

**Employee Conflict:
The Issues Today, Who's at Fault, and Emerging Frictions**

**BDO Dunwoody Weekly CEO/Business Leader Poll
by COMPAS for publication in
the *Financial Post* January 8, 2007**



**COMPAS Inc.
Public Opinion and Customer Research
January 8, 2007**

1.0 Introduction

In wide-ranging web-interviews using many open-ended questions, CEOs were asked about the current and future character of employee conflict. They view current employee conflicts as mainly about ethics including criminal conduct in some cases and also about personality conflicts. They do not see gender, sexual harassment, and ethnicity as major factors.

As for whom to hold accountable, panelists point their fingers at incompetent senior and middle managers for causing or failing to moderate employee conflict. They also point to union leaders in some circumstances. They tend not to see age-old English-French conflicts, much mediated gender and sex-related conflicts, and ethno-religious conflicts as major factors in workforce conflict today.

Looking to the future, the CEOs and business leaders on the COMPAS panel expect an increase in

- ❑ performance-related conflicts arising from a declining work ethic and rising expectations among the young along with pressure from government to assume new mandates, and
- ❑ Skill- and wage-related conflicts arising from a dearth of skilled employees in some industries and wage conflicts between unskilled employees, who have low wage competitors overseas, and highly skilled employees, who tend not to face the same downward pressure on wages from foreign competitors.

These are the principal findings from the weekly business web-survey conducted by COMPAS for the *Financial Post* under sponsorship of BDO Dunwoody LLP.



2.0. Conflicts Today—Ethical and Personality, Rarely Harassment, Ethnicity or Union-Related

Panelists were asked to describe in their own words the *worst* instances of workplace conflict that they had observed directly or indirectly. The worst employee conflict situations reportedly involved criminal or ethical issues or severe personality conflicts, according to CEOs and business leaders, as shown in table 2.

Crime and ethical conflicts encompassed a wide range of behaviours including theft from the company, theft from other employees, violence, and ethical disagreements over the company's actions. Some verbatims:

When a supervisor is thought to be stealing and making it look like the other staff are stealing from the company. It takes some time to find the true facts and deal with the situation.

Violence on the shop floor.

I observed the owner of a business, a supplier to us, expressing dissatisfaction through verbal abuse and physical threats to an employee, in a public setting while several other customers watched.

Unproductive employees who abuse rules (absenteeism, etc.) and do not put in their share of effort cause considerable resentment among the productive staff. It takes considerable time to deal with these issues, and resolution can cause further tension.

An atmosphere of favouritism where some employees enjoy entitlements that are unwarranted at the expense of other employees.

Employees who work hard during regular hours beside employees who do not and yet record overtime.

A male employee was talking about sexually abusing children. Others became very disturbed by his



*Employee Conflict, BDO Dunwoody Weekly CEO/Business
Leader Poll, by COMPAS for Publication in the Financial Post on
January 8, 2007*

ramblings...almost to the point of violence. Our firm terminated him and had him removed from the building by the police.

Arguments over whether to officially admit an engine test procedure was defective, by allowing a change of test procedure, considered mandatory by the employee professional engineer concerned. The procedure remained unchanged, and the employee was transferred.

A senior executive who was seen by his subordinates using a company limo to take his children to a museum. Harm was done but it wasn't easy to repair the situation even if it seemed a small enough matter.

Secretaries poaching each others' boyfriends. The tension spilled over to other clerical and support staff, whose work deteriorated, affecting management and professional staff in turn.

An affair between a CEO and his secretary, where the secretary used that power in a most negative maner, without fear of repercussion. This created a no win situation for any employee that did not abide by the rules set by someone without moral authority.

In a relatively infrequent case of union conflict, a CEO respondent reported that he was sufficiently fearful that he armed himself. "As the owner of the business, I carried a baseball bat in my car for several months to protect myself from an aggressive union and its members," confided the panelist. "Several managers had tires slashed and our trucks/trailers were vandalized during the conflict."



