbook of Conflict Resolution* (San Francisco: Jossey-Bass 2006) 263.

While the aforementioned theories focus on specific aspects of human behavior, the *Social Exchange Theory* (SET)<sup>49</sup> is broader and based on the idea that human beings in conflict are guided by self-interest and cost benefit considerations in achieving a specific goal. The possible relational or social goals can be relationship, power, identity (e.g. saving face and maintaining self-esteem) or justice, namely fairness.

“Justice” and “fairness” are considered by some authors to be critical benchmarks in evaluation of human behavior. They argue that there is only justice if fair procedures are provided for.<sup>50</sup> A corner stone of fair procedures<sup>51</sup> is the right to be heard.<sup>52 53</sup> According to this view, “*only the principle of fairness in settling conflict can claim universal ground as being a principle of shared rationality, indispensable in all decision making and in all intentional action*”.<sup>54</sup> It is further argued that whatever the subject matter on which there can be considerable disagreement, conflict is less likely when there is a perception of procedural justice<sup>55</sup>, including respect of the principle of “hearing the other side”. The notions of “justice” and “fairness” seem to play an important role in determining people’s reactions to conflict.

Our own views of what is right and good are built on our own value set, which in turn determines our feelings and behavior.<sup>56</sup> Cost benefit consideration turn around the question whether rewards received from a particular relationship merit the cost of interests relinquished in the process. SET regards human interaction as a constant evaluation of what one acquires in a relationship and whether that is worth the resources that one gives up. In making those assessments, the parties also have to consider available alternatives of action.

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<sup>49</sup> Boyd S., *Social Exchange and Conflict Management Tactic Selection among Police Officers*, Thesis in Communication Studies, Graduate Faculty of Texas Tech University, 2007, 32. [http://etd.lib.ttu.edu/theses/available/etd-07052007-173016/unrestricted/Boyd\\_Scott\\_Thesis.pdf](http://etd.lib.ttu.edu/theses/available/etd-07052007-173016/unrestricted/Boyd_Scott_Thesis.pdf), [25 January 2009].

<sup>50</sup> Deutsch, M., *Justice and Conflict*, in: *The Handbook of Conflict Resolution* (San Francisco: Jossey-Bass, 2006) 43.

<sup>51</sup> Also referred to as “*due process*”.

<sup>52</sup> *audi alteram partem* (“*hear the other side*”), the principle of adversary argument.

<sup>53</sup> Hampshire S., *Justice is Conflict* (Princeton, New Jersey: Princeton University, 2000) 8, 53, 79.

<sup>54</sup> *Ibid.* page 87.

<sup>55</sup> *Ibid.* page 40.

<sup>56</sup> *Ibid.* page 42, 67.

Individuals who believe that they have other alternatives will be less inclined to involve themselves in conflict.

When examining reasons for human behavior it is understood that none of the aforementioned theories can claim exclusivity. Just as much as there can be multiple sources of conflict, human reactions to conflict can have multiple triggers and explanations. Though the complexity of those triggers makes it difficult to accept that human behavior is primarily driven by cost benefit considerations, they often play a role and should thus be born in mind in conflict management.

#### **2.3.4. Conflict styles**

The way in which individuals behave during conflict depends on personality, experience, training, and the particular circumstance of the situation. Recognizing those styles helps to identify the way individuals react to conflict, even though it is generally recognized that often people adopt a combination of styles depending on the respective context.

Before developing the most appropriate and cost efficient method of conflict resolution it is important to understand the different conflict styles and their most salient characteristics.

*Thomas and Kilmann*<sup>57</sup> developed a model that identifies the following five common styles for dealing with conflict: competitive, collaborative, accommodating, compromising or avoiding.<sup>58</sup> *Thomas and Kilmann* believe that people are capable of using all five conflict styles. However, certain people use

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<sup>57</sup> Cf. <http://www.kilmann.com/conflict.html> [11 November 2008].

<sup>58</sup> Cloke K, Goldsmith J., *Resolving Conflicts at Work*, (San Francisco: Jossey-Bass, 2005) 25, Kellner H., *Konflikte verstehen, verhindern, lösen* (München, Wien: Carl Hanser Verlag, 2000) 24: the authors build on the five common styles developed by Thomas/ Kilmann; Schwarz G, *Konfliktmanagement*, (Wien: Gabler, 2005) 287: the author adds as a sixth style "delegation to a third party". Kimsey and Fuller distinguish the following three conflict styles: (1) adversarial, (2) collaborative, and (3) avoidance, cf. <http://www3.interscience.wiley.com/journal/105057293/abstract?CRETRY=1&SRETRY=0> [31 January 2009].

some styles better than others and therefore tend to rely on those more heavily. People's conflict behavior in the workplace is therefore a result of both the respective personal predispositions and the requirements of a specific situation.<sup>59</sup>

The competitive style is about achieving one's goal. *Weinstein* argues that while a competitive style is indeed about winning and losing, competitive people are not necessarily aggressive or adversarial, often view competition as a sport and do not necessarily have the intention to harm others.<sup>60</sup> However, for others who do not share this perception, competitive people can be quite threatening. A competitive style can be a valid strategy when what is under discussion is too important to risk or where relationships involved appear to be not important.

An adversarial position is different from a competitive approach in that adversaries take absolute positions based on an interpretation of the problem. "Justice" and reference to the legal system, not emotions, is often the rationale for engaging in adversarial tactics.

The collaborative style employs and requires teamwork and cooperation to attain a mutually acceptable goal. Various perspectives are examined and the parties come together with a patchwork solution. While this style may be the most efficient one in achieving win-win solutions, it takes longer and requires that people put their individual needs aside for a common good, which is very difficult to achieve when parties are emotionally engrained in a conflict situation.

Accommodating consists of capitulating in order to gain or maintain something else of value such as relationships. While accommodation can be a necessary step in resolving conflicts, there is a risk that accommodation masks the problematic issues with a short-lived feel-good agreement.

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<sup>59</sup> The Conflict Mode Instrument is designed to measure a person's behavior in conflict situations, cf. <http://www.kilmann.com/conflict.html> [11 November 2008].

<sup>60</sup> Weinstein R. J., *Mediation in the Work Place* (Westport, Connecticut, London: Quorum Books, 2001), 16.

Compromising is very similar to accommodation but suggests that both parties make accommodations to reach mutual agreement. Compromise is an inherent part of any conflict resolution. While compromise often reflects personal perceptions it can also be objective, such as dividing money in half. This style is often chosen by those who wish to avoid the emotional aspects of conflict management. Relying on this approach risks however that both parties' needs are not fully met.

Avoidance is a natural response of many people to conflict. The prospect of dealing with the complexity of conflict is often overwhelming and leads to the natural response to do nothing. While doing nothing or at least initially delaying a reaction can be helpful, avoidance, though often built on legitimate feelings such as fear, intimidation or anger, carries great potential to aggravate the conflict. It risks upsetting the other party that feels trapped in its thoughts that remain unaddressed. As a result, those who deny conflict and its reasons risk indirectly contributing to conflict escalation.<sup>61</sup> In environments of avoidance, rather than acknowledging conflicts as what they are, people talk about "open questions", "misunderstandings" or the "need for clarification".

*Glasl* describes two broad reactions of people to conflict: those that are conflict averse and try to avoid conflict thinking that conflict is destructive and aggravating problems; and those that are combative and see conflict as an energizing process leading to solutions and change. *Costantino and Merchant* use the categories of "fight" or "flight" responses.<sup>62</sup> Both reactions are built on anxiety images. Conflict-averse people are afraid their aggressive behavior would be considered inhuman and cold and could hurt other people's feelings. The combative people are afraid that giving in would mean not being honest to oneself and being perceived as unconfident and cowardly or weak.

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<sup>61</sup> Kellner H., *Konflikte verstehen, verhindern, lösen* (Wien: Carl Hanser Verlag, 2000) 27.

<sup>62</sup> Costantino C. A. and Sickles Merchant C., *Designing Conflict Management System* (San Francisco: Jossey-Bass, 1996) 5.

While some styles are particularly risky<sup>63</sup> each style has unique advantages and disadvantages depending on the circumstances. Each method has predictable costs: with collaborative resolution such as negotiation or mediation being the lowest-cost resolution, involving fewer people and fewer hours; and higher-authority resolutions, namely litigation, involving the most people and the most hours. Costs being not the only variable, organizations prefer one method over the other, depending on their respective culture.

After finding that conflict sources, conflict styles and stages of conflict escalation can influence the seriousness and thus the cost of conflict, this thesis will analyze the nature of those cost in more detail.

#### **2.4. Nature of the costs**

Unresolved conflict can create serious and quite varied consequences involving high financial and human costs.<sup>64</sup> By way of example a study conducted by the *Centre for Effective Dispute Resolution (CEDR)*<sup>65</sup> reveals that 80 percent of disputes have a significant impact on the smooth running of business.<sup>66</sup>

For instance, employee conflicts can lead to frustration and low morale, which can result in missing deadlines, loss of confidence and trust levels, communication problems, withholding of information, withdrawal or absenteeism. Apart from performance-related consequences, disgruntled and aggrieved employees tend to take a more rights-based approach which can result in an increase in court cases and associated legal fees.

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<sup>63</sup> Avoidance being one.

<sup>64</sup> A non-exhaustive list with reference bibliography can be found at: <http://www.psc.gov.nl.ca/psc/rwp/conflict.htm> [6 August 2008], [http://www.conflictatwork.com/conflict/cost\\_e.cfm](http://www.conflictatwork.com/conflict/cost_e.cfm). [6 August 2008].

<sup>65</sup> [www.cedr.co.uk](http://www.cedr.co.uk) [6 August 2008].

<sup>66</sup> "Conflict costs business £33 billion every year" (25 May 2006), cf. [http://www.cedr.com/index.php?location=/news/archive/20060525\\_77.htm&param=releases](http://www.cedr.com/index.php?location=/news/archive/20060525_77.htm&param=releases) [6 August 2008].

*Cram and Williams* distinguish between First-Order Effects (quantifiable), such as lost revenue or employee replacement costs, Second-Order Effects (harder to quantify), such as missed opportunities or increased supervision and management, and Third-Order Effects (impossible to truly quantify), such as passive-aggressive behaviors exhibited by disgruntled employees or the poor image of the company within the industry.<sup>67</sup>

For *Levine*<sup>68</sup> cost of conflict is composed of (a) direct cost, such as legal fees, (b) opportunity cost, such as the value of what could have otherwise been produced, (c) continuity cost, such as loss of ongoing relationships and (d) emotional cost, such as the pain of being held prisoner by emotions.

As many managers do not consider costs of conflict worth measuring it is assumed that this is partly due to their hidden nature, the difficulty to establish a casual link between certain costs and conflict that may be at the origin of those costs and the difficulty to quantify the costs. For this analysis it is therefore suggested, as a first step, to identify negative consequences of conflict and place them in a graph according to their visibility and “measurability” of the resulting costs. Once those categories have been identified, the analysis will be oriented to the question of cost measuring.

To highlight the immense human costs of conflict the study will also examine the visibility of negative consequences of conflict and the quantifyability of the resulting costs in terms of (a) costs to the organization, (b) costs to the employees and (c) costs to the clients(s). In doing so it is recognized that costs can often be imputed to all of those categories at the same time.

*Dana*<sup>69</sup> identifies the following eight “hidden costs” of conflict that many employers overlook: (1) wasted time, (2) reduced quality of decisions, (3) loss of

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<sup>67</sup> Cram J. A. and MacWilliams R. K., *The Cost of Conflict in the Workplace*, <http://www.crambyriver.com/coc.html> [6 August 2008].

<sup>68</sup> <http://www.mediate.com/articles/levine1.cfm> [6 August 2008].

<sup>69</sup> Dana D., *Conflict Resolution* (New York: McGraw-Hill, 2001) 18.

skilled employees, (4) restructuring inefficiencies, (5) lowered job motivation, (6) sabotage and theft, (7) absenteeism and (8) health costs.

This study suggests rather than referring to “hidden costs”, to distinguish between the “visibility” of negative consequences of conflict (e.g. “easy“ or “difficult” visibility) and the “measurability” of the resulting costs (e.g. “easy” or “difficult” to measure). To further clarify the nature and quantifiability of those costs, it will be examined whether there is a correlation between the level of visibility of negative consequences of conflict and the difficulty of cost measurability, i.e. are easily visible consequences of conflict also easily measurable or not (see *Figure 1* below).

## **2.5. Visibility of negative consequences of conflict**

Visibility is defined in this analysis as how easily negative consequences can be spotted or recognized as a result of conflict in the workplace.

The most visible negative consequences of conflict include as the most easily noticeable costs, legal fees or increased health costs.

For many people the experience of badly managed conflict is alienating and disempowering. They feel themselves to be “not ok”, and experience a downward spiral into negative thinking and feeling. Physically people become ill, suffering from a range of stress-related illnesses. Resulting visible consequences include absenteeism, reduced motivation, increase of wasted time in dealing with unmanaged or badly managed conflict and departure of employees.<sup>70</sup> Considerably reduced motivation can result in ‘presenteeism’. This term refers to employees who “retire on the job”, do not do the work

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<sup>70</sup> [http://www.conflictatwork.com/conflict/cost\\_e.cfm](http://www.conflictatwork.com/conflict/cost_e.cfm) [6 August 2008].

expected from them and cause additional workload problems for others in their area.<sup>71</sup>

While it is acknowledged that it may be difficult to establish precisely to what extent a health problem can be attributed to a specific conflict situation, research data show that employees working in conditions with high levels of interpersonal conflict are facing higher stress levels and are more likely to have injuries.<sup>72</sup>

There are other less-visible consequences which tend to be the cumulative result of unmanaged conflict in the workplace, such as sabotage, damage to the company's brand, the diminished ability of a company with a questionable reputation for treating its employees fairly to attract top talent, the drain of the company's intellectual capital as a result of turnover, missed opportunities or the loss of key business<sup>73</sup> with damaging and long-term adverse impact on the company's productivity (see *Figure 1* below). Many of these costs are typically overlooked because they are not immediately associated with conflict and are accounted for as part of the normal cost of doing business.<sup>74</sup>

## 2.6. Cost measurability

It is striking that most conflict theory literature only states that unresolved conflict leads to very high costs, without however providing methods to measure those costs. While there exist well developed analytical tools to monitor and analyze organizations' income, expenditure and other financial data, most organizations lack systems monitoring cost of conflict.

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<sup>71</sup> Duxbury&Higgins, *Work-Life Conflict in Canada in the New Millennium: A status report, 2003*, <http://www.phac-aspc.gc.ca/publicat/work-travail/report2/index-eng.php> [9 August 2008], <http://www.hrsdc.gc.ca/eng/lp/spila/wlb/iwlb/04assessing.shtml>.

<sup>72</sup> Hart R., McDonald J., Rock S., *The Mind-Body Connection: Workplace Conflict, Stress & the Risk of Injury*, EHSToday, The Magazine for Environment, Health and Safety Leaders, 29 July 2004, cf. <http://www.proactive-resolutions.com/> [30 November 2008].

<sup>73</sup> including, in the context of UNHCR and other international not-for-profit organizations, donor relationships.

<sup>74</sup> [http://www.conflictatwork.com/conflict/cost\\_e.cfm](http://www.conflictatwork.com/conflict/cost_e.cfm) [6 August 2008].

There is however an increasing amount of research based on empirical data from surveys among different groups of employees in different industries which attempt to quantify cost of conflict.<sup>75</sup> Morale, productivity, stress, emotions, absenteeism and complaints are the attributes that are typically measured to determine the health of a conflict management system.

Following a review of some of the available research, some of the data will be compared in part three of this study<sup>76</sup> with research data from a survey among UNHCR staff.

### **2.6.1. Costs to the organization**

Productivity suffers when unhealthy conflict persists.<sup>77</sup> Research findings show that as much as 30 percent to 70 percent of a manager's time is spent simply dealing with employees in conflict.<sup>78</sup> Those percentages are possibly inflated when compared to a survey conducted with 5,000 employees in various countries in Europe and the Americas by OPP, an international business psychology consultancy, jointly with the UK-based Chartered Institute of Personnel and Development (CIPD). The survey found that employees spend, depending on the country in which the survey was conducted, between 0.9 hours and 3.3 hours a week dealing with badly managed conflict, amounting to respectively 2.3 percent and 8.3 percent of the weekly working hours.<sup>79</sup> Time

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<sup>75</sup> For an extensive compilation of recent surveys on costs or workplace conflict, violence and harassment conducted in European countries see: Di Martino V., Hoel H. and Cooper, Cary L., *Preventing violence and harassment in the workplace*, European Foundation for the Improvement of Living and Working Conditions, 2003, cf. <http://www.eurofound.europa.eu/publications/htmlfiles/ef02109.htm> [6 August 2008].

<sup>76</sup> See Paragraph 4 below.

<sup>77</sup> A loss of productivity of 25 percent reduces an average working week to fewer than 20 hours, see Cram, J. A. and McWilliams, R.K, *The Cost of Conflict in the Workplace*, <http://www.crambyriver.com/coc.html> [9 August 2008].

<sup>78</sup> There are a number of studies that estimate that 30 percent to 70 per cent of a manger's daily activities are devoted to dealing with some form of conflict:  
up to 30 percent: Thomas, K. and Schmid, W (June, 1976). *A survey of managerial interests with respect to conflict*, Academy of Management Journal, June, 1976;

42 percent: Watson, C & Hoffman, R. Managers as Negotiators, *Leadership Quarterly* 7 (1), 1996;

Some CEOs spend 70 percent of their time on conflict, see Taylor, R., *Workplace tiffs boosting demand for mediators*. National Post Mar. 17/03, see <http://www.psc.gov.nl.ca/psc/rwp/conflict.htm> [9 August 2008].

<sup>79</sup> The project questioned 5000 full-time employees in nine countries around Europe and the Americas. The results of the survey are published in the report 'Fight, Flight or Face it' (July 2008); the average

spent in dealing with badly managed conflict is time which is not valued and does not contribute to achieving operational targets.

Productivity also suffers when a company redesigns workflow only to avoid people having to interact with each other.<sup>80</sup> The resulting changed procedures or structures are rarely more efficient.

“Absenteeism” is a cost which stands for the number of unscheduled personal days taken off work by individuals affected by badly managed conflict. Research has shown that a high correlation exists between absenteeism, stress and needing a break from fighting with co-workers.<sup>81</sup> It appears however that few organizations engage in pro-active health-productivity management to allow for early detection of workplace-related health problems.<sup>82</sup> Among the reasons for

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number of hours per week spent on dealing with workplace conflict, by country, ranges from 0.9 hours in The Netherlands to 3.3 hours in Ireland and Germany, cf.

[http://www.opp.eu.com/public/media/pdfs/fight\\_flight\\_or\\_face\\_it.pdf](http://www.opp.eu.com/public/media/pdfs/fight_flight_or_face_it.pdf). [6 October 2008];

See also: Survey report October 2008, *Leadership and the management of conflict at work*, OPP, Chartered Institute of Personnel and Development (cipd), <http://www.cipd.co.uk/NR/rdonlyres/E426E492-7AED-46A6-B8F5-92B9CF9725C5/0/4545Leadershipconflict.pdf>. [20 January 2009]; the survey provides analysis from 660 organizations in the UK. The majority of those questioned were HR professionals and practitioners. The average number of hours per week for conflict management in that group ranges between 3.4 and 3.8 hours;

S. Schlager proposes the model of the “5:4 – Effekt” stating that badly managed conflict amounts to a loss of 20 percent of working hours, resulting in loss of 20 percent of annual salary costs, see *Schlechtes Arbeitsklima ruiniert Unternehmen*, presstext, Wien, 17 September 2008, cf. <http://www.presstext.ch/pte.mc?pte=080917003> [17 September 2008];

Mediator P. Derfler found that employees waste 25 percent in dealing with conflict, cf. So gelingt der erste Schritt, *Berliner Morgenpost*, 21 December 2008, cf.

[http://www.morgenpost.de/printarchiv/karriere/article1003041/So\\_gelingt\\_der\\_erste\\_Schritt.html](http://www.morgenpost.de/printarchiv/karriere/article1003041/So_gelingt_der_erste_Schritt.html) [21 December 2008].

<sup>80</sup> Dana assesses the cost to amount to 10 per cent of staff costs, cf. Dana D., *The Dana Measure of Financial Cost of Organizational Conflict*, 2001,

cf. <http://www.mediationworks.com/dmi/toolbox.htm> [24 January 2009].

<sup>81</sup> *Absenteeism*, Canadian Fitness and Lifestyle Research Institute <http://www.hc-sc.gc.ca/ewh-semtpubs/occup-travail/absenteeism/index-eng.php> [9 August 2008];

Conflict stress was positively related to emotional exhaustion, absenteeism, and turnover intentions, see Giebels, E. and Janssen, O., *Conflict stress and reduced well-being at work: The buffering effect of third-party help*, *European Journal of Work and Organizational Psychology*, Volume 14, Number 2, June 2005, pp. 137-155(19), cf.

