Developing conflict resilient workplaces

A report and implementation guide for developing your organisation.

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Report - 1. Introduction

In 2008 the Victorian Public Sector Commission (VPSC) embarked on a project 'Taking the heat out of workplace issues'.

The catalyst was the data on grievances and complaints from Victorian public sector employees made to the Public Sector Standards Commissioner (PSSC).

In addition to anecdotal evidence supporting the far ranging nature and number of conflicts, the results of recent People Matter Surveys[1] consistently show low levels of confidence in the ability of organisations to resolve grievance issues.

The aims of the project were to:

- establish the value of early, non-adversarial intervention in helping to resolve disputes and conflicts in the workplace
- encourage and support the use of non-adversarial approaches across the Victorian public sector
- serve as a means of embedding public sector values and employment principles into conflict management models (in particular the concept of 'fair and reasonable').

The project has successfully stimulated discussions across the Victorian public sector about how best to manage workplace issues. More people are talking to each other about what needs to be done, and how to do it differently; ideas are being shared.

Using an action learning model, the project has created a network of more than 100 people from approximately 40 organisations. Network members have been enthusiastic and active in making incremental changes in their workplaces. The 'Taking the heat out of workplace issues' project has also resulted in an implementation guide: Developing conflict resilient workplaces. In bridging theory and action, it is an important companion document to this report

This report argues that building conflict resilient workplaces is an important opportunity for the Victorian public sector **(the sector)**.

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Conflict resilient workplaces share core features:

- They have integrated models for managing conflict. These models use a triage or intake assessment system to identify the root cause of a problem and support staff to decide on the best way forward. Formal processes are an important safety net in this system, but not the entry point.
- In resolving disputes, they focus on people's interests and needs, as well as rights.
- Staff are skilled and confident in being able to deal with their own workplace issues early, without the need to access formal grievances and third parties.
- Action is taken at different levels: to promote strong communication and relationships; to prevent things from going wrong; and to react appropriately when things do go wrong.

Some sector organisations are making a shift from refining their formal grievance processes (which are about reacting to conflict using adversarial processes), to promoting strong relationships and communication. They are skilling their staff to prevent the escalation of conflict. They are using a different language and new methods –particularly alternative dispute resolution processes such as coaching and mediation.

This report presents the evidence about the costs of conflict in organisations and the business case for taking a new approach. It is an invitation to the leaders of the public service and sector organisations to develop strategies that recognise the links between promoting strong communication through relationship building and reducing the risk of costly and disruptive workplace conflict.

It describes an integrated conflict management model that can be adapted by all organisations across the sector. The model requires strong early intake assessment or triage practices, to identify the root cause of a dispute, and supplements traditional grievance procedures with appropriate alternative dispute resolution practices.

In particular, this means organisations need to provide resources – particularly for training and development. Employees need to become skilled in using a range of alternative dispute resolution models (conflict coaching, facilitation, mentoring, mediation) and in knowing which approach is appropriate to which situation and at what time.

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Footnotes

1. [People Matter Survey reports](#); Victorian Public Sector Commission

Report - 2. The potential for change

Summary of current issues faced by Victorian public sector organisations in relation to workplace conflict. It assesses current approaches and apparent costs for dealing with employee grievances.

2.1 The Costs of Conflict

Analysis of data available from People Matter Surveys consistently indicates concerning levels of workplace conflict[1], combined with low levels of confidence in traditional, formal grievance resolution processes. The data also shows that people experiencing workplace conflict have significantly lower levels of job satisfaction and engagement.

Researchers and practitioners have long suggested that unresolved conflict is among the largest reducible cost in organisations. Estimates suggest that the average Victorian public sector stress claim is $110,000. This is consistent with the average cost reported by the Australian Government's medical insurer, Comcare.[2]

The Australian Institute of Management (AIM) has reported that between 30 and 50 per cent of a manager's time is spent managing workplace conflict.[3]

The costs of unresolved conflict include:

- **Individual distress**: Mental and physical wellbeing, absenteeism, counter culture activities and ongoing dissatisfaction, irrespective of result
- **Broken relationships**: Lost productivity ('presenteesim'), lost opportunities, declining trust and morale and increased disputation
- **Organisational resources**: Case management, recruitment and retention.

As can be seen from the above the costs of this unresolved conflict are many, ranging from individual distress, to broken relationships and strained organisational resources.

We know that a growing proportion of workers compensation claims are based on injuries related to stress, and much of that stress is associated with unresolved conflict.[4] (Figure1)

While the research does not specifically refer to the term workplace conflict, it is reasonable to assume these findings are relevant to the issue of workplace conflict. Also, while there search did not differentiate between conflict-related stressors relating to contact with clients and co-workers, there is clear evidence that workplace conflict can result in significant costs.