*Table 2: (Q2) Without compromising privacy or confidentiality,
what is the worst employee conflict situation you have observed or
been aware of?*

	%
Crime and ethical conflict (violence 11%, theft 4%, ethical conflict 12%)	27
Personality and interpersonal conflicts	21
Union vs. management/non-union conflict	7
Sexual harassment	6
Bullying	7
Office romance	5
Conflict among different units of an organization	5
Rivalry over promotion	3
Gossip	3
Other	14

3.0. Factors to Blame—Mainly Management, Rarely Sexual Harassment or the Social Origins of Conflicting Employees

As evidenced in table 3, members of the CEO panel tend not pass the buck. They hold management and to some extent union leaders responsible for the most serious conflicts. Historically important English-French conflicts, much mediated conflicts over sexual harassment, and ethnic or religious conflicts among employees are seen as very small factors compared to poor leadership from senior or middle management.



*Employee Conflict, BDO Dunwoody Weekly CEO/Business
Leader Poll, by COMPAS for Publication in the Financial Post on
January 8, 2007*

Table 3: (Q1) In a recent wave of this weekly poll, respondents described conflict among employees as a source of stress. From your observations, how much is each of the following factors a source of employee conflict? Please use a 7 point scale where 7 means major source or cause of employee conflict and 1, the opposite. RANDOMIZE

	Mean	7	6	5	4	3	2	1	DNK
Unclear or conflicting leadership from the top of an organization	5.3	19	27	30	17	6	2	0	0
In unionized settings, conflicts originating with union leaders	5.3	12	22	23	9	7	2	0	25
Poor skills at the level of middle management	5.2	10	31	39	12	4	5	0	0
Conflicts that arises just because an individual(s) does(do) not play by the rules	4.8	8	25	33	13	9	7	3	2
Financial reversals in an organization	4.7	11	25	23	20	7	6	7	2
Conflict among different units or departments of an organization	4.4	6	21	26	22	14	5	6	1
Gender issues other than harassment	3.0	0	5	12	17	23	25	16	2
Age-related conflict	2.8	1	2	14	19	15	23	25	1
Sexual harassment	2.6	2	3	7	18	15	23	31	2
Conflicts arising from ethnic, religious, or ancestral origin	2.5	0	0	7	21	15	23	29	4
English-French conflicts	2.3	0	2	5	14	8	21	37	13



4.0. The Future—Increases Expected in Performance-Related and Skill-Related Conflicts, Not Ethnic and Certainly Not Gender-Related

Looking the future, a small majority of panelists foresee changes in the nature of employee conflicts. As shown in table 4, the biggest increases will be in

- performance-related conflicts arising from a declining work ethic and rising expectations among the young along with pressure from government to assume new mandates;
- Skill-related conflicts arising from a dirth of skilled employees in some industries and wage conflicts between unskilled employees, who have low wave competitors overseas, and highly skilled employees, who do not; and to a lesser extent
- Age-related conflicts arising from the end to mandatory retirement, union conflicts arising from greater union assertiveness, and new ethno-religious conflicts.

Table 4: (Q4) Looking to the future, do you foresee any changes in the sources or nature of employee conflicts in coming years?

	%
Yes	56
No	44
Sources or Nature of Employee Conflicts...	
Performance-related conflicts (work ethic issues 13%, government mandates such as extended maternity 13%)	26



	%
Skill-related conflicts (including wage conflicts between high and low skilled employees, low wage global competition)	24
Age-related conflicts	13
Union conflicts	9
Ethnic/religious conflicts	9
Conflicts in general	9
Other	11

5.0. Advice to Management—Listen, Act, and Be Fair, Third Parties Not Recommended

As shown in the ensuing table, panelists advise their peers to listen to anything they can learn about employee conflict, be fair in their conclusions, and avoid delay in taking action.

Table 5: (Q3) What's the best advice you could give a senior or middle manager about dealing with employee conflict?

	%
Listen/talk to each party	39
Resolve quickly/take immediate action	19
Be objective/fair	13
Be consistent	4
Seek help from a third party	3
Don't get involved/let employees work it out	4
Other	19



3.0 Methodology

The COMPAS web-survey of CEOs and leaders of small, medium, and large corporations was conducted January 3 – 5, 2007. Respondents constitute an essentially hand-picked panel with a higher numerical representation of small and medium-sized firms.

Because of the small population of CEOs and business leaders from which the sample was drawn, the study can be considered more accurate than comparably sized general public studies. In studies of the general public, surveys 124 are deemed accurate to within approximate 8.8 percentage points 19 times out of 20. The principal and co-investigator on this study are Conrad Winn, Ph.D. and Tamara Gottlieb.