<http://www.ingentaconnect.com/content/psych/pewo/2005/00000014/00000002/art00003>,

cf. [20 January 2009];

Price B., *Creating and sustaining highly effective contact center strategies, locally and globally*, <http://www.drivasolutions.com> <http://www.limebridge.com> [24 January 2008].

<sup>82</sup> Multinational companies affected by reduced productivity and increased costs caused by chronic disease amongst the workforce have started to promote a culture of health making wellbeing of staff inseparable from business objectives and long-term mission. A conservative estimate of the benefits from improving staff general wellbeing indicates a likely annual return of three to one or more, cf.

World Economic Forum, *Working Towards Wellness, Accelerating the prevention of chronic disease*, 2007, cf.

such lack of attention are a silo mentality in managing health care of staff, the lack of insight into the link between workplace conflict and health problems, or the absence of integrated data on staff health problems.<sup>83</sup>

While absenteeism is the failure to report to work, “presenteeism” consists of showing up at work while ill or otherwise not completely fit for work and the productivity decline that can result from this condition. While the cost of absenteeism to employers is well researched, it is only recently that research in occupational medicine has begun to suggest that work lost due to absenteeism is only the visible tip of an iceberg and that the hidden cost of presenteeism may be much greater.<sup>84</sup>

An internal analysis of costs of unresolved cases of harassment in the United Nations identified the following three quantifiable counts: (a) full pay for victims while absent on sick leave, (b) salary of employees assigned as replacement, (c) salary of colleagues providing support or (d) counsel to victims during working time.<sup>85</sup>

Researchers studying exit interview data on voluntary departures state that chronic unresolved conflict is a decisive factor in at least 50 percent of all such departures.<sup>86</sup> A work-life conflict study conducted in Canada found that it costs about 150 percent of one trained employee’s salary to replace him or her.<sup>87</sup>

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<http://www.pwc.com/extweb/pwcpublications.nsf/docid/4d1fb58eae85b71852572c600707c0c> [30 January 2009].

<sup>83</sup> Kessler R.C. and Stang P. E., *Health & Work Productivity, Managing the Business Case for Quality Health Care* (Chicago, London: The University of Chicago Press, 2006) 16: The book offers a detailed summary of the latest in health and productivity research as well as an agenda for employers seeking to make health care investment a part of their overall business strategy.

<sup>84</sup> Cf. <http://johnmolson.concordia.ca:8080/centres/bellresearch/projects/project11.cfm> [20 January 2009].

<sup>85</sup> (Source: UNHCR internal).

<sup>86</sup> Duxbury&Higgins, *Work-Life Conflict in Canada in the New Millennium: A status report, 2003*, cf. <http://www.phac-aspc.gc.ca/publicat/work-travail/report2/index-eng.php#exec> [24 February 2008].

<sup>87</sup> The sample consisted of 31,571 Canadian employees, cf. Duxbury & Higgins, *Work-Life Conflict in Canada in the new Millennium: A status report. 2003*, <http://www.phac-aspc.gc.ca/publicat/work-travail/report2/index-eng.php> [24 February 2008]; The turnover cost for an employee is anywhere between 75 percent and 150 percent of the annual salary, see Philips, D.T., *The Price Tag of Turnover*. Personnel Journal, Dec. 1990, at p. 58, 1990, cf.

<http://www.joanroberts.com/Winter%202005%20newsletter.doc> [24 January 2009];

Another more conservative estimate suggests that the cost of replacing an employee ranges from 29 percent to 46 percent of the persons annual salary, cf.

Conflict accounts for up to 90 percent of involuntary departures, with the possible exception of staff reductions due to downsizing and restructuring.<sup>88</sup> In the United Nations, however, unresolved conflict seems to have less relevance in voluntary departure decisions.<sup>89</sup>

The amount of theft and damage in a company has a direct correlation to the level of employee conflict.<sup>90</sup>

### 2.6.2. Costs to the employee

Unmanaged or badly managed conflict is stressful, reduces confidence levels, produces anxieties and frustration and leads to lowered job motivation, humiliation, and stress-induced psychological and physical illness<sup>91</sup> with often dramatic consequences for the employee, family and friends and long term career damage. People involved in conflict experience a break in their interpersonal connections, and often feel alienated from each other and self-focused. They may avoid or attack each other in a number of different ways: withdrawing from each other, interrupting, not listening, or finding unnecessary fault with each other. This is detrimental not only to the working relationship, but also to those with whom they work, as energy is used in fuelling the conflict rather than in furthering the performance of the individuals or of the team. Aggravating conflict leads parties to avoid contact, relations are limited to the minimum, communication is not open, information withheld or wrong information provided. Studies have shown that health care expenditures are nearly 50 percent higher for workers who report high levels of stress. While differences in

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<http://www.joanroberts.com/Winter%202005%20newsletter.doc> [24 January 2009].

<sup>88</sup> Dana D., *The Dana Measure of Financial Cost of Organizational Conflict*, 2001,

cf. <http://www.mediationworks.com/dmi/toolbox.htm> [24 January 2009].

<sup>89</sup> An attitude survey covering 15,000 United Nations officials showed that unresolved conflict ranks low in the lists of reasons for departure (cf. International Civil Service Commission (ICSC), 2008 Global Staff Survey on Recruitment and Retention, <http://icsc.un.org/> [24 January 2009]). However, as the survey is based on responses from serving staff and not on exit interviews, unresolved conflict as a reason for departure may be higher.

<sup>90</sup> Dana assessed the cost to be 2 percent of staff costs, cf. Dana D., *The Dana Measure of Financial Cost of Organizational Conflict*, 2001,

cf. <http://www.mediationworks.com/dmi/toolbox.htm> [24 January 2009].

<sup>91</sup> McClure, L. *Anger and conflict in the workplace: spot the sign, avoid the trauma* (Manassas Park, VA: Impact Publications, 2000).

individual characteristics such as personality or coping style need to be taken into account, there are working conditions that are stressful to most people, a work environment characterized by unresolved conflict being one of those conditions.<sup>92</sup>

Presenteeism is impacting negatively on employees in that it might worsen existing medical conditions, damage the quality of working life, and give impressions of ineffectiveness at work.<sup>93</sup>

### **2.6.3. Costs to the client**

Clients are rarely referred to in the literature describing cost implications of workplace conflict, which is surprising as the implications of workplace conflict on the quality of products or services seems to be evident. Particularly in highly competitive industries, the negative implications on client satisfaction and a company's reputation can be substantial and become a question of survival. Most of these costs are hidden and difficult to qualify. However, there can be very visible consequences in cases of reduced motivation of staff leading to lower quality products or services or mistakes that can even threaten clients' lives.

### **2.6.4. Conflict visibility and measurability matrix**

As explained above, the conflict visibility and measurability matrix provides an easy overview of some of the more important negative consequences of conflict developed above while relating them also to the measurability of cost implications, building on the research data presented above

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<sup>92</sup> Hart R., McDonald J., Rock S., *The Mind-Body Connection: Workplace Conflict, Stress & the Risk of Injury*, EHSToday, The Magazine for Environment, Health and Safety Leaders, 29 July 2004, cf. [http://ehstoday.com/mag/ehs\\_imp\\_37127/](http://ehstoday.com/mag/ehs_imp_37127/) [30 November 2008].

<sup>93</sup> Cf. <http://johnmolson.concordia.ca:8080/centres/bellresearch/projects/project11.cfm> [20 January 2009], including reference to literature and research on "presenteeism".

The matrix clearly illustrates that easy visibility of negative consequences of conflict cannot automatically be equated to easy measurability of the resulting costs (e.g. loss of motivation) and more “hidden” negative consequences of conflict can be easily measurable (e.g. accidents at work).

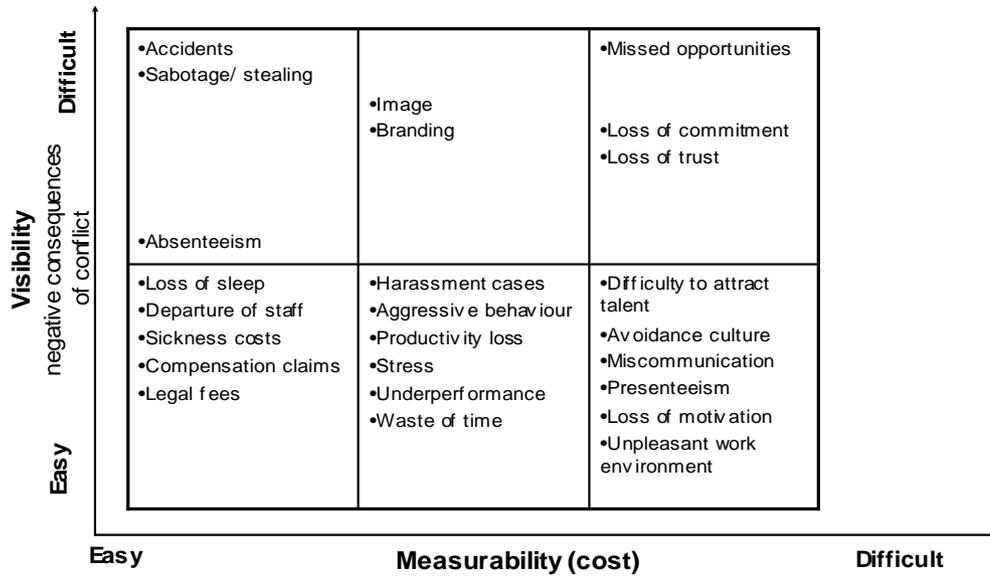


Figure 1. Conflict visibility and measurability matrix

## 2.7. Tools for measuring costs

This part of the study examines tools which would allow organizations to improve their capacity to measure costs of conflict in the workplace.

A number of online tools offer tools to assist in measuring costs. *Dana* has developed a formula for organizations to calculate the soft financial costs of conflict.<sup>94</sup> *Dana's* formula builds on data such as the number of individuals

<sup>94</sup> The “Dana Measure of the Financial Cost of Organizational Conflict”, Mediation Training Institute International, Prairie Village, Kansas, USA <http://www.mediationworks.com/mti/cost.htm> [6 July 2008]. Several online services provide conflict cost assessment tools: The Society for Human Resource Management, Alexandria, Virginia, USA, cf.

involved in a particular conflict, average number of hours per week each individual spends involved in unproductive participation in conflict, including time distracted from productive work by thinking about or worrying about conflict, average annual salary of the employee involved in the conflict and duration of the conflict in weeks per year.

Without assessing the use and precision of such assessment tools, they require data which is rarely readily available as companies are seldom tracking this kind of data.

Allocating exactly the contribution of badly managed conflict to those costs is not possible. However, starting to collect and analyze a selected set of data on consequences of unmanaged conflict and using initially a conservative approach in calculating the costs will assist the organization to obtain more precise data on conflict-related costs and allow taking targeted action to reduce those costs.

Building on the above described nature of the costs and their potential relevance for conflict prevention or identification of efficiency gains, data which should be systematically collected and analyzed include (a) cost of employment-related legal proceedings and judgments against the organization, (b) sick leave records including analysis to which extent unmanaged conflict has contributed to the sickness or absence from work and related trends in specific sectors of an organization, (c) cost of bringing in temporary staff to cover for absentee staff, (d) systematic interviews with employees applying for relocation in the organization or leaving the organization to establish to which extent the action could have been the result of unmanaged conflict, (e) cost of recruitment and training of staff replacing colleagues who have left the organization as a result of badly managed conflict, (f) monitoring of theft, sabotage, fraud cases including the monetary value involved and possible linkage with unmanaged

conflict and (g) monitoring of productivity in conflict prone work environments, (h) periodic surveys on conflict culture, sources of conflict and assessment of impact of unmanaged conflict on decision-making.

While some of the data collection can consist of using archival work measures such as counting the number of reported complaints of workplace harassment or days of absence from work due to conflict situations, other data can be collected by surveys using self-reporting including the impact of conflict on work productivity.

Though it is impossible to calculate the exact cost of conflict, some of the related costs are measurable or can be estimated, and the exercise of calculating an organization's cost of conflict is still an instructive way to think about the costs of putting up with badly managed conflict. Another reason for trying to "cost the conflict" in a seemingly rational and number-driven business world is that no matter how compelling a case on cost of conflict might be, people from accounting, finance and other quantitative backgrounds prefer to make decisions on the basis of financial estimates.<sup>95</sup>

Awareness of costs and a better ability to measure costs does, however, not provide an answer to the question how to reduce costs of conflict. This study will, therefore, below examine concepts and models from conflict literature that provide for cost efficient conflict management.

## **2.8. Approaches to resolving conflict**

To resolve a dispute means to turn opposed positions into a single outcome.<sup>96</sup> Interests, rights and power are three basic elements of any dispute.<sup>97</sup> The most

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<sup>95</sup> Sutton, R. I., *The No Asshole Rule*, (New York, Warner Business Books, 2007) 45.

<sup>96</sup> Davis, A.M. *Dispute Resolution at an Early Age*, *Negotiation Journal*, 1986, 2,287-298.

<sup>97</sup> Ury, W., Brett J.M. and Goldberg, S.B., *Getting Disputes resolved*, (San Francisco, London: Jossey-Bass, 1988) 4.

common means to reconcile interests are negotiation<sup>98</sup> and mediation. The most common rights procedure is adjudication by courts or arbitrators with a neutral third party handing down a binding decision. Power constitutes a third way to resolve a conflict. The decision which approach to take will impact on the costs of conflict resolution, the outcome, the relationship and the possible recurrence of disputes. It is therefore important to review considerations which would lead the parties to choose an interest, rights or power-based approach. The transformative conflict model will be used to illustrate the associated dynamics on relationships between the parties and the sustainability of an outcome.

### **2.8.1. Interaction of power, rights and interests**

Focusing on interests<sup>99</sup> and information sharing, compared to focusing on rights<sup>100</sup> or power<sup>101</sup>, tend to produce higher satisfaction with outcomes, better working relationships and less recurrence, with good potential to incur lower transaction costs. An interest approach is generally less costly than a rights- or power-based approach and a rights approach is less costly than a power approach.<sup>102</sup> Rights and power-based approaches lead to win-lose situations which are generally unsatisfying. At the same time it also often happens that an interest-based approach is only possible after the parties have explored rights and/or power-based approaches. Also, it is important to state that though less expensive, the interest-based approach is not always the best approach because cost is not the only criteria as a “best” approach should also produce satisfactory and sustainable results.<sup>103</sup> Sometimes the parties require an

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<sup>98</sup> Negotiations that focus primarily on interests are “interest-based” versus “rights-based” negotiations. For an extensive discussion of interest-based negotiation, see Fisher, R. and Ury, W. L., *Getting to Yes*, (London: Penguin Books, 1991) 40.

<sup>99</sup> Interests include needs, desires, concerns or fears.

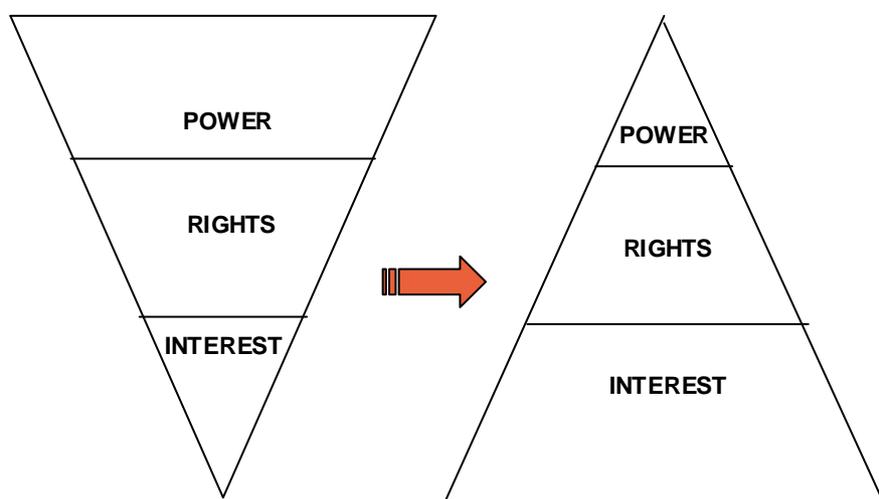
<sup>100</sup> Rights can refer to specific laws, agreements, contracts or universally applicable principles of law.

<sup>101</sup> Power builds on imposing a position on the other party. Examples of exercise of power are not limited to extreme forms such as strike or war but can include in a conflict between colleagues abuse of power or harassment by a supervisor in an attempt to coerce the other party or mobbing by a group of peers or subordinates.

<sup>102</sup> Ury, W., Brett J.M. and Goldberg, S.B., *Getting Disputes resolved* (San Francisco, London: Jossey-Bass, 1988) 14, 15.

<sup>103</sup> Ury, W., Brett J.M. and Goldberg, S.B. (ibid. 11) use the following four criteria to define the “best” approach: transaction costs, satisfaction with outcome, effect on relationship and recurrence.

authoritative view which can only be reached through a rights-based approach, namely a court decision. However, while acknowledging that in some situations rights-based or power-based approaches are the more desirable outcomes, they are too often considered the first rather than the last resort or used when they are not necessary. The proposition of privileging an interest-based approach to conflict resolution requires a shift from the use of costly rights and power-based approaches to prioritizing a cost efficient interest-based approach, through reversing the pyramid as illustrated in *Figure 2* below.<sup>104</sup> Fisher and Ury developed at the Harvard Negotiation Project the method of “principled negotiation” which suggests focusing on the identification of areas for “mutual gain” and “interest” rather than (often rights- or power-based) “positions”, an approach described in their classic Bestseller “*Getting to Yes*”.<sup>105</sup>



*Figure 2. Shifting to interest-based conflict resolution*

The Transformative Conflict Theory, which will be described below, can provide for a tool to support the shift from a power- or rights-based approach to an interest-based approach.

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<sup>104</sup> Cf. Figure 2 “Moving from a Distressed to an Effective Dispute Resolution System” in: Ury, W., Brett J.M. and Goldberg, S.B. (1993), *Getting Disputes resolved* (San Francisco, London: Jossey-Bass) 19.

<sup>105</sup> Fisher, R. and Ury, W. L., *Getting to Yes*, (London: Penguin Books, 1991) 40, 56.

## 2.8.2. The Transformative Conflict Theory

The transformative conflict theory starts from the premise that people in conflict are most affected not by differences in views and positions but by the deterioration in human interactions, an “interactional crisis”<sup>106</sup>, leading to disruption in interpersonal relations and forcing people in conflict to behave in ways that they find uncomfortable and often against their nature. The transformative model therefore addresses conflict primarily in terms of human interaction rather than violations of rights or conflicts of interest or powers.<sup>107</sup> It focuses on the re-establishing of constructive communication rather than the solution of the conflict itself, on the assumption that what matters most in conflict is this process of transforming the negative and destabilizing interaction between parties in conflict into renewed relationship between the parties in which the parties recognize each other as equals and find solutions to their conflict. The model puts forward that no matter how strong people are, conflict naturally degenerates, becomes mutually destructive, alienating and dehumanizing and is thus disempowering, creating a feeling of weakness and leading people into a position of self-centeredness.<sup>108</sup> Reversing the downward spiral of disempowerment and thereby shifting this process around into a positive, constructive, connecting and humanizing interaction through empowerment and recognition, with the potential of building a basis on which the parties themselves can find a solution to their conflict, is the primary objective the transformative theory offers to parties in conflict. As a result this transformative process offers the parties the chance to “face” the conflict in contrast to the above mentioned “fight” or “flight” alternatives. A fundamental element of transformative theory is the view that the parties have the motivation and capacity to change negative interactions, building on people’s desire to live in human conditions allowing for both individual autonomy and social

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<sup>106</sup> Bush, R. and Folger, J., *The Promise of Mediation: the transformative approach to conflict* (San Francisco: Jossey Bass, 2005) 46. The transformative framework was first articulated by the authors in 1994.

<sup>107</sup> Ibid. 54.

<sup>108</sup> Ibid. 49.

connection.<sup>109</sup> Even if no solution is found, the transformative model puts forward that the process will have allowed the parties to leave mediation with a better understanding of their choices and the other party's position(s).

Figure 3 illustrates the transformative process and its relation to the proposed shift from power and rights-based approaches to an interest-based approach in conflict resolution. In combining the different concepts it is suggested to add to power, rights and interests the component “communication”. The transformative approach is indeed primarily based on the process of “communication” (of interests) between the parties, a communication characterized by honesty, respect, fairness and transparency.

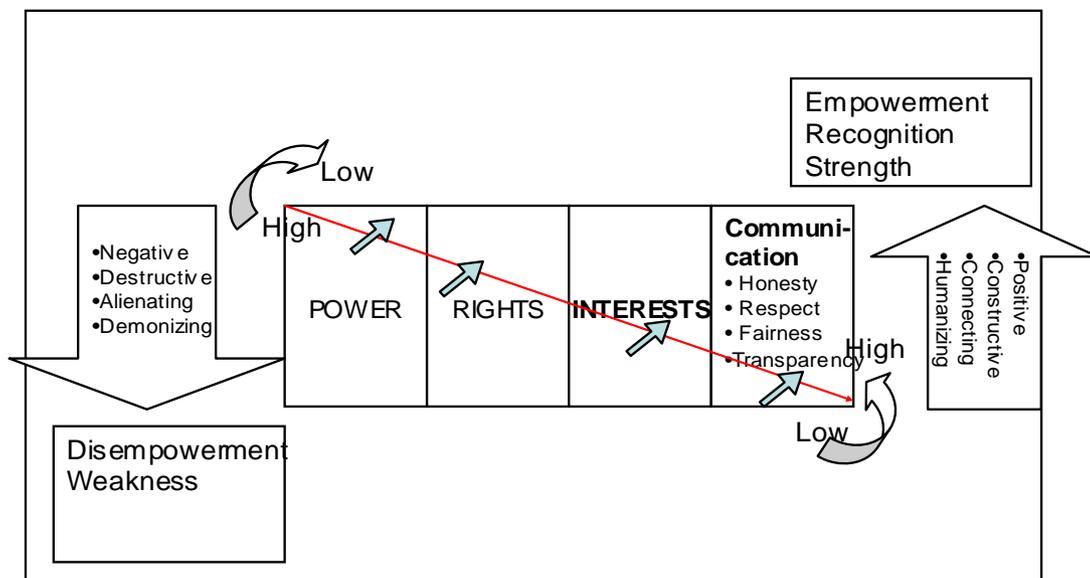


Figure 3. Changing Conflict Interaction<sup>110</sup>

<sup>109</sup> “Assertiveness” is proposed by some as a condition that allows people with different conflict styles to face conflict situations as equals. It connects underlying reasons for conflict styles such as anxiety images with the transformative theory to assist the parties to “face” conflict situations. Different approaches to build assertiveness are proposed by Townend, A., *Assertiveness and Diversity*, (New York: Palgrave Macmillan, 2007) 57.

<sup>110</sup> adaptation of Figure 2.2. *Changing Conflict Interactions*, in: Bush, R. and Folger, J., *The Promise of Mediation: the transformative approach to conflict* (San Francisco: Jossey Bass, 2005) 55; and Figure 2 *Moving from a Distressed to an Effective Dispute Resolution System*, in: Ury, W., Brett J.M. and Goldberg, S.B. , *Getting Disputes resolved* (San Francisco, London: Jossey-Bass, 1988) 19.

While the transformative approach has great potential to build longer lasting solutions the process risks being time consuming and requires that parties are ready to invest in reconstructing relationships.

## 2.9. The role of Mediation

Currently, we are seeing a trend towards solving conflict in the workplace through mediation rather than litigation.<sup>111</sup> In mediation the parties negotiate an outcome among themselves with the help of the mediator, a skilled, neutral party without decision-making power. Participation in mediation is voluntary. The neutral and safe environment that the mediator should provide aims at opening the door to re-establishing communication and thus a relationship between the parties, despite an often emotionally charged atmosphere, to find themselves a solution to a conflict situation.<sup>112</sup> Such a process provides the potential for empowering the parties to take control of their lives and work and to take more responsibility for solving their conflicts.<sup>113</sup> Empowerment and responsibility are core concepts within the philosophy of (transformative) mediation.

Mediation is not only a non-adversarial approach to dispute resolution, it is also a cost effective alternative to litigation.<sup>114</sup> Collaborative resolutions cost less time and money than litigation, generally characterized by power plays that typically lead to defense and counteraction by the other party. Collaborative resolutions have the additional advantage of giving increased control to the parties. As well as legally binding, the agreement reached in mediation is

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<sup>111</sup> Papa, M.J., *Business Mediation: A Better Way to Resolve Workplace Conflict*, cf. <http://www.mediate.com/pfriendly.cfm?id=4134> [11 November 2008].

<sup>112</sup> Stimec, A., *La Médiation en entreprise* (Paris : Dunod) 3.

<sup>113</sup> Empowerment and responsibility are core concepts within the philosophy of transformative mediation. There are other mediation styles including: facilitative mediation, evaluative mediation or solution-oriented. The choice of style depends on the objective of the mediation and the choice of the parties. For a description of the different styles see: Pel M., *Referral to Mediation* (The Hague: Sdu Uitgevers, 2008) 134.

<sup>114</sup> Holtzman P., *Mediation can quickly resolve employment disputes*, 10 September 2008, Business Law Bulletin of Virginia, cf. <http://www.blbva.com/blog/2008/09/10/mediation-can-quickly-resolve-employment-disputes/> [20 November 2008].

emotionally binding since the parties had a clear voice in the process, owned the outcome and are less likely to re-open the conflict. While in litigation there is always a loser, often leading to further conflict, mediation is aiming at reaching sustainable win-win solutions. When mediation is successful, the parties leave the process feeling validated and satisfied. At the organizational level, privileging mediation as a conflict resolution mechanism will reduce the cost of litigation and will foster good communication, respect and cooperation.<sup>115</sup>

Mediation in the workplace<sup>116</sup> differs from mediation in other areas such as family mediation. Elements which are specific to mediation in the workplace include the need for the parties to continue to work in the same company and often the same unit. While in divorce, mediation is between two equal parties, workplace mediation is often between parties which are at different levels of the hierarchical ladder. Such differences are important to understand as they can have an impact on the interest, motivation, behavior and expectations of the parties.<sup>117</sup> Mediation in the workplace can be more complex. While in a divorce mediation there are two parties in a manageable environment, conflicts at work are often less straightforward and in many cases the conflict to be mediated is not the real problem but an apparent, superficial conflict (*Scheinkonflikt*) which covers up the real and deeper sources of conflict. At the same time, mediation in the workplace does not put the parties in the same way under pressure to find a solution as in divorce mediation, where questions of parental authority and splitting of assets have to be solved. This is an important element as workplace mediation is often not successful, simply because the suffering of one or both parties has not yet reached the level required to be open for conflict resolution.

Applying the above described transformative model in mediation would give a mediator a role in assisting the parties in their communication to become aware of both destructive and constructive behavior, to discover and understand the

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<sup>115</sup> Amble B., *The cost of managing conflict*, in: *Management Issues*, 30 September 2004, cf. <http://www.management-issues.com/2006/8/24/research/the-cost-of-managing-conflict.asp> [6 August 2008].

<sup>116</sup> Weinstein R.J., *Mediation in the Workplace* (Westport/ Connecticut, London: Quorum Books) 39.

<sup>117</sup> Haeske, U., *Konflikte im Arbeitsleben* (München: Koesel-Verlag, 2003) 18.

respective interests and to identify areas for mutual gain<sup>118</sup> and reestablish constructive communication.<sup>119</sup>

Mediation at work can be done by internal and/or external mediators. While internal mediators are not always perceived as neutral or impartial, benefits of internal mediation include speed, low cost and understanding of the organizational environment. While external mediators are professionals and perceived as impartial, they are generally less familiar with the organizational culture and policies, costly and often not available on short notice.

## **2.10. Conflict management systems**

The term “system” is widely used in the field of organizational conflict management. The term refers to a focus on “the whole and the interaction of parts, not the parts themselves”.<sup>120</sup> Rather than approaching conflict resolution on a case-by-case basis, the systemic approach defines conflict management as a mechanism in which the different components are interrelated and integrated parts in an organizational environment allowing for a comprehensive, system approach to the prevention, management and resolution of conflict. This approach also suggests that conflict management is building on something that already exists, focusing on structure and the arrangement and interaction of the different components, rather than an add-on. The elements of a conflict management system that ‘hang together’ include processes, the people, the rules, the physical environment, the control and grievance mechanisms as well as less visible attributes in the organizational culture such as attitudes, beliefs and values. Such a systemic approach aims at offering people a choice of options by inter-connecting all available options and functions and as a result has the potential to drive organizational culture transformation in helping to

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<sup>118</sup> Transformative mediation builds *inter alia* on the “principled negotiation” model developed by Fisher and Ury, cf. Bush, R. and Folger, J., *The Promise of Mediation: the transformative approach to conflict* (San Francisco: Jossey Bass, 2005) 11.

<sup>119</sup> *Ibid.* 53.

<sup>120</sup> Costantiono C. A. and Sickles Merchant C, *Designing Conflict Management Systems* (San Francisco: Jossey Bass, 1996) 22.

create a culture of “conflict competency”.<sup>121</sup> Integrated conflict management systems are meant to support an environment in which managers are expected to prevent, manage, contain and resolve conflict at the earliest time and lowest level possible.<sup>122</sup> To achieve those objectives such systems have to provide support mechanisms including training, coaching, policies and procedures.

Building on a systemic approach and the role of interests, rights and power in conflict resolution, *Slaikeu and Hasson*<sup>123</sup> developed the “preferred path” model illustrating critical success factors for a conflict resolution system aiming for cost control and maximum choice for the parties to resolve conflicts (see *Figure 4* below).

The “preferred path” model begins with self-help options, starting with individual initiative, followed by negotiation, and then an assisted process such as mediation, followed by higher authority and force as last resort.<sup>124</sup> However, depending on the individual judgment of the parties and the nature and stage of the conflict (see *Glasl*), the parties may loop forward to either higher authority or power-options.

The term “preferred path” may thus be misleading. If something like a “preferred path” exists in conflict resolution it would be primarily determined by the nature and stage of the conflict.

*Slaikeu and Hasson* are of the view that parties in disagreement with one another will typically also disagree over which alternative conflict resolution mechanism to use. *Slaikeu and Hasson* label the failure to acknowledge this reality as having been the “Achilles heel” of the entire Alternative Dispute Resolution (ADR) movement in the United States.<sup>125</sup> They therefore suggest

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<sup>121</sup> Lynch J.F., *Beyond ADR: A System Approach to Conflict Management* (Negotiation Journal: Jul 2001; 17, 3) 208.

<sup>122</sup> *Ibid.* 212.

<sup>123</sup> Slaikeu K. A. and Hasson R. H., *Controlling the Costs of Conflict: How to Design a System for Your Organization* (San Francisco: Jossey-Bass, 1998) Figure 6.1 and Figure 8.1, 56 and 78.

<sup>124</sup> *Ibid.* 46.

<sup>125</sup> *Ibid.* 60.

building into the process independent and impartial “conveners” as third parties who assist parties in understanding and choosing a dispute resolution tool and process.

*Slaikeu and Hasson* suggest a comprehensive system template for dispute resolution which is universally applicable, emphasizing self-help as the desired first approach, providing many options for resolution and privileging site-based solutions over external solutions. The template is supported by seven conditions which enable the system to function properly: policy, roles and responsibility, documentation, selection, training, support and evaluation.

While it is difficult to agree to the concept of a “preferred path” to be applicable for the wide range of different conflict situations, *Slaikeu and Hasson’s* model does describe critical success factors of a universal character in conflict resolution, including (a) the importance of a comprehensive approach, anchored in and supported by an organization’s policies and procedures and supported by leadership and (b) the need for early intervention and related structures for staff to consult in conflict situations.

The model also shows that designing a conflict resolution system is not only about developing a system but also about generating the necessary political support and one should add, involving stakeholders in the design to allow for broad ownership, motivating staff to use it and dealing with resistance.

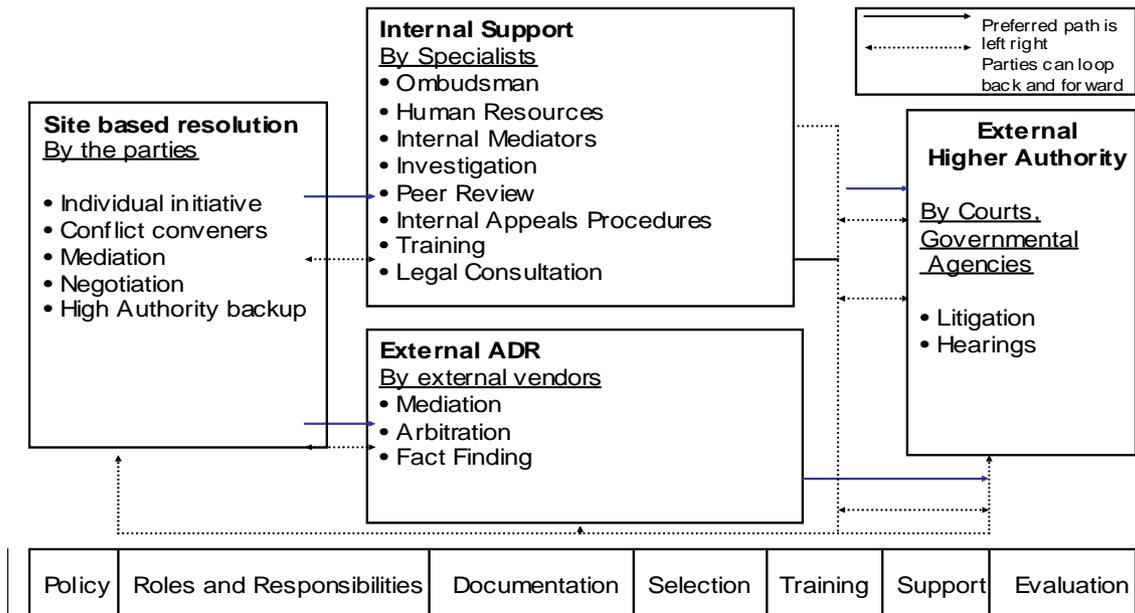


Figure 4<sup>126</sup>. The preferred path model

The above analysis of some theoretical frameworks of conflict dynamics and empirical research on costs of conflict has provided findings which can impact on cost of conflict and which need to be kept in mind for the remainder of this thesis when examining whether those findings are applicable in the case of UNHCR. Key findings so far lead to the following conclusions: (a) conflict, if managed well, can have creative potential, (b) conflict causes do not need to be of behavioral nature but can be systematic, (c) solutions that are perceived as “fair” and “just” have greater potential for acceptance, (d) cost implications, both financial and human, of badly managed conflict can be substantial, (d) a systems approach to conflict management can provide for cost efficient and longer lasting solutions and (e) mediation in the workplace has strong potential to arrive at cost efficient solutions. The choice for transformative mediation was made for its potential to providing the “oil” in a conflict resolution mechanism

<sup>126</sup> Fusion of Figures 6.1. and 8.1. in: Slaikeu K. A. and Hasson R. H., *Controlling the Costs of Conflict: How to Design a System for Your Organization* (San Francisco: Jossey-Bass, 1998) 56, 78.

that aims at building a culture of conflict competency, which could be of particular relevance for UNHCR, an assumption which will be further examined in the case study and empirical research below.

### **3. Case study: UNHCR**

UNHCR was chosen as a case study for a number of reasons: the organization provides for a potentially enabling environment for stronger focus on cost efficient conflict management including a long tradition of an in-house mediation function, but is facing in the United Nations system a high number of employment related litigation. At the same time the organization is embarking on a comprehensive reform of its Human Resources policies and a reform of the United Nations internal justice system will enter into force on 1 July 2009, which has as one of its objectives to reinforce the role of mediation in resolution of conflict in the workplace.<sup>127</sup>

The case study will provide for an opportunity to examine the applicability of some of the aforementioned theoretic concepts in the work environment of the Office of the United Nations High Commissioner for Refugees (UNHCR). Following a short description of UNHCR's mandate and its organizational culture, the case study will review examples of costs of conflict and their measurement in UNHCR and will further compare UNHCR's conflict management with the theoretic concepts developed above, namely the model of the "preferred path".

#### **3.1. The Office of the United Nations High Commissioner for Refugees (UNHCR)**

UNHCR was established on 14 December 1950 by the United Nations General Assembly.<sup>128</sup> It is a subsidiary organ of the United Nations and mandated to lead and co-ordinate international action to protect refugees and resolve refugee problems worldwide. In more than five decades, UNHCR has helped an

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<sup>127</sup> See Paragraph 3.4.1 below.

<sup>128</sup> Statute of the Office of the United Nations High Commissioner for Refugees (A/RES/428/V) <http://www.unhcr.org/cgi-bin/texis/vtx/excom/opendoc.htm?tbl=EXCOM&id=3ae69ee64> [26 October 2008].

estimated 50 million people restart their lives. Today, a workforce of around 6,300 in more than 110 countries continues to help some 33 million persons.<sup>129</sup>

To understand attitudes of UNHCR to staff in addressing conflict at work, it is important to review shared values and behavior among the workforce. One way of approaching this is to examine UNHCR's organizational culture in that regard.<sup>130</sup>

### **3.2. Organizational culture and conflict culture**

Organizational culture refers to the less tangible aspects of an organization's way of doing things, a shared "mental programming" of often unquestioned cognitive, interpersonal and value orientations that are driving thinking, beliefs, feelings, assumptions and actions.<sup>131</sup> Aspects of the organizational culture can have the effect of restricting change.

Strong elements of UNHCR's organizational culture include a distinction between field level and head office personnel, credibility and worth of colleagues measured through seniority and field experience, an expectation of "sharing the burden" and suffering as everybody else, for instance from implications of rotation and postings to difficult duty stations or fear of providing honest and candid feedback. Those divisions and organizational defense mechanisms have great potential to lead to a dynamic of blame, competition or contempt.

UNHCR staff motivation is fuelled by the commitment to assist and protect refugees. It is generally expected that everything else is subordinated to that goal, including staff well-being. In line with this expectation, staff are generally expected to be strong and to sort out their personal, inter-relational problems at

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<sup>129</sup> <http://www.unhcr.org/basics.html> [26 October 2008].

<sup>130</sup> This thesis does not analyze the impact of national cultures on management of conflict at UNHCR.

<sup>131</sup> <http://www.organizationalculture101.com/definition-of-organizational-culture.html> [20 January 2009].

work on their own. There seems to be something like an unwritten rule: “do not come to us with your problems, and find a way to solve them yourself.”

One of the most influential assumptions in UNHCR has to do with the notion of “fairness” taking precedence over most other considerations.<sup>132</sup> The assumption of “fairness” means that everyone should be advantaged or disadvantaged to the same extent.<sup>133</sup> Although this is an important value in UNHCR’s organizational culture, it can result in negative counter effects if under the banner of fairness, an “everyone is the same approach” leads to the suppression of differences and to the treating of people equally unfairly. As a result, people are trying to have their specific needs met by way of exception and “underground” network systems.<sup>134</sup> This dynamic results in a “vicious circle of fairness”. Having highlighted the importance of fairness and procedural justice in conflict resolution it is important to keep in mind that “fairness” has a specific meaning for many in the UNHCR context.

Separate from nationality, entire organizations may be characterized by one of the different conflict styles. Some organizations such as UNHCR show an emphasis on higher authority to resolve problems through the hierarchical chain. In such organizations, procedures are weighted towards higher authority resolutions, often unknowingly encouraging avoidance and power-play resolutions, thereby increasing costs.

The humanitarian environment<sup>135</sup> poses challenges for UNHCR staff that differ from other workplace environments and include serving in isolated locations, separation from families, security risks and the daily pressure to explain UNHCR financial limitations to refugees in an attempt to minimize unrealistic expectations while responding to their real and often protracted needs.

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<sup>132</sup> Barb Wigley, The state of UNHCR’s organization culture (UNHCR, Evaluation and Policy Analysis Unit, 2004) 40, <http://www.unhcr.org/research/RESEARCH/428db1d62.pdf> [6 August 2008].

<sup>133</sup> Ibid 40.

<sup>134</sup> Ibid 43.

<sup>135</sup> Harr J., *Lives of the saints, international hardship duty in Chad*, The New Yorker, 5 January 2009, see [http://www.newyorker.com/reporting/2009/01/05/090105fa\\_fact\\_harr](http://www.newyorker.com/reporting/2009/01/05/090105fa_fact_harr) [5 January 2009].

There are a number of positive factors in the organizational culture that UNHCR could capitalize upon in reviewing its approach to conflict management. Among the most commonly perceived strengths are a firm commitment that the organization should and could be doing better, a high degree of commitment to the cause, many strong bonds and relationships and the existence of many talented managers and leaders.<sup>136</sup> Almost 90 percent of UNHCR staff are proud to work for UNHCR, close to 70 percent stated that they are satisfied with UNHCR as an employer.<sup>137</sup>

### **3.3. Cost of conflict in UNHCR**

The limited available data on cost of conflict, though not systematically collected, relate to legal costs, absenteeism, health costs and compensation payments for work-incurred illness and number of reported harassment cases.

Defending an average claim related to employment conditions of a UNHCR staff member costs approximately 15.000 US Dollars<sup>138</sup> which does not include the costs of a judgment against the organization. The average time for an employment case in UNHCR to lead to a judgment is about 24 months. It is however important to note that the parties do not pay for court fees in the United Nations internal justice system. Legal costs are therefore much lower than in national judicial systems where court fees are generally based on the value of a claim.

The number of employment claims<sup>139</sup> in UNHCR has increased from four in 2000 to 38 in 2008.<sup>140</sup> Based on the aforementioned cost estimate of 15.000

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<sup>136</sup> Ibid 110.

<sup>137</sup> 2006 UNHCR Staff Opinion Survey (Source: UNHCR internal).

<sup>138</sup> The calculation is a conservative estimate, is based on a total of 20 working days and includes both the cost for the Administration and working hours spent by the staff member preparing an appeal (Source: UNHCR internal).

<sup>139</sup> This number only reflects claims before the Joint Appeals Board and does not include cases which were closed before reaching that level e.g. through conciliation.

<sup>140</sup> Source: UNHCR internal.

USD (11.700 Euro, 17.400 CHF)<sup>141</sup> per case, legal fees for employment cases alone amounted to some 600.000 USD (468.000 Euro, 696.000 CHF) in 2008. The most important reason for employment claims has been non-promotion.

Compensation payments UNHCR had to make following judgments in the internal justice system procedure amounted to almost one million US Dollars (780.000 Euro, 1.16 million CHF) for the period 2004 to 2008.<sup>142</sup>

Absenteeism due to health problems is difficult to measure in UNHCR as sick leave data are not always centrally monitored. However, based on the available data, sick leave days per staff member have increased from 3.96 days in 2003 to 4.52 days in 2007.<sup>143</sup> The total number of days of absence on sick leave of some 30.000 days in 2007 correspond to the absence of some 136 staff for the period of a whole year.<sup>144</sup> The corresponding costs could amount to more than nine million US Dollars per year.

The most important health problems have been psychiatric illnesses, with a rise from an average of 0.54 days per staff member in 2003 to 0.88 days in 2007.<sup>145</sup> However, this rise cannot only be attributed to badly managed conflict. While it is safe to assume that conflict in the workplace contributes to psychiatric illnesses, there are other reasons that could explain the rise in psychiatric illnesses, including broken families, job-insecurity, childhood disorders or substance abuse. Additional collection of data on reasons for psychiatric illnesses and further analysis of such data should however provide UNHCR with information on the extent to which badly managed conflict contributes to psychiatric illnesses and other health problems.

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<sup>141</sup> The foreign exchange rate applied in this thesis for one USD Dollar is 0.78 Euro and 1.16 CHF [30 January 2009].

<sup>142</sup> Source: UNHCR internal.

<sup>143</sup> Source: UNHCR internal.

<sup>144</sup> This estimate is based on 220 working days per year. The total cost would amount to 9.5 million US Dollars, using a conservative estimate of an average annual salary of 70.000 US Dollars.

<sup>145</sup> Source: UNHCR internal.

Annual Health costs for UNHCR international staff and their dependents have increased from CHF 12.5 million (Euro 8.4 million; US Dollars 10.8 million) in 2005 to CHF 16 million (Euro 10.7 million; US Dollars 13.8 million) in 2007.<sup>146</sup>

United Nations rules and jurisprudence put exigencies on employers like the United Nations, obliging them to ensure a safe work environment for staff, including staff psychological and mental health.<sup>147</sup>

An increasingly complex humanitarian environment, coupled with an expectation to put the service to refugees before staff well-being and an absence of much institutional support to solve conflict situations in the workplace has the potential to result in an explosive mix resulting in high stress, burn out and work-incurred illness. The number of compensation claims for work induced illness, including depression, has increased significantly in UNHCR.<sup>148</sup>

The number of workplace harassment allegations registered in UNHCR increased from 13 in 2005 to 31 in 2008, amounting to 13 percent and 31 percent respectively of the total number of allegations of misconduct reported.<sup>149</sup> However, these are only the reported cases, and the increase may also be a result of greater awareness of the mechanisms for redress, rather than an actual increase in incidents. Building on research in this area, the

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<sup>146</sup> Source: UNHCR internal. Amount relates to annual reimbursements by the United Nations Staff Mutual Insurance Society (UNSMIS), <http://www2.unog.ch/mutual/statseg/index.htm> [20 November 2008], and is based on 2,302 contributors (international professional P-staff).

<sup>147</sup> “[...] the Office’s failure to take steps to bring about a resolution of the harassment grievance facilitated the development of a climate and prolonged the period in which statements that were hurtful to the complainant and potentially harmful to his reputation could circulate. That constituted moral injury for which he is entitled to compensation”, cf. ILO Administrative Tribunal, Judgment No. 2695, [http://www.ilo.org/dyn/triblex/triblexmain.fullText?p\\_lang=en&p\\_judgment\\_no=2695&p\\_language\\_code=E&p\\_word=2370](http://www.ilo.org/dyn/triblex/triblexmain.fullText?p_lang=en&p_judgment_no=2695&p_language_code=E&p_word=2370) [20 January 2009].

For national legislation in European countries having been introduced in recent years to protect against workplace harassment, mobbing, bullying or sexual harassment see: Di Martino V., Hoel H. and Cooper, Cary L., *Preventing violence and harassment in the workplace*, European Foundation for the Improvement of Living and Working Conditions, 2003, 49, cf. <http://www.eurofound.europa.eu/publications/htmlfiles/ef02109.htm> [6 August 2008].

<sup>148</sup> 54 of 87 compensation claims registered with the United Nations Office in Geneva in 2008 were UNHCR cases. In 2006 and 2007 the number of registered UNHCR cases was 14 and 22 respectively (Source: UNHCR internal).

<sup>149</sup> Source (UNHCR internal).

number of unreported cases could amount to more than 300 cases at UNHCR.<sup>150</sup>

While clients are normally considered to be customers buying products or services, in a UNHCR context the recipients of services are refugees and other people of concern to UNHCR.<sup>151</sup> In addition, donors providing funding to UNHCR can also be considered as clients to whom UNHCR is accountable for responsible and efficient use of funding provided. Badly managed conflict can result in lower level services provided to refugees. That result in itself, combined with lower staff moral risks to substantially impact on UNHCR credibility which in return can cause donors to review their funding strategies and can eventually result in loss of funding of UNHCR in a highly competitive environment.

### **3.4. UNHCR's conflict resolution system and the "preferred path" model**

After having illustrated some of the real costs of conflict to UNHCR, the question will be asked below whether UNHCR's current conflict management mechanism requires improvements which could assist in reducing some of the aforementioned costs, for instance by allowing for earlier intervention in cases of conflict. For this purpose UNHCR's conflict management mechanism will be compared with the "preferred path" model described earlier.<sup>152</sup>

#### **3.4.1. The United Nations and UNHCR**

The United Nations has its proper internal justice system and various formal and informal mechanisms of conflict and grievances management.<sup>153</sup> The

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<sup>150</sup> A 2006 government study in the United Kingdom revealed that only 5 to 15 percent of harassed women formally report problems of harassment to their employers, cf. <http://www.sexualharassmentsupport.org/SHworkplace.html> [20 January 2009].]

<sup>151</sup> Other people of concern to UNHCR include stateless persons, internally displaced people, asylum seekers and returnees, cf. <http://www.unhcr.org/basics/BASICS/4034b6a34.pdf> [6 November 2008].

<sup>152</sup> see Paragraph 2.10. above.

<sup>153</sup> In order to safeguard the organization's obligation to carrying out its work independently, the organization and its staff enjoy privileges and immunities under the 1946 Convention on the Privileges and Immunities of the United Nations, cf.

informal mechanism includes addressing a grievance with the United Nations Ombudsman Office<sup>154</sup>, benefiting from conciliation procedures under the auspices of the Joint Appeals Board<sup>155</sup> or discussing conflict with other colleagues, members of a Panel of Counsel<sup>156</sup>, human resources staff or elected staff representatives.<sup>157</sup> The formal mechanism includes the right to appeal administrative decisions<sup>158</sup>, protection against retaliation for whistleblowing, investigation and disciplinary proceedings in cases of misconduct. The new internal justice system places greater emphasis on informal resolution of disputes before they escalate to unnecessary litigation.<sup>159</sup> In support of that objective, the United Nations Ombudsman's Office<sup>160</sup> is being strengthened through the establishment of a Mediation Division. The new system includes an option of referring cases to mediation by the independent Tribunals.

UNHCR's grievance management functions include an Ombudsman Office, an Ethics Office, the Staff Welfare Section, the Staff Council, the Medical Service,

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[http://www.unog.ch/80256EDD006B8954/\(httpAssets\)/C8297DB1DE8566F2C1256F2600348A73/\\$file/Convention%20P%20&%20\(1946\)%20-%20E.pdf](http://www.unog.ch/80256EDD006B8954/(httpAssets)/C8297DB1DE8566F2C1256F2600348A73/$file/Convention%20P%20&%20(1946)%20-%20E.pdf) [20 January 2009].

Since it is not possible to seek recourse on UN employment matters through national court systems, the UN had to create its own system of administration of justice. While litigation is in principle restricted to an internal justice system, criminal cases can also be prosecuted before competent national judicial authorities.

<sup>154</sup> <http://www.un.org/ombudsman/> [20 November 2008]; UNHCR has had a Mediator position assuming Ombudsman functions since 1996. As of January 2009, UNHCR's Mediator position was renamed to UNHCR Ombudsman; (source: UNHCR).

<sup>155</sup> UN Staff Rule 111.2(b), cf. <http://www.un.org/staff/panelofcounsel/jabrules.htm> [20 January 2009].

<sup>156</sup> <http://www.un.org/staff/panelofcounsel/aboutpoc.htm> [20 January 2009].

<sup>157</sup> [http://www.unstaff.org/index.php?option=com\\_frontpage&Itemid=1](http://www.unstaff.org/index.php?option=com_frontpage&Itemid=1) [20 January 2009].

<sup>158</sup> Appeals require a preceding for Administrative Review (or as per 1 July 2009, a request for Management Evaluation), cf. <http://www.un.org/staff/panelofcounsel/newjust.htm> [31 January 2009].

<sup>159</sup> In December 2007, the UN General Assembly adopted resolution 62/228, cf. [http://www.unog.ch/80256EDD006B8954/\(httpAssets\)/28D96B7C6D30F97BC12574FA004E5E93/\\$file/A-RES-62-228.E.pdf](http://www.unog.ch/80256EDD006B8954/(httpAssets)/28D96B7C6D30F97BC12574FA004E5E93/$file/A-RES-62-228.E.pdf) [20 January 2009], establishing the basic framework of a new independent, transparent, professionalized, and decentralized system of administration of justice. The new system is based on recommendations made by a Redesign Panel of experts (for the Redesign Panel report see <http://www.unjustice.org/A-61-205.pdf> [28 October 2008]). The new system, which will cover staff in the United Nations Secretariat as well as the separately administered Funds and Programmes is to be in place by 1 July 2009. The new system will put more emphasis on resolving differences through informal means, such as mediation, before a case is steered to the path of formal litigation. There will be a single integrated Office of the Ombudsman for the United Nations Secretariat, Funds and Programmes in New York, with branches in five other duty stations. A new Mediation Division is being established at New York Headquarters.

<sup>160</sup> <http://www.un.org/ombudsman/> [28 October 2008].

the Investigation Unit and the Legal Affairs Section. Informal conflict resolution is further supported by periodic meetings of UNHCR's grievance bodies.<sup>161</sup>

Rights and obligations of employees are based on the UN Charter<sup>162</sup> and UN Staff Regulations and Rules.<sup>163</sup> UNHCR has a Code of Conduct<sup>164</sup> which provides guidance in interpreting behavioral elements of the UN Staff Regulations and Rules. In addition there is a Policy on the Prevention of Workplace Harassment, Sexual Harassment and Abuse of Authority.<sup>165</sup> A number of provisions relate to interpersonal relations. UNHCR learning programmes for managers include (non mandatory) training on conflict management.

The higher percentage of UNHCR cases in the formal mechanism of the internal justice system, if compared to other UN agencies<sup>166</sup>, could lead to a conclusion that UNHCR staff privilege litigation over informal conflict resolution, including directly with the party in conflict. However, this may just be a result of higher awareness of UNHCR staff of their right and access to redress.<sup>167</sup> Also, the data only refers to registered cases in the internal justice system. UNHCR's

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<sup>161</sup> The regular participants of this group include: Ombudsman Office, Ethics Office, Staff Welfare Section, Investigation Unit, Legal Affairs Section. The main functions of that informal group include coordination of functions and review of systemic issues underlying misconduct or conflict.

<sup>162</sup> Charter of the United Nations, Article 100 (1) *'In the performance of their duties the Secretary-General and the staff shall not seek or receive instructions from any government or from any other authority external to the Organization. They shall refrain from any action which might reflect on their position as international officials responsible only to the Organization'*; Article 101 (3) *'The paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence, and integrity. [...]'*.

<http://www.un.org/aboutun/charter/> [28 October 2008].

<sup>163</sup> The United Nations has elaborated a set of Staff Regulations and Rules (SRR) which are periodically reviewed and amended by Resolutions of the UN General Assembly. SRR articulate the rights and obligations of UN(HCR) staff and they apply to international civil servants around the world in whatever geographical locations such bodies have offices or field personnel,

[http://www.un.org/hr\\_handbook/English/](http://www.un.org/hr_handbook/English/) [8 October 2008].

<sup>164</sup> UNHCR Code of Conduct of 1 June 2004, <http://www.unhcr.org/protect/PROTECTION/405ac6d27.pdf> [28 October 2008].

<sup>165</sup> One World Trust, 2008 Global Accountability Report, UNHCR Accountability Profile, cf. [http://www.oneworldtrust.org/index.php?option=com\\_docman&task=doc\\_view&gid=253&tmpl=component&format=raw&Itemid=55](http://www.oneworldtrust.org/index.php?option=com_docman&task=doc_view&gid=253&tmpl=component&format=raw&Itemid=55) [20 January 2009].

<sup>166</sup> (Source: UNHCR internal).

<sup>167</sup> UNHCR scores high if compared with comparators in its industry on access to grievance structures and staff awareness in that regard, cf. One World Trust, 2008 Global Accountability Report, UNHCR Accountability Profile, cf.

[http://www.oneworldtrust.org/index.php?option=com\\_docman&task=doc\\_view&gid=253&tmpl=component&format=raw&Itemid=55](http://www.oneworldtrust.org/index.php?option=com_docman&task=doc_view&gid=253&tmpl=component&format=raw&Itemid=55) [20 January 2009].

avoidance and compromise culture could also allow for the assumption that a much higher number of conflicts go unaddressed or are rendered moot as a result of re-assignment of staff. Further clarification on staff practice in addressing conflict will be sought in this study through analysis of the empirical data obtained from a staff survey. *Figure 5* below illustrates the available conflict resolution options in UNHCR.

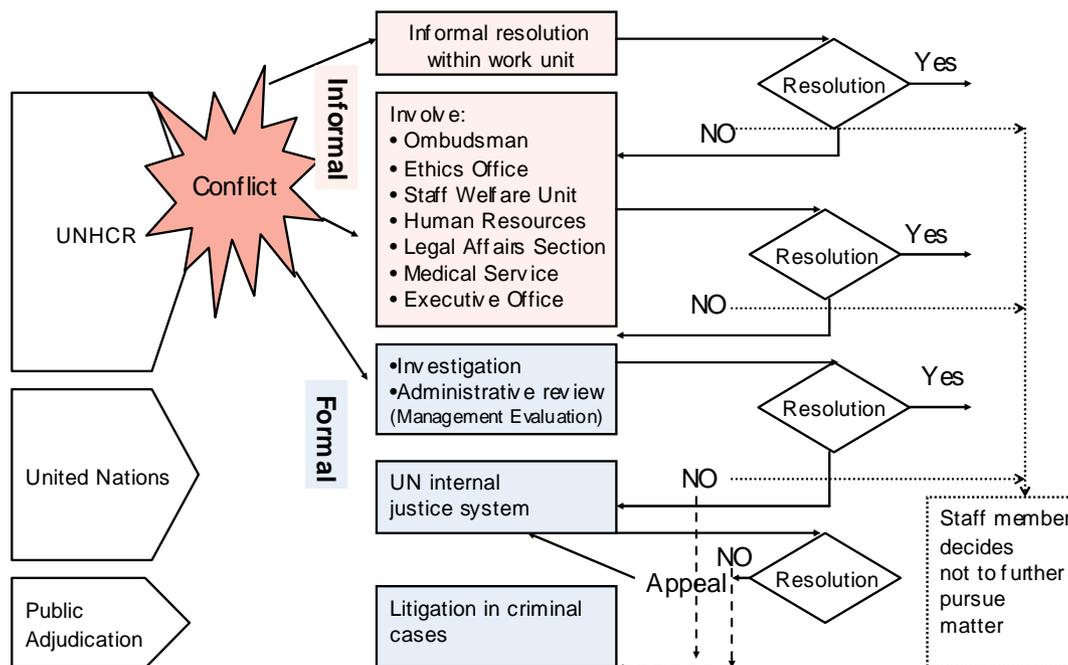


Figure 5. Conflict resolution in UNHCR (current)

### 3.4.2. Comparison with the “preferred path” model

When comparing conflict management in UNHCR with the above described “preferred path” to conflict management the following observations can be made:

UNHCR provides for both informal and formal grievances mechanisms, including a long history of the mediation function. The available data does not

allow for a conclusion that UNHCR staff are particularly adversarial. Feedback from UNHCR staff will have to qualify UNHCR staff behavior in addressing conflict.

A second observation is that while many of the grievances instances provided for in the “preferred path” model are available in UNHCR they are not necessarily part of a comprehensive grievances “system”, which would include senior management support, systematic coordination between grievances actors and integration of the grievances system in the organization’s systems and policies.

A third observation is that UNHCR does not have a clearly defined first independent and “safe” first contact point for staff seeking advice in how to deal with a conflict situation. The “preferred path” model suggests the role of a “convener” to direct staff to identify the most appropriate path to find a solution to a problem.

This short comparison provides some direction for improvements of UNHCR’s conflict resolution mechanism, namely the need for stronger anchoring in the Organization’s policies and procedures, including senior management leadership and more clarity on the first point of contact among the various grievances actors in UNHCR.

When assessing the efficiency of UNHCR’s existing conflict management with a view of introducing improvements the conditions which could support required changes need to be understood. While this research does not aim at addressing criteria supporting or opposing change in detail, a short review of change catalysts will assist in assessing the potential for acceptance of recommendations for changes in UNHCR’s conflict management system.

### 3.4.3. Change catalysts

There are five catalysts (“5 Cs”)<sup>168</sup> which are among those conditions that drive change towards integrated conflict management systems. They include compliance, cost, crisis, competition and culture. “Compliance” relates to legislative changes that dictate the adoption of a new dispute resolution mechanism. In the context of the United Nations one could refer to the introduction as of 1 July 2009 of a new internal justice system with a strong component of informal conflict resolution, namely mediation. “Costs” of conflict, both direct and indirect costs are a strong factor driving organizational change. Triggers for “crisis” can include serious fraud, harassment, suicide, sexual abuse cases and other headline catchers or simply an avalanche of certain types of disputes which can all serve as wake-up calls. “Competition” is related to companies and organizations that compete to attract the best employees. “Culture” is related to the strong link between harmonizing organizational reforms in service delivery and the organizational culture in conflict management. Advocating for example participatory approaches in programme planning with UNHCR operational partners while dealing with conflict resolution at work in a way that leaves people feeling uninvolved, unimportant or marginalized, risks leading to failure in promotion of a culture shift towards a more open approach to conflict at work. The increased focus on informal solution in the new internal justice system, the continuous pressure on the organization to identify efficiency gains, the current structural reform process and its support by donor Government are critical conditions which could increase the level of acceptance to strengthen conflict management in UNHCR.

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<sup>168</sup> Lynch, Jennifer F., *Beyond ADR: A System Approach to Conflict Management*, Negotiation Journal, Vol. 17, Number 3/ July 2001, p. 207-216, 210.

#### **4. Empirical research: UNHCR staff survey**

An empirical research in the form of a survey of UNHCR staff was conducted to obtain data on staff reaction to conflict in the workplace to test some of the aforementioned conflict theories and case study findings, particularly in relation to cost efficient conflict management, including the role of mediation.<sup>169</sup>

##### **4.1. Research methodology**

The research is based on a survey sent to 500 UNHCR employees, exploring the perceived frequency and causes of conflict in the workplace, reactions to conflict and its impact on work and personal well-being as well as mediation as a conflict management tool.

The survey included 27 questions and was created and administered using *SurveyMonkey* software<sup>170</sup>, an online service. 500 UNHCR staff globally, randomly chosen and across all levels of local and international staff, were invited by E-mail to participate in the survey. The message to UNHCR staff described the purpose of the survey and provided for a direct link to the survey instrument housed on the *SurveyMonkey* site. To ensure maximum objectivity it was clarified that the survey was conducted in the context of an independent Masters research. Survey recipients were also informed about the confidential character of the survey and the destruction of all survey data at the end of the research. The data were not coded nor did they identify the respondent. The survey was accessible between 22 August 2008 and 9 November 2008. During that period five reminders were sent on 1, 22 and 29 September, 15 October and 4 November, which increased the feedback rate from 9.6 percent (N=48) on

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<sup>169</sup> see for the survey questions and an overview of survey results Annex 2 below.

<sup>170</sup> <http://www.surveymonkey.com> [20 January 2009].

30 August, to 18.4 percent (N=92) on 3 September, from 19.6 percent (N=98) on 17 September to 24.4 percent (N=122) on 24 September, to 31 percent (N=155) on 6 October and to 36.6 percent (N=183) on 23 October. When the survey was closed on 9 November 2008 it had been completed by 211 respondents<sup>171</sup>, which corresponds to a 42.2 percent response rate.<sup>172</sup>

The research method of a quantitative survey was chosen to achieve a maximum outreach to UNHCR's global workforce at all levels, both international staff and local staff. Qualitative interviews with experts in workplace conflict management both inside and outside the organization would have been another option, but would not have provided broad-based data which is representative of UNHCR's entire workforce. The qualitative parts of the analysis of the survey data build on comparative research with other target populations<sup>173</sup>, the author's own work experience as part of UNHCR's conflict management structure and open discussions with conflict management experts, including Mediators and Ombudspersons in the United Nations system and International Financial Institutions (IFIs).<sup>174</sup>

It is important to note that survey replies building on self-reporting can be subject to inaccuracies. Typical types of errors in such a survey include (a) a

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<sup>171</sup> See Attachments, Paragraph 9 below (Annex 1 and Annex 2).

<sup>172</sup> A sufficient response rate is the key to legitimizing a survey's results. For online surveys an average response rate is 30 percent, cf.

<http://www.utexas.edu/academic/diia/assessment/iar/teaching/gather/method/survey-Response.php>

[20 January 2009]; a recommended sample size for a total population size of 5000 is 356 (and 369 for a population size of 10,000), cf.

<http://www.utexas.edu/academic/diia/assessment/iar/teaching/gather/method/survey-Sampling.php>

[20 January 2009]. As a result and taking into account the 40 percent response rate of this survey the sample size should have been around 900. The author took a conscious decision to limit the sample to 500.

<sup>173</sup> Cf. OPP research involving 5000 employees in nine countries around Europe and the Americas OPP, see: OPP, *Fight, Flight or Face it*, July 2008, cf.

[http://www.opp.eu.com/public/media/pdfs/fight\\_flight\\_or\\_face\\_it.pdf](http://www.opp.eu.com/public/media/pdfs/fight_flight_or_face_it.pdf) [11 November 2008];

and the OPP survey conducted with 650 HR professionals in the UK, see: Chartered Institute of Personnel and Development (cipd), *Leadership and the management of conflict at work, Survey report October 2008*, cf.

[http://www.cipd.co.uk/NR/rdonlyres/E426E492-7AED-46A6-B8F5-](http://www.cipd.co.uk/NR/rdonlyres/E426E492-7AED-46A6-B8F5-92B9CF9725C5/0/4545Leadershipconflict.pdf)

[92B9CF9725C5/0/4545Leadershipconflict.pdf](http://www.cipd.co.uk/NR/rdonlyres/E426E492-7AED-46A6-B8F5-92B9CF9725C5/0/4545Leadershipconflict.pdf) [11 November 2008];

and a study conducted by *Psychometrics* on conflict in the Canadian Workplace among 357 HR professionals, cf. *Psychometrics Canada Ltd., Warring Egos, Toxic Individuals, Feeble Leadership, A study of conflict in the Canadian workplace*, 2009,

[http://www.psychometrics.com/docs/conflictstudy\\_09.pdf](http://www.psychometrics.com/docs/conflictstudy_09.pdf) [30 January 2009].

<sup>174</sup> The best-known IFIs are the World Bank, the International Monetary Fund (IMF), and the Regional Development Banks.

lack of understanding on the part of the respondent about how to answer a specific question, (b) an unwillingness to provide an accurate response or an inability to provide an accurate response. To mitigate such risks the survey provided respondents with definitions of workplace conflict<sup>175</sup> and mediation<sup>176</sup>, was sent in English and French<sup>177</sup> and provided opportunities to add narrative comments to some questions. Questions were formulated in a way to minimize the problem of subjectivity and recall bias. By way of example, the question on frequency of conflict did not ask for numbers of hours or percentage of work time spent in conflict in an attempt to reduce the risk of guessing.<sup>178</sup>

To obtain comparative data from another organization in the humanitarian environment the same survey questions were sent by the *World Food Programme* (WFP)<sup>179</sup> to 1000 staff.<sup>180</sup>

After the close of the survey, the data were analyzed using reporting and filter options provided by the *SurveyMonkey* software. One question addressed throughout the following analysis is whether there are differences between replies received from local staff (G-staff)<sup>181</sup> and those received from international staff (P-staff). In view of the difference in status, the respective percentage of UNHCR's total staff<sup>182</sup> and targeted action to strengthen conflict management in the organization, it was considered important to analyze possible differences in replies between those groups of the workforce.

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<sup>175</sup> Survey question No. 1.

<sup>176</sup> Survey question No. 14.

<sup>177</sup> French is after English the second working language in UNHCR and several of UNHCR's important programmes are implemented in francophone countries in Africa.

<sup>178</sup> Other such surveys asked respondents to provide numbers of hours per work week or percentage of work-time spent in conflict.

<sup>179</sup> <http://www.wfp.org/english/> [20 November 2008].

<sup>180</sup> A short reference to the results of the WFP survey will be provided in the context of the conclusions resulting from the UNHCR survey, see Paragraph 4.2.10. below.

<sup>181</sup> The term "local" is related to mostly locally-recruited, national (General Services) support staff (G-staff); the term "international" is related to internationally-recruited professional staff (P-staff), mainly filling managerial functions and subject to periodic rotation to locations in other countries.

<sup>182</sup> UNHCR's workforce is composed of about 75 percent G-staff and 25 percent P-staff.

## 4.2. Research results and analysis

The analysis of survey results is grouped around replies to conflict subject matters such as frequency, parties, sources, impact on work and well-being, styles, support expectations and the role of mediation.

The analysis will compare research results with findings of this thesis from conflict theory and research as well as findings from the case study.

To ensure that the analysis builds on a representative number of respondents, the survey analysis uses, unless otherwise stated, the combined replies to “strongly agree” and “tend to agree” to reflect agreement and alternatively “strongly disagree” and “tend to disagree” to reflect disagreement for those survey questions that require respondents to select a reply on a range from “strongly agree” to “strongly disagree”.

For the purpose of this research, data correlation had to be limited and is primarily focusing on differences between gender, age groups and local and international staff.<sup>183</sup> The differential analysis builds only on data with a minimum of 10 percentage points difference between the different groups of respondents reviewed in that context.

### 4.2.1. Conflict frequency<sup>184</sup>

A question about frequency of conflict tends to invite very subjective answers, especially when respondents build their reply on the use of different conflict definitions. To mitigate that risk, the related question provided a definition for conflict, defining conflict situations as *“a condition between or among workers whose jobs are interdependent, who feel angry, who perceive the other(s) as*

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<sup>183</sup> The term “local” is related to mostly locally-recruited, national (General Services) support staff (G-staff); the term “international” is related to internationally-recruited professional staff (P-staff), mainly filling managerial functions and subject to periodic rotation to locations in other countries.

<sup>184</sup> Survey question No. 1.

*being at fault, and who act in ways that cause a problem at work*".<sup>185</sup> Still, answers have to be interpreted with great care. Most people consider conflict as negative. If asked about conflict, they may simply consciously or unconsciously repress facing such situations. An organizational culture of conflict avoidance can add to such a reaction. As a result, respondents may negate the actual conflict they are facing.

More than eight in 10 of the respondents (83.4 percent/ N=176) state that they have been involved in workplace conflict. In that group, 67 face conflict situations only one to two times a year. About half of all respondents (N=109) face conflict at least every two to three months. One in 10 respondents (N=21) faces conflict situations several times a week.

Of the respondents, 16.6 percent (N=35) of the respondents stated that they have either never or almost never faced conflict situations at work.

While it is interesting to note that almost half of the respondents state that they have conflicts either never or no more than one to two times per year, this response rate has to be qualified in light of the general conflict averseness of the respondents. It is thus assumed that those respondents are probably faced with conflicts more than one to two times per year with a high probability that those respondents will also spend time in assisting colleagues in dealing with their conflicts.

It appears that conflict frequency is lower for G-staff with 56.7 percent of the respondents declaring they face conflicts never or less than one to two times a year *versus* 43 per cent of the P-staff (see *Figure 13* below).

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<sup>185</sup> This definition corresponds with the workplace conflict definition used for this thesis, see Paragraph 2.2. above.

#### **4.2.2. Conflict parties<sup>186</sup>**

The survey finds that 86.7 percent (N=163) of the respondents report (upward) conflicts with higher hierarchical levels, 48.4 percent (N=91) with peer colleagues and 38.3 percent (N=72) report (downward) conflicts with colleagues at lower hierarchical levels.

While the high percentage of conflict upwards is notable, the data needs to be looked at with caution, as the answers are only a reflection of the perception of the respondents and not necessarily a reflection of where conflict(s) really exist. In other words, a respondent may prioritize managing relations upwards while being unaware of possible conflict situations in downward relations, which are not recognized as such by the respondent.

While all respondents declare to be more in conflict with upward parties in the hierarchy, P-staff are primarily in conflict with their respective supervisor (49.4 percent). That rate is considerably lower for G-staff (only 34.2 percent). G-staff are primarily in conflict with colleagues of a higher hierarchical level (53.9 percent), versus 42.7 percent in the P-staff category. Conflict frequency with peers is much higher in the P-staff category (52.8 percent), compared to only 36.8 percent in the G-staff category (see *Figure 6* below).

#### **4.2.3. Conflict sources<sup>187</sup>**

The most commonly cited cause of conflict is lack of clarity about roles and responsibilities mentioned by 58.1 percent (N=115) of the respondents. This is followed by relations between colleagues (25.3 percent/ N=50). Only 13.1 percent (N=26) of the respondents consider systems, policies or reform as a source of conflict. It is noteworthy that in a time of heavy reform activities with important implications for job-security and staff welfare only 3.5 percent (N=7) of

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<sup>186</sup> Survey question No. 2.

<sup>187</sup> Survey question No. 3.

all respondents consider reform and restructuring programmes as the most common source of conflict at work.<sup>188</sup>

While P-staff consider relations between colleagues as the primary source of conflict (32.6 percent versus 18.8 percent of the G-staff), G-staff consider unclarity of roles and responsibilities as the primary source of conflict (62.4 percent versus 51.7 percent of the P-staff), (see *Figure 6* below).

Other sources of conflict explicitly mentioned by respondents in the narrative part of this survey question included: lack of recognition, trust, respect or fairness; poor communication; competition between colleagues; poor leadership; bad performance and unprofessional behavior; difference in values; rumors and racial stereotypes or priority setting. It can be assumed that many of those sources are also more specific illustrations of what others refer to in general terms as relations between colleagues.

The limit of four proposed answers to this survey question could have influenced the respondents in their reply. A longer list of possible causes of conflict would have provided a more complete picture reflecting the perceived importance of the different causes which were not listed in the survey question as possible answers. With that condition in mind, it is still interesting to note that one main cause of conflict stated by UNHCR staff resembles research findings in other industries with high scores for “personality clashes” as a main cause of conflict.<sup>189</sup>

The high score for “unclarity of roles and responsibilities” as a cause of conflict confirms findings from conflict theory addressed in this thesis, namely the finding that conflicts are not necessarily the result of colleagues’ behavior, but

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<sup>188</sup> <http://geneva.usmission.gov/Press2008/October/1006UNHCRPlenary.html> [20 November 2008].

<sup>189</sup> See Paragraph 2.3.1. above.

can simply be based on unclear job-descriptions or poor leadership leading to differences on roles and responsibilities.<sup>190</sup>

#### **4.2.4. Conflict impact on work efficiency<sup>191</sup> and personal well being<sup>192</sup>**

Of the respondents, 64.4 percent (N=136) either tend to agree or strongly agree with the statement that their efficiency at work is affected by conflict, while 21.4 percent (N=45) of respondents feel that this is not the case.

Two thirds (65.9 percent/ N=139) of the respondents either tend to agree or strongly agree with the statement that their personal well-being is affected by conflict at work. 16.1 percent (N=34) do not consider their personal well-being affected by conflict.

P-staff work-efficiency appears to be more affected by conflict than that of G-staff, with 69.9 percent declaring that they either strongly agree or tend to agree that their efficiency at work is affected by workplace conflicts, compared with a 54.5 percent level in the G-staff category (see *Figure 6* below).

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<sup>190</sup> Ibid.

<sup>191</sup> Survey question No. 5.

<sup>192</sup> Survey question No. 4.

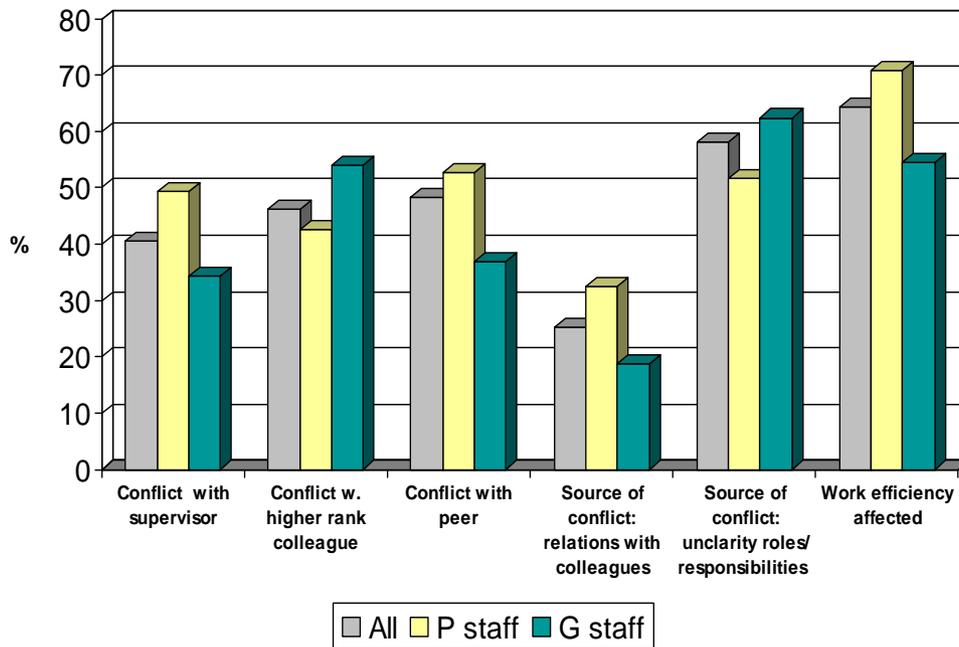


Figure 6. Conflict parties, sources and impact on work

#### 4.2.4.1. Costs of conflict as a percentage of staff salary costs

A key objective of the survey was to obtain data which can assist to better measure the cost of conflict. As already explained, due to the risk of subjectivity respondents were not requested to provide answers on hours or percentage of work time spent in dealing with conflict. However, building on the answers on frequency of conflict, some qualitative analysis can assist in interpreting the data on time spent in dealing with conflict in hours per week, which in turn may allow for determining costs of conflict as a percentage of staff salary costs.

As illustrated in *Figure 7* below, the qualitative analysis is built on the assumption that work efficiency is seriously reduced for respondents who state that they face conflict several times per week. All of those respondents spend considerable time in dealing with the conflict situation and are distracted from assigned work. As a result, it is assumed that individuals in that group spend at least eight hours per week in dealing with conflict. This is a conservative assessment. The number of hours per week spent in dealing with conflict for that group is probably considerably higher, as persons in that group often risk to

becoming unable to focus on work and thus become quasi-dysfunctional. Building on these assumptions, work time spent on conflict has been set in hours per week in a range from eight hours for those who face conflict several times a week to half an hour (30 minutes) for those who stated that they either never or rarely face conflict situations. For the latter group the assumption is made that everyone spends some time in managing conflict, if not directly then at least indirectly in assisting the concerned colleagues in conflict situations.

Conflict Frequency	Response Percent	Response Count	Hours/Week/ per person	Hours/week (total)	Hours/Year (44 weeks)
Several times a Week	10.0%	21	8	168	7392
Every week	7.1%	15	6	90	2640
Every second week	4.3%	9	5	45	1980
Once a month	13.7%	29	4	116	2552
Every two to three months	16.6%	35	2	70	1540
One to two times per year	31.8%	67	1	67	1474
Never, almost never	16.6%	35	0.5	17.5	385
	100%	211	26.5	573.5	17963

*Figure 7<sup>193</sup>. Wasted time in badly managed conflict*

The total number of hours per week is 573.5 divided by 211 respondents, resulting in 2.72 hours (or 163.2 minutes) per person per week, which amounts to 6.8 percent of weekly working hours.

Building on the above analysis, it is possible that annual efficiency losses for UNHCR could amount to some 30.6 million US Dollars (23.9 million Euro, 35.5

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<sup>193</sup> Base data: 6300 employees, 220 working days, 44 weeks, 1760 hours, 8 hours day, 5 days per week.

million CHF).<sup>194</sup> This calculation is based on the assumption that the time wasted in conflict would have otherwise been used productively. However, it is acknowledged that this is rarely the case as there are other time wasters that reduce productivity, including for instance internet surfing, coffee drinking or chatting. Factoring this into the calculation of possible efficiency losses could mean for instance to discount the calculated losses by 10 percent.

When compared with the results of similar surveys referred to in the theoretic part of this thesis<sup>195</sup>, the total of 2.72 hours per week per person spent in dealing with badly managed conflict fall within the range assessed elsewhere. However, the data obtained from aforementioned other surveys show that there are environments in which the time spent on conflict is considerably lower which indicates that UNHCR's rate should not be considered as "normal" or even "the cost of doing business" and that there should therefore be scope for UNHCR to reduce the time spent in dealing with badly managed conflict. By way of example, if UNHCR could reduce the number of hours to two or even to one hour per week, the associated costs could be reduce from the above mentioned 30 million US Dollars to 22,5 million US Dollars<sup>196</sup> (17.6 million Euro, 26.1 million CHF)<sup>197</sup> or to 11.3 million US Dollars<sup>198</sup> (8.8 million Euro, 13.2 million CHF) respectively.

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<sup>194</sup> 6.8 percent of UNHCR's staff salary costs. This study builds calculations on an assessed total annual staff salary cost of 450 million US Dollars; foreign exchange rate for one US Dollar: 0.78 Euro and 1.16 CHF [31 January 2009].

<sup>195</sup> See Survey report October 2008, *Leadership and the management of conflict at work*, OPP, Chartered Institute of Personnel and Development (cipd), <http://www.cipd.co.uk/NR/rdonlyres/E426E492-7AED-46A6-B8F5-92B9CF9725C5/0/4545Leadershipconflict.pdf>. [11 November 2008]. The survey provides analysis from 660 organizations in the UK. The majority of those questioned were HR professionals and practitioners. The average number of hours per week for conflict management in that group ranges between 3.4 and 3.8 hours;

see also "*Fight, Flight or Face it*", OPP,

[http://www.opp.eu.com/public/media/pdfs/fight\\_flight\\_or\\_face\\_it.pdf](http://www.opp.eu.com/public/media/pdfs/fight_flight_or_face_it.pdf) [11 November 2008];

The survey analyzed worker's attitudes to conflict and questioned 5000 full time employees in nine countries around Europe and the Americas. The average number of hours per week spent on dealing with workplace conflict, by country, ranges between 0.9 hours in The Netherlands and 3.3 hours in Ireland and Germany.

<sup>196</sup> 2 hours = 5 percent of a 40 hours work week.

<sup>197</sup> Exchange rate for one US Dollar: 0.78 Euro and 1.16 CHF [31.01.2009].]

<sup>198</sup> 1 hour = 2.5 percent of a 40 hours work week.

#### **4.2.4.2. Staff well-being<sup>199</sup>**

The survey finds that conflict in the workplace takes a significant toll on staff well-being. 65.9 percent of respondents consider their personal well-being affected by workplace conflict. A staggering eight in ten respondents (81.4 percent) feel stressed. Almost seven in ten respondents (65.8 percent) state that they suffer from burn out as a result of conflict. Over half of the respondents (58.7 percent) feel that conflict changes their mood, makes them less friendly and less balanced. It is noteworthy that almost three in ten respondents (26.5 percent) are undecided in this regard, which could mean that such reactions are situation specific and may depend on the respective circumstances. 34.4 per cent of the respondents feel angry and aggressive in situations of conflict.

Just over a quarter of respondents (26.1 percent) feel that conflict increases their efficiency.

P- and G-staff feel equally strongly impacted by conflict in their well-being.

The survey data confirm the findings from other research identifying a close relation between workplace conflict, emotional exhaustion and stress and potential for resulting absenteeism and staff turnover.<sup>200</sup>

#### **4.2.5. Conflict style<sup>201</sup>**

The survey requested respondents to explain their personal reaction when faced with conflict situations.

Almost eight in ten respondents (75.5 percent/ N=123) try to avoid conflict. A similar number of respondents (75 percent/ N=120) try to find a compromise when faced with conflict.

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<sup>199</sup> Survey question No. 4 and No. 6.

<sup>200</sup> See Paragraph 2.6.1. above.

<sup>201</sup> Survey question No. 6.

While the predominance of conflict avoidance and compromising strategies does not come as a surprise given UNHCR's organizational culture<sup>202</sup>, it is noteworthy that between three and four in ten respondents see the need for conflict. Over four in ten respondents (44.7 percent) consider conflict to be necessary in order to achieve creative solutions. A similar number of respondents (41.4 percent) consider that through conflict people stand up for what they believe in. Over three in ten respondents (32.9 percent) consider conflict as a necessary management tool to clarify who is in charge.

A high percentage of respondents are prepared to defend their rights when faced with conflict situations. While 26.8 percent of respondents are undecided on the question, more than six in ten respondents will insist on their rights. There is thus a potential of close to nine in ten respondents using a rights based approach. However, the data examined in the UNHCR case-study in this thesis does not support a conclusion that defending one's rights is equivalent to engaging in litigation. Though the number of employment-related appeals increased in UNHCR, it is still very small compared to the total number of UNHCR staff.<sup>203</sup>

There are a number of notable differences between P staff and G staff in terms of reactions to conflict (see *Figure 8* below). Conflict avoidance is 71.6 percent among G-staff and thus higher than in the P-staff category (60.3 percent). However, a higher percentage of G-staff (52.3 percent) consider conflict necessary in order to achieve creative solutions, compared to 36.5 percent of P-staff. In line with that reaction, 36.7 percent of G-staff feel their efficiency being increased by conflict compared to only 18 percent of the P-staff. 44 percent of G-staff consider conflict to be necessary in order to make clear who really is in charge, compared to only 19.3 percent of P-staff. 70.6 percent of the G-staff state that they will defend themselves and insist on their rights when in conflict compared to only 52.4 percent of the P-staff.

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<sup>202</sup> See Paragraph 3.2. above.

<sup>203</sup> See Paragraph 3.3. above.

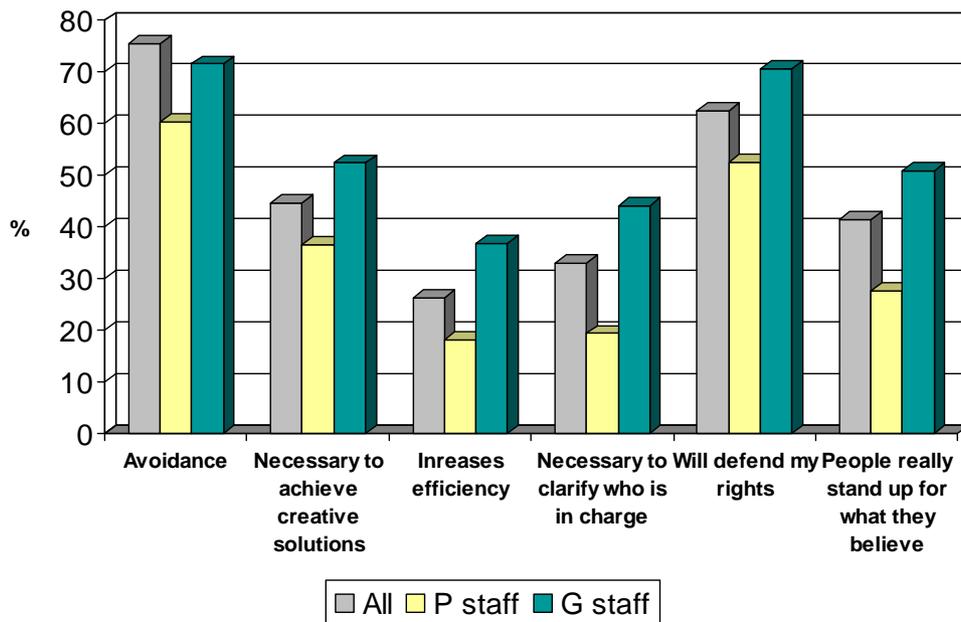


Figure 8. Reaction to conflict

#### 4.2.6. Conflict support<sup>204</sup>

Several questions of the survey aimed at analyzing (a) staff behavior in soliciting support when in conflict, (b) the perceived efficiency of that support and (c) possible gaps in support services.

The survey finds that almost nine in ten respondents (87.7 percent/ N=185) discuss the conflict with someone when faced with such situations. This still leaves a noteworthy one in ten respondents (12.3 percent/ N=26) who do not discuss conflict with anyone.

The survey finds that the great majority of staff (75.3 percent/ N=149) discuss conflict situations with a colleague. Six in ten respondents discuss with the person with whom they are in conflict. This is a surprisingly high number when

<sup>204</sup> Survey questions No. 7, 8, 9, 10, 11 and 12.

taking into account the general conflict adverse culture of UNHCR. It is noteworthy that only one in ten respondents contact available internal services such as the Mediator's Office or Staff Welfare Section, as a first point of contact to discuss conflict situations. Instead, more than half of the respondents discuss conflict with third parties outside UNHCR, such as the spouse (51 percent/ N=101), outside friends (34.3 percent/ N=68) or outside professionals (14.6 percent/ N=29).

While both G- and P-staff discuss primarily with a colleague when in conflict, the second most important group to discuss conflict with for P-staff is the person faced in conflict (67 percent) while that percentage is considerably lower for G-staff (42.4 percent). Also, P-staff often consult when in conflict with their supervisors (23.1 percent) while that percentage is much lower for G-staff (12.2 percent), (see *Figure 9* below).

When it goes beyond discussing the conflict only, 57.4 percent (N=116) of respondents seem to have engaged in discussion on the conflict with the objective to seek help in finding a solution. Over four in ten respondents state that they have not asked directly for help in finding a solution. When help is requested, outside parties are less solicited and respondents address requests for help primarily to their supervisors (62.9 percent/ N=83) and colleagues (59.8 percent/ N=79).

When asked whether in such a discussion direct help is requested, a higher percentage of P-staff (62.2 percent) answer in the affirmative compared to only 50.6 percent of G-staff (see *Figure 9* below).

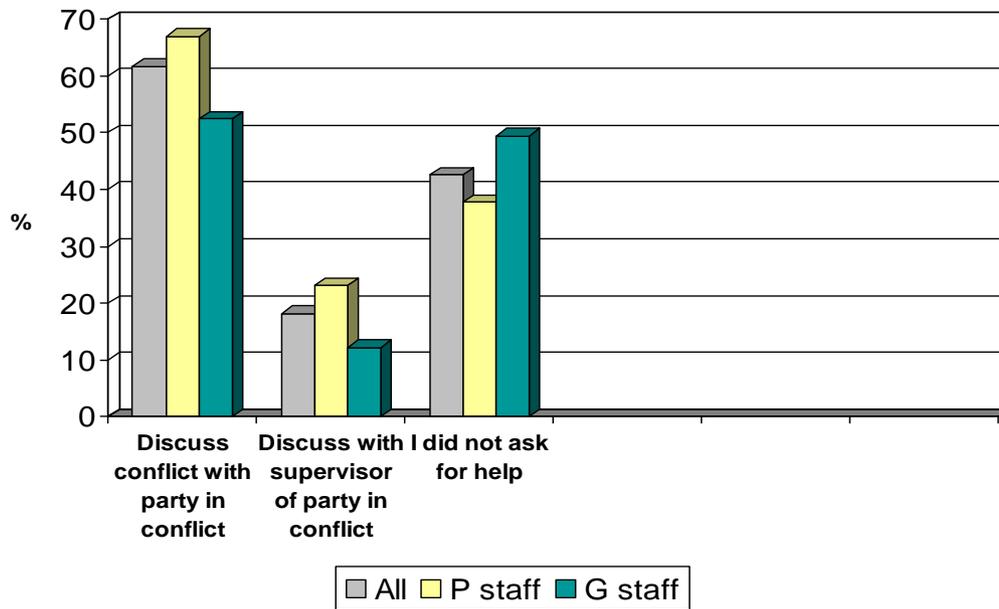


Figure 9. Who is asked for help in conflict

Again, only one or less in ten respondents involve internal services like the Mediator’s Office, the Staff Welfare Section or the Staff Council. One support category added by a respondent is the Respectful Workplace Advisor.<sup>205</sup>

The very limited solicitation of internal services is noteworthy. However, the survey does not provide reasons for that choice, which should be assessed further in subsequent surveys. Possible explanations could be (a) lack of information on services provided, (b) insufficient capacity of the internal services, (c) lack of trust in the confidentiality of the services or (d) the perception that soliciting those instances would already lend a very formal angle to the conflict and its possible solution.

<sup>205</sup> The World Bank has developed a peer support network of Respectful Workplace Advisors (RWAs). RWAs are a network of volunteer peers who serve as an informal avenue of assistance to staff facing harassment, disrespectful behaviors or other sources of stress at work. The RWA’s primary role is to help staff help themselves by listening and providing problem-solving advice cf. <http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/ORGANIZATION/ORGUNITS/EXTCRS/EXTRWA/0,,menuPK:840455~pagePK:64168427~piPK:64168435~theSitePK:840430,00.html> [20 January 2009].

Less than a quarter of respondents (20.5 percent/ N=36) say that they always received the assistance they asked for when seeking for help in addressing conflict.<sup>206</sup>

Almost three quarters (73 percent) of respondents state that it is likely that in the future a situation may arise where they would like to obtain assistance in dealing with conflicts: 40 percent of G-staff “strongly agree” with that likelihood compared to 29.2 percent of P-staff (see *Figure 10* below).

The high number of respondents who have not sought specific help to resolve conflicts coupled with the limited number of colleagues who received the assistance they asked for, the low solicitation of internal support services and the high number of colleagues foreseeing the need for assistance seem to make a clear case for better conflict management guidance to staff. In spite of the availability of several grievance actors in UNHCR, a frequently comment of staff facing conflict situations is “*I do not know where to go*”. To determine appropriate corrective action, further information is needed as to the basis of such a comment. Is it for instance that information on the available tools is lacking or is that comment addressing fundamental principles, such as trust in the available procedures and people or the confidentiality of the process. Some staff call for an informal listening space (“*espace d’ecoute*”) where staff can voice their needs in a confidential environment with conflict management experts whose role would be to provide guidance on available options in addressing the respective conflict. Such an offer would have the additional potential to reduce the risk of forum shopping of staff in their attempts to identify the best solution to their conflict and thus also reduce the risk that staff are required to “re-shape” their respective situation in a way that it fits the criteria of a case to be addressed by the available internal services, thereby risking putting their case outside their hands and being less involved in designing a solution they own. When looking for examples that provide for such a “listening space” one comes across different approaches. *Slaikeu and Hasson* suggest

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<sup>206</sup> Survey question No. 11.

the institution of “*conveners*”.<sup>207</sup> Some companies have developed the function of “*Konfliktlotsen*”.<sup>208</sup> Others consider the Ombudsman Office as the “first safe stop” for staff and others propose a combination of the Ombudsman Office and peer support groups managed by that office such as the World Bank’s *Respectful Work Place Advisers*. Yet others introduce the concept of “*manager mediators*”.<sup>209</sup> In determining the most appropriate system it seems to be important to make maximum use of the already available resources and to limit the creation of new structures. Also, in the final analysis a system is only as good as the people operating it and the trust of staff in those people.

#### 4.2.7. Mediation<sup>210</sup>

The survey also aimed at assessing staff familiarity with mediation, including obtaining feedback on the perceived usefulness of mediation and views on the use of internal and/or external mediation as tools in workplace conflict management.

The survey finds that nine in 10 respondents have heard about mediation. Four in 10 respondents have personal experience in mediation and over half (N=54) of those who responded to the question on their mediation experience (N=102) stated that mediation did help to solve the conflict.<sup>211</sup>

Staff seems to be very familiar with mediation as a tool and is calling for additional training in mediation.

A question might be raised in this context related to the compatibility of mediation as a preferred conflict management tool and a predominantly

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<sup>207</sup> See paragraph 2.10 above.

<sup>208</sup> Engl.: *conflict pilots*. For more on “*Konfliktlotsen*” which is a concept used in the workplace but also in schools to assist in conflict resolution, cf. [http://www.beteiligungskultur.de/adapt/pdf/AD\\_QUAK.pdf](http://www.beteiligungskultur.de/adapt/pdf/AD_QUAK.pdf) [20 November 2008]; <http://www.konfliktlotsen.de> [20 November 2008]; <http://childpeace.de/html/konfliktlotse.html> [20 November 2008].

<sup>209</sup> Stimec A., *La Médiation en entreprise* (Paris : Dunod, 2004) 3. The author develops in his book the concept of the manager functioning also as mediator and limitations of that role.

<sup>210</sup> Survey questions No. 11- 19.

<sup>211</sup> Survey question No. 16.

avoidance culture in UNHCR. Conflict literature expresses different views in this regard. While *Weinstein*<sup>212</sup> refers to mediation as the method which is particularly sensitive to the consequences of avoidance in providing for a safe environment for addressing issues which have been avoided, *Pel*<sup>213</sup> argues that conflict avoiders would be less likely to opt for mediation in view of the “confrontational aspects” of mediation. While the use of the term “confrontational” may be misleading, successful mediation requires the active participation of the parties in conflict which involves their willingness to listen to each other and to explain true needs and underlying interests that lie behind their respective positions, efforts which may be particularly difficult to make by conflict avoiders.

When asked about preferences for internal or external mediators, almost three quarters of respondents (72.9 percent/ N=129) stated a preference for a mix of both internal UNHCR staff and outside professional mediator.

A higher percentage of G-staff would be interested in testing mediation (77.4 percent) compared to 62.9 percent of the P-staff (see *Figure 10* below).

When asked about the preferences for internal or external mediation, both G- and P-staff state a preference for a mix of internal and external mediators. However, a significantly higher percentage of G-staff replied that mediators should only be UNHCR staff (61 percent) compared to 22.4 percent of the P-staff stating that preference. P-staff voiced a preference for external mediators (52.1 percent) compared to 39.7 percent of the G-staff privileging that option (see *Figure 10* below).

Respondents provided as reasons in support for internal mediators that by knowing the organization they have a better understanding and awareness of the issues raised and knowledge of the UNHCR environment and United Nations regulations and rules. They would thus be in a better position to define

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<sup>212</sup> Weinstein, R.J., *Mediation in the Workplace* (Westport, CT USA: Quorum Books, 2001) 20.

<sup>213</sup> Pel, *Referral to Mediation* (The Hague: Sdu Uitgevers, 2008) 35.

problems, “read” the conflict and identify root causes to problems. Others say that involving internal mediators helps to protect UNHCR’s image (*“in-house issues should remain in-house”, “le linge sale se lave en famille”, “only the person in the pot can regulate boiling water’s temperature”*). Furthermore, respondents say that UNHCR has competent internal mediators, who are available on call when the conflict happens and less costly than external mediators.

Respondents consider external mediators to be objective and impartial, more credible, able to provide an outside professional perspective, and able to provide protection against retaliation and nepotism. They are also perceived to be in a better position to safeguard confidentiality standards and they are not subject to rotation.

While staff seem to be very familiar with mediation as a tool and are calling for additional training in mediation, the survey data also indicates that staff are seeking alternatives to internal mediation, providing interesting suggestions for the strengths and weaknesses of internal and external mediation respectively. As UNHCR has only one Ombudsman with very limited support staff, recourse to external Mediators, including the new decentralized structure of Ombudsman and Mediators in the UN<sup>214</sup>, could be a real additional option and seems to be supported by staff at large. In order to sustain the general interest in mediation it will be important to keep in mind the survey data on strengths and weaknesses of those options, which seems to still require a strengthening of UNHCR’s internal mediation capacity, in particular where familiarity with UNHCR’s culture, systems and operational requirements is needed.

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<sup>214</sup>In the context of the Reform of the UN Internal Justice system Ombudsman positions have been created in the following locations: New York, Geneva, Vienna, Nairobi and Bangkok.

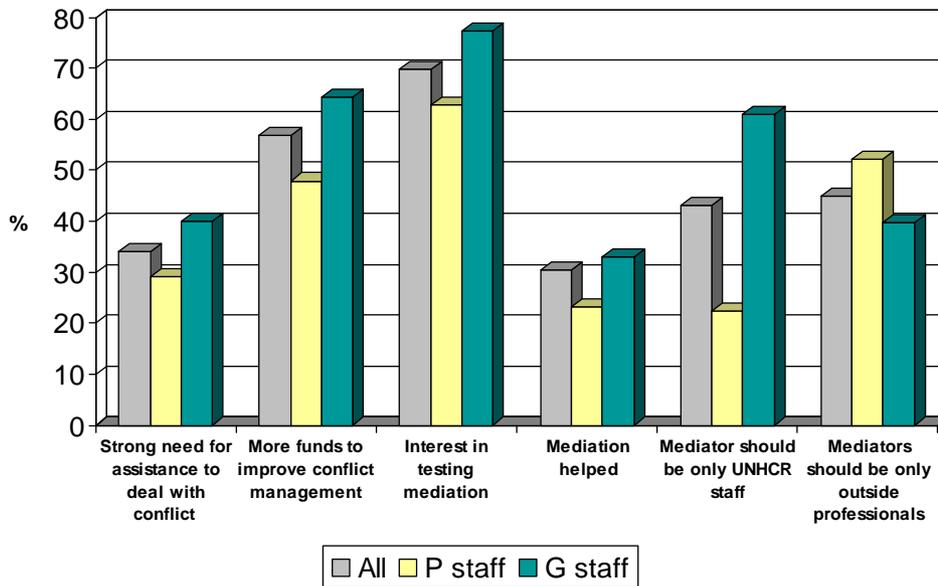


Figure 10. Staff needs in conflict management and the role of mediation

#### 4.2.8. Conflict management in UNHCR<sup>215</sup>

More than eight in 10 (84.8 percent/ N=179) respondents say that UNHCR management should allocate a higher priority to conflict management in UNHCR. Less than 2 percent (N=4) do not share that view.

Almost six in ten (56.9 percent/ N=120) respondents say that UNHCR should allocate a higher budget to improve conflict management in UNHCR. 34 percent (N=73) are undecided on this question. Only 8.5 percent (N=18) do not share this view. 64.4 percent of G-staff expect UNHCR to allocate a higher budget to improving conflict management, while this position is only shared by 47.9 percent of P-staff.

This data reflects a very strong and unambiguous call by UNHCR staff for action to firmly integrate pro-active conflict management as a high priority. In

<sup>215</sup> Survey questions 20 and 21.

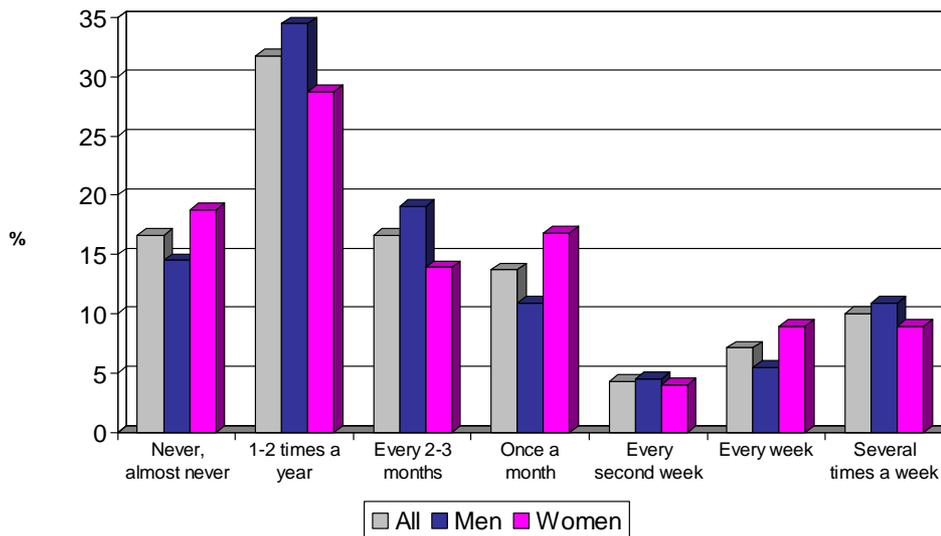
addition a majority of respondents expects UNHCR to invest funds to strengthen conflict management in the organization.

#### 4.2.9. Gender, age and status differentials

As already in part described above in more detail, the survey provides interesting data on gender, age and status differentials<sup>216</sup> (G-staff versus P-staff).

#### Gender

Though the survey data shows a lower frequency of conflict for women, the difference is lower than 10 percentage points and as a result insufficient to draw reliable conclusions (see *Figure 11* below).<sup>217</sup>



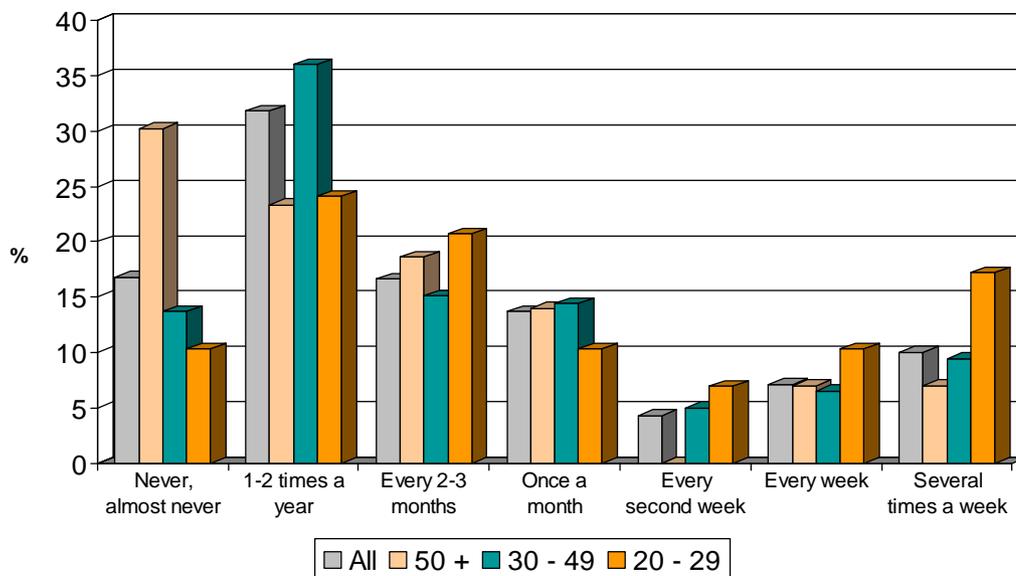
*Figure 11. Conflict frequency and gender*

<sup>216</sup> The term “differentials” is used to show some selected “differences” by groups of employees.

<sup>217</sup> As of 21 October 2008, UNHCR staff consisted of 62 percent men and 38 percent women (Source: UNHCR internal). The ratio in the survey was 52 percent men and 48 percent women.

## Age

The survey data show that conflict frequency appears to be highly age dependent. While 27 percent (N=8) of the respondents under 30 face conflicts either several times a week or every week, that rate is 14 per cent (N=6) and thus considerably lower for the age group of 50 and above. The rate for the age group between 30 and 49 is 16 percent (N=21) (see *Figure 12* below).<sup>218</sup> Possible reasons could simply be related to older people knowing better to cope with conflict or to characteristics of the younger generation, also referred to as Generation Y<sup>219</sup>, including less job loyalty, importance of self-expression versus self-control or a general attitude of questioning and challenging everything.



*Figure 12. Conflict frequency and age*

<sup>218</sup> As of 21 October 2008, the distribution of UNHCR staff across age groups was: 11 percent below 30, 67 percent between 30 and 49 and 21 percent above 50 (Source: UNHCR internal). The distribution of survey respondents across age groups was almost the same with: 14 percent below 30, 66 percent between 30 and 49 and 20 percent above 50.

<sup>219</sup> A label attributed to people born during the 1980s and early 1990s <http://www.businessdictionary.com/definition/Generation-Y.html> [20 November 2008].

## Status

While the overall frequency of conflict is similar for P and G-staff, there are notable differences in sources of conflict, reaction to conflict and its impact on work efficiency (see *Figure 13* below).<sup>220</sup> G-staff give much higher weight to a lack of clarity of roles and responsibilities as sources of conflict. Though avoidance in dealing with conflict is more pronounced in the G-staff category, G-staff seem to have a more positive attitude towards conflict, including its potential in reaching creative solutions. When in conflict, G-staff address the conflict much less with the person they are in conflict with or their supervisor. G-staff consider it more likely that in the future a situation will arise which will require assistance in dealing with conflicts and are also more pronounced in expecting UNHCR to allocate more funding to improving conflict management. With regard to the use of mediation for conflict resolution G-staff express a higher interest in testing mediation and state a higher preference for the use of internal mediators.

These results profile the G-staff category in comparison with P-staff as more open to considering conflicts as opportunities, more in search of assistance in dealing with conflict and very open to learning more about mediation. Higher weight is given to a lack of clarity of roles and responsibilities as sources of workplace conflict.

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<sup>220</sup> As of 21 October 2008, UNHCR's workforce consisted of: 34 percent G1-G4, 34 percent G5-G7, 8 percent P1/NOA – P2/NOB, 17 percent P3/NOC – P4/NOD, 4 percent P5 and D1 and 0.3 percent D2 and above (Source: UNHCR internal). The distribution of survey respondent was slightly different as follows: 17 percent G1-G4, 31 percent G5-G7, 15 percent P1/NOA – P2/NOB, 29 percent P3/NOC – P4/NOD, 7 percent P5 and D1 and 1 percent D2 and above.

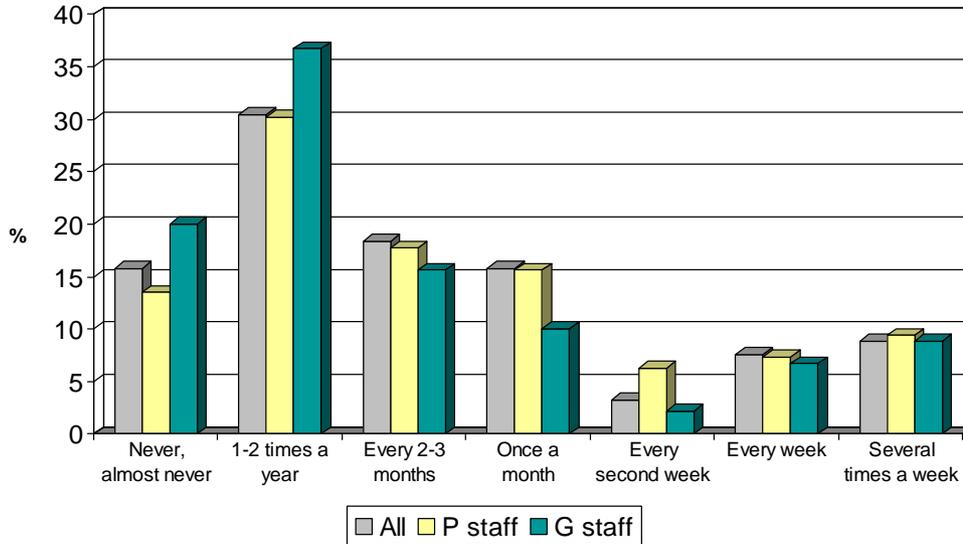


Figure 13. Conflict frequency and status

#### 4.2.10. Survey conclusions

Conflict frequency is not outside the ‘norm’ but has potential to be reduced and can thus not be considered as the ‘cost of doing business’. A reduction of conflict frequency could have the potential to result in substantial efficiency gains.

Conflict takes a high toll on staff efficiency and well-being.

Staff generally tries to avoid conflict or find a compromise. While the strong avoidance culture poses an obstacle to addressing conflict early and thus contributes to the risk of conflict escalation, the survey found that four in 10 respondents recognize the positive potential of conflict in identifying creative solutions

Most staff consult when in conflict with colleagues or third parties rather than resorting to UNHCR conflict resolution services.

G-staff seem to be less in conflict and more interested in learning more about conflict resolution mechanisms than P-staff.

The finding that younger colleagues are in conflict more often than older colleagues can assist in informing UNHCR conflict management both in terms of recruitment, performance management or training.

The call for allocating a higher priority to conflict management in UNHCR is strong and unambiguous.

Mediation as a conflict management tool is widely known by staff. However, very few staff contact UNHCR's Mediator when faced with conflict situations.

It is interesting to note that the WFP survey data correspond closely to that of UNHCR, particularly in areas of conflict frequency, sources of conflict, conflict styles and interest in mediation.<sup>221</sup>

The survey data have confirmed a number of findings from conflict theory and research in other industries, including (a) personality clashes as important sources of conflict, (b) the role of systemic problems as causes of conflict, namely a lack of clarity of roles and responsibilities, (c) the link between conflict and high stress levels, (d) productivity losses resulting from time wasted, and (e) the creative potential of conflict.

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<sup>221</sup> See reference to WFP survey in Paragraph 4.1. above.

## **5. Conclusions**

The objective of this study has been to examine the cost of conflict in the workplace and its impact on the efficiency of an organization. Building on a UNHCR case study this thesis examined the hypotheses that cost of badly managed conflict is significant, that some of the costs are measurable, that a better understanding of conflict dynamics can provide a basis for reducing costs, that mediation has a strong potential in this context and that UNHCR provides a supportive environment for cost efficient conflict management.

Theoretical concepts from literature were chosen to identify possible linkages between those concepts and costs of conflict. Findings from this analysis included the critical importance of early intervention and the relevance of transformative mediation in shifting a conflict averse culture to a culture that manages conflict constructively. The case study of UNHCR was chosen to compare an example of conflict management with conflict theory, including the model of a “preferred path” in conflict management. The underlying question has always been how knowledge of conflict theory, conflict literature and empirical conflict research can assist conflict management in UNHCR and lead to efficiency gains. A UNHCR staff survey aimed at validating that analysis to ensure that conclusions and recommendations take into account the views of UNHCR staff worldwide. The analysis of the survey focuses again on the cost implications of conflict and attempts to guide UNHCR in developing cost efficient conflict management in the future.

The combined analysis can be summarized by way of the following conclusions:

**a) Conflict is unavoidable**

Whenever people work together conflict is inevitable and occurs even in excellent working relationships. But how conflict is addressed can either add to or take away from an organization's productivity, staff well-being and total costs.

Vast research data has consistently shown that conflict that is managed well can produce positive effects in working relationships and reduces the negative effects of unmanaged or badly managed conflict. Staff feel respected and valued, resulting in higher productivity or employee retention rates. Such data combined with UNHCR staff feedback on impact of conflict in the workplace on productivity and well-being should prompt the organization's leadership to start measuring some costs of conflict for subsequent inclusion in budget reviews and cost reduction programs.

**b) Badly managed conflict results in real costs to UNHCR**

This study confirms the considerable cost of badly managed conflict, including in UNHCR. The human cost is reflected in a stress level and burn out rate of over 80 percent and 65 percent respectively for staff involved in conflict. Among a wide range of conflict-related financial costs to UNHCR, particularly striking is a possible efficiency loss of some 30.6 million US Dollars (23.9 million Euro or CHF 35.5 million)<sup>222</sup> per year due to staff time lost in dealing with badly managed conflict. The financial cost to UNHCR also includes other elements such as the potentially damaging loss of credibility and image and subsequent risk of losing donor support if a low level of services is provided to refugees, for instance because of time lost in conflict. Conflict also negatively impacts staff morale, which can have a knock-on detrimental impact on services to refugees.

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<sup>222</sup> Exchange rate 1 USD = 0.78 Euro or 1.16 CHF [30 January 2009].

### **c) Some costs of conflict are measurable**

The attempt to measure the costs of conflict has shown that measuring is not impossible but difficult. One reason is that costs such as loss of productivity, absenteeism or health costs are never only a result of badly managed conflict. Determining a causal link and thus the exact percentage of costs rooted purely in conflict is difficult and sometimes impossible. These limitations make it difficult to reflect costs of conflict in balance sheets, let alone show any increase or decrease in budgetary terms. Without empirical findings that speak to their specific concerns (e.g. reputation, branding, and quality of service to refugees) convincing UNHCR's leadership that tailoring the organization's conflict management would result in better productivity will not be easy, even more so when taking into account that the cost of the dollar spent in strengthening a conflict management system is measurable and very visible in the budget, unlike the aspired resulting efficiency gains that will generally be much less measurable.

Also, though some costs may still be brushed aside as "the cost of doing business", it may not be the amount of the costs but the nature of the costs and the immediate risks to the survival of the organization, such as costs to UNHCR's reputation and public image, that would trigger senior management attention and intervention. Raised awareness of the causalities between costs of conflict and the health or even survival of UNHCR should outweigh some of the limitations in measuring costs and lead senior management to pay greater attention to the costs of conflict.

The study highlighted areas in which data collection and monitoring are of particular relevance to identifying conflict cost drivers. Such areas include: monitoring of sick leave and its reasons and calculation of costs for temporary replacement; staff productivity monitoring; exist interviews and calculation of replacement costs.

#### **d) Understanding of conflict dynamics helps to identify cost drivers**

Today's predominant avoidance culture at work leads managers and company leaders to deflect responsibility to pro-actively engage themselves in conflict resolution and to refer conflict management to the "competent" structures including mediation or litigation. The significant cost implications alone of badly managed conflict should be a sufficiently convincing argument for businesses and organizations to acknowledge that conflict competency must be considered a critical responsibility and thus core competency of any manager.

This research has confirmed that a better understanding of conflict dynamics assists in identifying costs drivers and thus provides better tools to identify potential cost savings in conflict management. This study offers approaches to shift from a conflict-averse culture to a culture which considers conflict as a part of life and recognizes its creative potential when well managed. An encouraging majority of UNHCR staff request assistance in dealing with conflict. Despite a high avoidance culture in UNHCR, 40 percent of staff seems to see the creative potential of conflict. Better information for staff on conflict dynamics, knowledge of conflict resolution strategies and related training will play a critical role in initiating a culture shift. The study also addresses the critical importance of early intervention in conflict and shows related cost implications when conflicts are allowed to escalate. However, while the call for early intervention seems common sense, this research provides some answers to some important questions in this regard: *"what can be done to intervene early?"* or, *"what are the obstacles to early intervention?"*. The predominant avoidance culture in UNHCR is certainly one important obstacle. Other obstacles include (a) a task-oriented organizational culture that heavily prioritizes operational achievements over staff-welfare, (b) lack of recognition that a problem needs attention, (c) lack of knowledge of what to do in situations of conflict, (d) lack of clarity on what is expected from a supervisor in addressing conflict situations, (d) or simply lack of courage to pro-actively engage in conflict resolution.

**e) Systemic issues often play a large role in creating conflicts**

Conflicts are not always the result of personality clashes or poor behavior. Even in situations when employees pursue legitimate work-related goals, there are systemic issues that make conflict almost predictable. Examples of systemic problems include unclear roles and responsibilities, which 60 percent of UNHCR staff consider being the most common sources of conflict at work. In addition, this study points to other underlying systemic issues, including (a) the absence of testing or recognition of conflict competencies in recruitment, appointment or promotion decisions and (b) insufficient performance management compliance allowing for underperformance on conflict management remaining unaddressed.

**f) Mediation has strong potential**

The empirical research has confirmed the potential for the use of mediation in conflict management in UNHCR. Mediation seems to be well known already and a majority of staff want to know more about mediation. Certain limitations cited in literature on mediation in the workplace were also echoed by UNHCR staff, including the call for external mediators particularly in complex conflict situations. The overwhelming interest in mediation could lay the basis for developing a mediation culture in UNHCR that does not only build on assigned professional internal and external mediators but also promotes concepts such as the use of mediation techniques in communication among staff, the concept of mediation managers or peer groups with specifically trained conflict advisors.

**g) Dealing with conflict is everyone's responsibility**

This study has provided theoretic concepts and empirical data that show the importance and potential in developing a culture in which UNHCR staff is empowered to dealing with conflict. The concepts of interest-based communication, the transformative conflict theory and the role of mediation all

aim at moving the responsibility to deal with conflict to every employee while at the same time providing the necessary competencies to do so. The empirical data from the staff survey support such a strategy. A great majority of respondents is requesting for more information on how to deal with conflict situations and is giving strong support for the role of mediation. This show of interest combined with survey data that illustrate that over 60 percent of staff talk directly to the person they are in conflict with to attempt finding a solution, provide a strong basis for a supporting environment to develop a mediation approach in a larger sense as a “way of life” (or “esprit de vie”) in support of a culture shift which aims at enabling the parties to the extent possible to take responsibility for addressing their conflict directly. Taking responsibility in that way would also address the need for early intervention and would in a global organisation such a UNHCR with a largely decentralised informal conflict management allow for timely interventions close to the place where the conflict occurs.

#### **h) A systems approach reduces costs of conflict**

Rather than approaching conflict resolution on a case-by-case basis, the systems approach to conflict management provides for a mechanism in which the different components are interrelated and integrated parts in an organizational environment, benefiting from senior management endorsement and support and allowing for a comprehensive, system approach to the prevention, management and resolution of conflict with resulting efficiency gains.

UNHCR and other organizations can build on the analysis and conclusions of this thesis to address conflict management as a business case that supports both the cost efficient delivery of mandates and services and the strengthening of a motivated, productive and healthy workforce.

## 6. Recommendations

The findings of this thesis lead to some short term and longer term recommendations in support of cost efficient conflict management in UNHCR, which can be summarized as follows:

### Short term:

- Prioritize training on conflict competencies particular for line managers;
- Integrate conflict competency assessment in recruitment decisions;
- Promote systems thinking in conflict management through role clarification and coordination between the existent grievances actors;
- Clarify to staff at large where to go for advice in case of conflict;
- Recall the importance of clarification of roles and responsibilities and its impact on conflict prevention;
- Formally integrate line management responsibility for conflict management at UNHCR Senior Management Committee level;
- Align internal communication with principles of transformative conflict theory, namely transparent, open and respectful communication with staff;
- Start systematic collection of selected data globally, including sick leave and its reasons and exit interviews, including reasons for departure;
- Use refresher courses on Code of Conduct to support conflict competency training.

### Long term:

- Hold staff accountable not only if rules and behavioral standards are not adhered to but also if managerial responsibilities in ensuring a safe working environment are not adhered to;
- Firmly integrate conflict competencies as part of the core-competencies expected from all UNHCR staff;
- Reflect the need for conflict competencies in job-descriptions, in particular for managerial positions;
- Conduct periodic staff surveys on conflict management and staff welfare;

- Build peer-support structure of conflict advisors;
- Review existing rules and procedures for their impact on UNHCR's conflict culture, i.e. do they sanction and suppress conflict or do they invite dealing with conflict in a constructive way.

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## **9. Attachments**

### **Annex 1. Cover letter to staff on Survey on conflict management in UNHCR/Enquête relative à la gestion des conflits au HCR**

Welcome to my survey related to conflict management in the workplace at UNHCR. The purpose of this survey is to assist in understanding how UNHCR staff approach conflict management in the workplace, to examine impact of conflict on performance, to analyse sources of conflict and to propose measures which would assist in improving conflict management in UNHCR.

In the context of my Masters studies in Mediation I am analysing workplace conflict management in UNHCR. I hope that the data provided through this survey will allow UNHCR to review its current conflict management system and inform future reform in UNHCR. The survey will also inform the ongoing efforts of the network of UN Ombudspersons and Mediators to strengthen conflict management systems in the UN.

PLEASE NOTE: THIS SURVEY WILL BE STRICTLY CONFIDENTIAL. YOU WILL NOT BE REQUIRED TO INSERT YOUR NAME NOR DEPARTMENT. ALL DATA WILL BE KEPT STRICTLY CONFIDENTIAL AND WILL ONLY BE ANALYZED FOR THE PURPOSE OF MY THESIS. NO INFORMATION ABOUT PARTICIPANTS WILL BE GIVEN TO THE UNHCR OR ANY OTHER THIRD PARTY. THE SURVEY DATA WILL BE DESTROYED AS SOON AS THE RESEARCH IS FINISHED.

Thank you for your assistance.

Helmut Buss

European Masters in Mediation, IUKB, Switzerland

([www.iukb.ch](http://www.iukb.ch))

Bienvenu dans mon enquête relative à la gestion des conflits sur le lieu de travail au HCR. L'objectif de cette enquête est de comprendre l'approche du personnel du HCR face à la gestion des conflits sur le lieu de travail, d'examiner l'impact des conflits sur les performances, d'analyser les sources de conflits et de proposer des mesures visant à améliorer la gestion des conflits au HCR.

Dans le cadre de mon Master en Médiation, j'analyse la gestion des conflits sur le lieu de travail au HCR. J'espère que le résultat de cette enquête permettra au HCR de revoir son système actuel de gestion des conflits et contribuera à une réforme au sein du HCR. Cette enquête contribuera également aux efforts actuels du réseau des médiateurs des Nations Unies en vue de renforcer les systèmes de gestion des conflits dans les Nations Unies.

VEUILLEZ NOTER QUE CETTE ENQUETE EST STRICTEMENT CONFIDENTIELLE ET ANONYME. TOUTES LES DONNEES SERONT CONFIDENTIELLEMENT CONSERVEES ET EXCLUSIVEMENT UTILISEES DANS LE CADRE DE MES ETUDES. AUCUNE INFORMATION CONCERNANT LES PARTICIPANTS NE SERA DIVULGUEE AU HCR OU À DES TIERS. L'ENQUETE SERA DETRUITE DES QUE LA RECHERCHE SERA TERMINEE.

Helmut Buss

Master Européen en Médiation, Institut Universitaire Kurt Bösch, Suisse  
([www.iukb.ch](http://www.iukb.ch))

## Annex 2. Conflict Management in UNHCR/Gestion des conflits au HCR

### Summary Survey

#### Question 1

**How often do you personally face conflict situations at work? (with conflict I mean a condition between or among workers whose jobs are interdependent, who feel angry, who perceive the other(s) as being at fault, and who act in ways that cause a problem at work). Etes-vous souvent confronté à des situations conflictuelles au travail? (Par situations conflictuelles, j'entends une situation entre employés dont le travail est interdépendant, qui sont en colère, qui considèrent les autres comme ayant tort, et qui agissent de manière à créer un problème au lieu du travail).**

Answer Options	Response Frequency	Response Count
Never, almost never/ jamais, presque jamais	16.6%	35
<b>1-2 times a year/ 1 à 2 fois par an</b>	<b>31.8%</b>	<b>67</b>
Every 2-3 months/ chaque 2-3 mois	16.6%	35
Once a month/ 1 fois par mois	13.7%	29
Every second week/ Chaque 2e semaine	4.3%	9
Every week/ Chaque semaine	7.1%	15
Several times a week/ Plusieurs fois par semaine	10.0%	21
<i>answered question</i>		<b>211</b>
<i>skipped question</i>		<b>5</b>

#### Question 2

**With whom did you ever have conflict(s) at work in UNHCR?(you may choose more than one answer) Avec qui avez-vous déjà eu un ou des conflit(s) dans le travail au HCR ? (Plusieurs réponses possibles)**

Answer Options	Response Frequency	Response Count
My supervisor, boss / Mon superviseur, chef	40.4%	76
A colleague of a higher hierarchical level/ Un collègue d'un niveau hiérarchique supérieur	46.3%	87
<b>A peer colleague/ Un collègue de même grade</b>	<b>48.4%</b>	<b>91</b>
A colleague of a lower hierarchical level/ Un collègue d'un niveau hiérarchique inférieur	25.5%	48
My supervisee/ Mon supervisé	12.8%	24
Other (please specify)/ Autre (merci de spécifier)		25
<i>answered question</i>		<b>188</b>
<i>skipped question</i>		<b>28</b>

### Question 3

<b>What do you consider the most common source of conflict at work? Quel est selon vous le type de conflit le plus commun?</b>		
<b>Answer Options</b>	<b>Response Frequency</b>	<b>Response Count</b>
Relations between colleagues/ Relations entre collègues	25.3%	50
<b>Unclarity of roles and responsibilities/ Non clarification des rôles et responsabilités</b>	<b>58.1%</b>	<b>115</b>
Systems and policies in general/ Systèmes et politiques en général	13.1%	26
Reform and restructuring programmes/ Réforme et restructuration des programmes	3.5%	7
Other (please specify)/ Autre (merci de spécifier)		35
<i>answered question</i>		<b>198</b>
<i>skipped question</i>		<b>18</b>

### Question 4

<b>My personal wellbeing is affected by conflict(s) at work. Mon bien-être personnel est-il affecté par les conflits dans le travail?</b>		
<b>Answer Options</b>	<b>Response Frequency</b>	<b>Response Count</b>
<b>Strongly agree/ J'approuve fortement</b>	<b>33.2%</b>	<b>70</b>
Tend to agree/ J'aurais tendance à approuver	32.7%	69
Neither agree nor disagree/ Je n'approuve ni ne désapprouve	18.0%	38
Tend to disagree/ J'aurais tendance à désapprouver	9.0%	19
Strongly disagree/ Je désapprouve fortement	7.1%	15
<i>answered question</i>		<b>211</b>
<i>skipped question</i>		<b>5</b>

### Question 5

<b>My efficiency at work is affected by conflict(s) at work/ Mon efficacité au travail est-elle affectée par les conflits dans le travail?</b>		
<b>Answer Options</b>	<b>Response Frequency</b>	<b>Response Count</b>
<b>Strongly agree/ J'approuve fortement</b>	<b>32.2%</b>	<b>68</b>
<b>Tend to agree/ J'aurais tendance à approuver</b>	<b>32.2%</b>	<b>68</b>
Neither agree nor disagree/ Je n'approuve, ni ne désapprouve	14.2%	30
Tend to disagree/ J'aurais tendance à désapprouver	13.3%	28
Strongly disagree/ Je désapprouve fortement	8.1%	17
<i>answered question</i>		<b>211</b>
<i>skipped question</i>		<b>5</b>

## Question 6

How do you react to conflict at work? (You may choose a maximum of 5 answers) Comment réagissez-vous aux conflits dans le travail? (Jusqu'à 5 réponses possibles)							
Answer Options	Strongly Agree/ J'approuve fortement	Tend to agree/ J'aurais tendance à approuver	Neither agree nor disagree/ Je n'approuve, ni ne désapprouve	Tend to disagree/ J'aurais tendance à désapprouver	Strongly disagree/ Je désapprouve fortement	Rating Average	Response Count
I feel stressed/ Je suis stressé(e)	82	66	20	12	2	1.82	182
I feel angry and aggressive/ Je suis en colère et agressif(ve)	15	49	41	22	17	2.84	144
I consider it to be a waste of time/ Je considère cela une perte de temps	53	57	25	9	14	2.20	158
I try to avoid it/ J'essaie de les éviter	66	57	15	20	5	2.02	163
I consider it to be necessary in order to achieve creative solutions/ Je les considère nécessaire pour obtenir des solutions créatives	25	42	25	31	27	2.95	150
I feel my efficiency is being increased/ Je considère que cela améliore mon efficacité	12	25	21	38	46	3.57	142
I try to find a compromise/ J'essaie de trouver un compromis	51	69	27	9	4	2.04	160
I consider it to be necessary in order to make clear who really is in charge/ Je les considère nécessaire afin de voir qui est vraiment en charge	20	26	34	28	32	3.19	140
I will defend myself and insist on my rights/ Je défends mes droits	41	52	40	10	6	2.25	149
It can really change my mood and make me less friendly, balanced/ Cela peut réellement changer mon humeur et me rendre moins convivial(e), tempéré(e)	27	64	41	20	3	2.41	155
Sometimes I feel burned-out because of conflicts/ Parfois je me sens épuisé(e) en raison des conflits	41	63	30	19	5	2.27	158
I get the feeling that people really stand up for what they believe/ J'ai l'impression que les gens défendent ce en quoi ils croient	23	35	42	27	13	2.80	140
Other strong reaction (please specify)/ Autre forte réaction (merci de spécifier)							14
<b>answered question</b>							<b>209</b>
<b>skipped question</b>							<b>7</b>

### Question 7

Have you ever discussed a conflict you encountered in the office with somebody else? N'avez-vous jamais discuté d'un conflit rencontré au travail avec quelqu'un?		
Answer Options	Response Frequency	Response Count
Yes/ Oui	87.7%	185
No/ Non	12.3%	26
<i>answered question</i>		211
<i>skipped question</i>		5

### Question 8

With whom did you discuss the conflict/ situation? (You may choose more than one answer) Avec qui avez-vous discuté d'un conflit / d'une situation conflictuelle ? (Plusieurs réponses possibles)		
Answer Options	Response Frequency	Response Count
Directly with the person I had the conflict with/ Directement avec la personne avec laquelle j'ai eu un conflit	61.6%	122
<b>A colleague/ Un collègue</b>	<b>75.3%</b>	<b>149</b>
My superior/ Mon superviseur	54.5%	108
The superior of the person I had the conflict with/ Le superviseur de la personne avec laquelle j'ai eu un conflit	18.2%	36
The Staff Council/ Le Conseil du Personnel	10.6%	21
Human Resources/ Le Département des Ressources Humaines	7.6%	15
Staff Welfare Section/ Le Service social du Personnel	5.6%	11
The UNHCR Mediator/ Le Médiateur du HCR	8.1%	16
UNHCR's Medical Service/ Le Service médical du HCR	2.5%	5
Inspector General's Office/ Le Bureau de l'Inspecteur Général	5.1%	10
Legal Affairs Section/ La Section des Affaires Juridiques	1.0%	2
My spouse, partner, family member at home/ Mon époux(se) / partenaire, membre de la famille à la maison	51.0%	101
A friend outside UNHCR/ Un(e) ami(e) en dehors du HCR	34.3%	68
A professional outside UNHCR/ Un professionnel en dehors du HCR	14.6%	29
Other (please specify)/ Autre (merci de spécifier)		11
<i>answered question</i>		198
<i>skipped question</i>		18

### Question 9

**When discussing the conflict: Did you ever ask directly for help in finding a solution? (If your answer is NO, please move directly to question number 11) Lors de la discussion du conflit : n'avez-vous jamais demandé de l'aide en vue de trouver une solution ? (Si votre réponse est NON, veuillez vous rendre directement à la question 11)**

Answer Options	Response Frequency	Response Count
Yes/ Oui	57.4%	116
No/ Non	42.6%	86
<i>answered question</i>		<b>202</b>
<i>skipped question</i>		<b>14</b>

### Question 10

**Whom did you ask for help? (You may chose more than one answer) A qui avez-vous demandé de l'aide ? (Plusieurs réponses possibles)**

Answer Options	Response Frequency	Response Count
A colleague/ Un collègue	59.8%	79
<b>My supervisor/ Mon superviseur</b>	<b>62.9%</b>	<b>83</b>
The supervisor of the person I had the conflict with/ Le superviseur de la personne avec laquelle j'ai eu un conflit	27.3%	36
The Staff Council/ Le Conseil du Personnel	11.4%	15
Human Resources/ Le Département des Ressources Humaines	9.1%	12
Staff Welfare Section/ Le Service social du Personnel	6.1%	8
The UNHCR Mediator/ Le Médiateur du HCR	9.1%	12
Legal Affairs Section/ La Section des Affaires Juridiques	1.5%	2
Inspector General's Office/ Le Bureau de l'Inspecteur Général	4.5%	6
My spouse, partner/ Mon époux(se), partenaire	23.5%	31
A friend outside UNHCR/ Un(e) ami(e) en dehors du HCR	15.2%	20
A professional outside UNHCR/ Un professionnel en dehors du HCR	9.8%	13
Other (please specify)/ Autre (merci de spécifier)		13
<i>answered question</i>		<b>132</b>
<i>skipped question</i>		<b>84</b>

### Question 11

Did you get the assistance you asked for? Avez-vous reçu l'aide demandée?		
Answer Options	Response Frequency	Response Count
Yes, always/ Oui, toujours	20.5%	36
<b>Yes, sometimes/ Oui, parfois</b>	<b>59.1%</b>	<b>104</b>
No/ Non	20.5%	36
<i>answered question</i>		<b>176</b>
<i>skipped question</i>		<b>40</b>

### Question 12

It is likely that in the future a situation may arise, where I would like to obtain assistance in dealing with conflicts. Il est probable qu'à l'avenir une situation survienne, où je souhaiterais obtenir une assistance pour gérer les conflits.		
Answer Options	Response Frequency	Response Count
Strongly agree/ J'approuve fortement	34.1%	72
<b>Tend to agree/ J'aurais tendance à approuver</b>	<b>38.9%</b>	<b>82</b>
Neither agree nor disagree/ Je n'approuve, ni ne désapprouve	21.3%	45
Tend to disagree/ J'aurais tendance à désapprouver	3.8%	8
Strongly disagree/ Je désapprouve fortement	1.9%	4
<i>answered question</i>		<b>211</b>
<i>skipped question</i>		<b>5</b>

### Question 13

Have you ever heard about mediation? Avez-vous déjà entendu parler de médiation ?		
Answer Options	Response Frequency	Response Count
<b>Yes/ Oui</b>	<b>91.9%</b>	<b>194</b>
No/ Non	8.1%	17
<i>answered question</i>		<b>211</b>
<i>skipped question</i>		<b>5</b>

### Question 14

<b>In mediation, the colleagues in conflict negotiate an outcome among themselves with the help of a mediator, an independent and neutral person. With that in mind: En médiation, les collègues en conflit trouvent une solution entre eux avec l'aide d'un médiateur, une personne indépendante et neutre. Prenant cela en compte :</b>				
<b>Answer Options</b>	<b>Yes/ Oui</b>	<b>No/ Non</b>	<b>Not applicable / Sans objet</b>	<b>Response Count</b>
Would you be interested in testing this approach?/Seriez-vous intéressé à tester cette approche?	<b>137</b>	30	31	196
Would you want to learn more about this approach?/Voudriez-vous en savoir plus sur cette approche ?	<b>163</b>	21	17	201
<i>answered question</i>				<b>211</b>
<i>skipped question</i>				<b>5</b>

### Question 15

<b>Have you any personal experience with mediation? N'avez-vous aucune expérience personnelle en médiation ?</b>		
<b>Answer Options</b>	<b>Response Frequency</b>	<b>Response Count</b>
Yes/ Oui	39.0%	82
<b>No/ Non</b>	<b>61.0%</b>	128
<i>answered question</i>		<b>210</b>
<i>skipped question</i>		<b>6</b>

### Question 16

<b>How would you rate your experience with mediation? Did it actually help to improve the situation/ solve the conflict? Comment évalueriez-vous votre expérience en médiation ? Cela vous a-t-il aidé à améliorer une situation ou à résoudre un conflit ?</b>		
<b>Answer Options</b>	<b>Response Frequency</b>	<b>Response Count</b>
Mediation did help to solve the conflict/ La médiation a permis de résoudre le conflit	30.3%	54
Mediation did not help to solve the conflict/ La médiation n'a pas permis de résoudre le conflit	7.3%	13
I can't tell/ Je ne peux pas me prononcer	19.7%	35
<b>Not applicable/ Sans objet</b>	<b>42.7%</b>	<b>76</b>
Other (please specify)/ Autre (merci de spécifier)		22
<i>answered question</i>		<b>178</b>
<i>skipped question</i>		<b>38</b>

### Question 17

**Mediation services can be provided internally by UNHCR and/ or by outside professional mediators. What would be your preference? Des services de médiation peuvent être fournis par le HCR et/ou par des médiateurs professionnels extérieurs. Que préférez-vous ?**

Answer Options	Strongly agree/ J'approuve fortement	Tend to agree/ J'aurais tendance à approuver	Neither agree nor disagree/ Je n'approuve, ni ne désapprouve	Tend to disagree/ J'aurais tendance à désapprouver	Strongly disagree/ Je désapprouve fortement	Response Count
Mediator(s) should be only UNHCR staff/Le(s) médiateur(s) doivent être des membres du personnel du HCR	36	31	<b>38</b>	34	20	156
Mediator(s) should be only outside professionals/ Le(s) médiateur(s) doivent être des professionnels extérieurs au HCR	33	37	<b>40</b>	28	20	156
Mediators could be both UNHCR staff and outside professionals/ Le(s) médiateur(s) pourraient être à la fois des membres du personnel du HCR et des professionnels extérieurs au HCR	<b>69</b>	60	33	6	10	177
<i>answered question</i>						<b>211</b>
<i>skipped question</i>						<b>5</b>

### Question 18

**If you believe that UNHCR should have internal UNHCR staff to provide mediation, please explain why: Si vous pensez que le HCR devrait avoir parmi son personnel un ou des médiateur(s), merci de donner vos raisons :**

Answer Options	Response Count
	97
<i>answered question</i>	
<b>97</b>	
<i>skipped question</i>	
<b>119</b>	

### Question 19

**If you believe that UNHCR should work with outside professional mediator(s) who are not UNHCR staff, please explain why: Si vous pensez que le HCR devrait travailler avec des médiateurs professionnels extérieurs, merci de donner vos raisons :**

Answer Options	Response Count
	113
<i>answered question</i>	<b>113</b>
<i>skipped question</i>	<b>103</b>

### Question 20

**UNHCR management should allocate a higher priority to conflict management in UNHCR. La direction du HCR devrait allouer une plus grande priorité à la gestion des conflits au sein du HCR.**

Answer Options	Response Frequency	Response Count
<b>Strongly agree/ J'approuve fortement</b>	<b>48.8%</b>	<b>103</b>
Tend to agree/ J'aurais tendance à approuver	36.0%	76
Neither agree nor disagree/ Je n'approuve, ni ne désapprouve	13.3%	28
Tend to disagree/ J'aurais tendance à désapprouver	0.9%	2
Strongly disagree/ Je désapprouve fortement	0.9%	2
<i>answered question</i>		<b>211</b>
<i>skipped question</i>		<b>5</b>

### Question 21

**UNHCR should allocate a higher budget to improve conflict management in UNHCR. Le HCR devrait allouer un budget plus élevé pour une meilleure gestion des conflits au sein du HCR.**

Answer Options	Response Frequency	Response Count
Strongly agree/ J'approuve fortement	28.0%	59
Tend to agree/ J'aurais tendance à approuver	28.9%	61
<b>Neither agree nor disagree/ Je n'approuve, ni ne désapprouve</b>	<b>34.6%</b>	<b>73</b>
Tend to disagree/ J'aurais tendance à désapprouver	4.7%	10
Strongly disagree/ Je désapprouve fortement	3.8%	8
<i>answered question</i>		<b>211</b>
<i>skipped question</i>		<b>5</b>

### Question 22

**Is there anything you wish to add on the topic of conflict management in UNHCR? Voulez-vous ajouter quelque chose sur le sujet de la gestion des conflits au sein du HCR ?**

Answer Options	Response Count
	79
<i>answered question</i>	79
<i>skipped question</i>	137

### Question 23

**What is your gender? De quel sexe êtes-vous ?**

Answer Options	Response Frequency	Response Count
<b>Male/Masculin</b>	<b>52.1%</b>	<b>110</b>
Female/ Féminin	47.9%	101
<i>answered question</i>		211
<i>skipped question</i>		5

### Question 24

**How old are you? Quel âge avez-vous ?**

Answer Options	Response Frequency	Response Count
20 - 29 years/ ans	13.7%	29
<b>30 - 49 years/ ans</b>	<b>65.9%</b>	<b>139</b>
50& + years/ ans	20.4%	43
<i>answered question</i>		211
<i>skipped question</i>		5

### Question 25

**How many years have you been working with UNHCR ? Depuis combien de temps êtes-vous au service du HCR ?**

Answer Options	Response Frequency	Response Count
Less than one year/ moins d'un an	10.0%	21
1 - 2 years/ ans	9.5%	20
2 – 5 years/ ans	23.7%	50
5 – 10 years/ ans	21.8%	46
<b>+ 10 years/ ans</b>	<b>35.1%</b>	<b>74</b>
<i>answered question</i>		211
<i>skipped question</i>		5

### Question 26

What is your nationality De quelle nationalité êtes-vous ?	
Answer Options	Response Count
	185
<i>answered question</i>	<b>185</b>
<i>skipped question</i>	<b>31</b>

### Question 27

What is your current level in UNHCR ? Quel est votre actuel grade au sein du HCR ?		
Answer Options	Response Frequency	Response Count
G1 - G4	17.2%	32
<b>G5 - G7</b>	<b>31.2%</b>	<b>58</b>
P1/ NOA - P2/ NOB	15.1%	28
P3/ NOC - P4/ NOD	28.5%	53
P5 - D1	7.0%	13
D2 & +	1.1%	2
Other (please specify/ Autre (merci de spécifier)		34
<i>answered question</i>		<b>186</b>
<i>skipped question</i>		<b>30</b>

### Question 28

Many thanks/ Merci beaucoup !	
Answer Options	Response Count
	76
<i>answered question</i>	<b>76</b>
<i>skipped question</i>	<b>140</b>

## 10. Abstract

Conflict is unavoidable including in the workplace. However, badly managed conflicts result in real financial and human costs to organizations. The goal should therefore be to manage conflict, not to avoid or eliminate it. Taking the Office of the United Nations High Commissioner (UNHCR)<sup>223</sup> as an example this study finds that understanding the organizational culture and existing conflict dynamics allow for identification of conflict cost drivers and thus identification of potentially significant efficiency gains. Mediation can play an important role in developing a conflict culture in UNHCR in which dealing with conflict becomes everyone's responsibility.

## 11. Keywords

Business case of conflict management, conflict management in the workplace, conflict styles, cost of conflict, measuring cost of conflict, mediation, negative conflict, positive conflict, UNHCR, transformative mediation.

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## Extrait

Le conflit est inévitable, y compris sur le lieu de travail. Toutefois, les conflits mal gérés engendrent de réels coûts financiers et humains pour les organisations. L'objectif devrait par conséquent être de gérer le conflit, et non pas de l'éviter ou de l'éliminer. En prenant le Haut Commissariat des Nations Unies pour les Réfugiés (HCR)<sup>224</sup> comme exemple, cette étude montre que comprendre la dynamique de la culture organisationnelle et du conflit existant permet d'identifier les inducteurs de coûts des conflits et donc d'identifier les gains d'efficacité significatifs potentiels. La médiation peut jouer un rôle important dans le développement d'une culture de conflit au HCR, dans laquelle gérer des conflits devient la responsabilité de chacun.

## Mots-clés

Analyse de rentabilisation de la gestion des conflits, conflit négatif, conflit positif, coût du conflit, gestion des conflits sur le lieu de travail, HCR, médiation, transformative mediation, mesure de coûts du conflit, types de conflit.

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<sup>223</sup> The Office of the United Nations High Commissioner for Refugees (UNHCR), <http://www.unhcr.org/cgi-bin/texis/vtx/home> [25 January 2009].

<sup>224</sup> Le Haut Commissariat des Nations Unies pour les Réfugiés (HCR), <http://www.unhcr.fr/cgi-bin/texis/vtx/home> [25 Janvier 2009].