Figure 1: Workers Compensation and stress

Research undertaken by WorkSafe Victoria has found that:

- Work-related stress is the second most common compensated illness/injury in Australia.
- Since 2001, stress related injuries have continued to make up a growing proportion of workers compensation claims (increasing year to year from 8% in 2000-01 to 10% in 2004-05).
- In Victoria, work-related stress, particularly in the public sector, has in recent times presented a growing percentage of workers compensation claims.
- Public sector workers account for a disproportionate share of work related stress (20% of claims, compared to 7% of claims by workers in other sectors).
- Roughly double the amount of compensation is paid to workers suffering from stress, compared to other injuries.
- Of 13 identified 'key stress risks', two ('bullying' and 'interpersonal relationships') were in the top 5.

2.2 Where is the Victorian Public Sector?

During the course of the project, it was identified that the need to manage

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organisational risk, as well as risk to an individual, is of high importance. This is illustrated in the case study 'Building a business case for change' at Appendix B.

Many of the issues resulting in complaints and grievances to the Public Sector Standards Commissioner need not have escalated into unresolved conflict. Analysis suggests that many of the underlying issues could have been resolved through early intervention and informal approaches.[5]

In 2001, a major report on conflict management systems argued that organisations typically evolve through four phases in their approach to workplace conflict[6] as shown here.

1. No defined institutional processes for dispute resolution.

2. Rights-based grievance procedures are introduced.

3. 'Interest based' processes (usually involving mediation) supplement rights-based processes.

4. Focus moves beyond responding with grievance processes and mediation to:

- analysing and responding to root causes of conflict
- strengthening relationships through positive communication.

The sector is currently estimated to be at phase 2. The general consensus of project participants was that the sector is largely driven by a rights-based framework. Participants pointed to the relatively heavy use of the 'review of actions' provisions in the Public Administration Act 2004 and various enterprise agreements as evidence.

As a result, organisations have tended to develop a reliance on grievance procedures and arbitration, adjudication and appellate processes to deal with the number and range of cases. These approaches allow for a third party to determine who is in the wrong and to impose an official resolution. It should be noted however, that some organisations have commenced using mediation as a means of trying to resolve workplace conflicts.

The diagram below provides a snap shot of some of the elements of current complaint handling systems.

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Figure 2: Current approaches to conflict management in the Victorian public sector

Plethora of legislation & regulations

Myriad of policies and procedures

Current Situation

Anecdotal evidence of grievances clogging systems

Rights based cultures

Review and evaluation of systems in piecemeal

Absence of data re cost of system
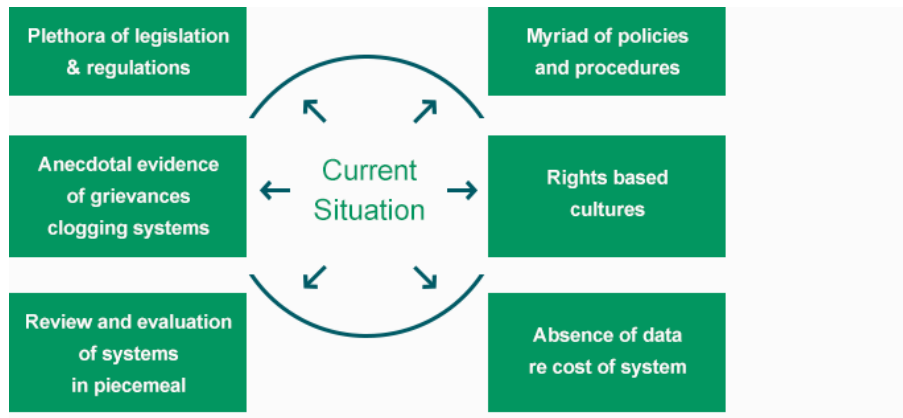
2.3 The Road to Change

The Taking the Heat Out of Workplace Issues project started from the premise that most conflict cases could be handled with fewer resources and would generate less risk if organisations had better systems for handling disputes and conflict.

There is a strong business case to support this view – although quantifying actual and potential costs is not a simple task.

Many larger organisations record the number of formal grievances and the time required to address them. However, other costs are less easily measured: presenteeism, absenteeism, resignation, property theft and damage, illness related to chronic stress, and the effects of poor decision making.

Despite these challenges, feedback from those who are using new models for managing conflict like that on the following page suggests there is considerable value in of early, non-adversarial models of intervention such as mediation and facilitation.

Money Spent on Coaching Makes Business Sense

When I moved to a new workplace recently, I found a conflict case that had been

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festering for three years. I imported a methodology based on conflict coaching that I'd used successfully in my previous workplace.

I initially costed the resources that had been consumed on this case during the preceding three months before I used the coaching method and identified that two thirds of the cost of this case had been taken up with internal resource consumption (meetings, written updates) which consumed time but achieved nothing.

In comparison, now one third of the costs are being spent on external conflict coaching. This appears to be addressing and rectifying the issue at a fraction of the cost and risk.

Using non-adversarial approaches can substantially reduce the risk of damaging relationships, the cost associated with case management and the ripple effects of staff turnover, productivity loss and morale issues, by dealing with issues much earlier in the piece, rather than letting them fester.

– Project participant feedback, 2009.

Some organisations have found hard evidence to support the benefits of this new approach.

One organisation saved $50,000 a month by changing its conflict management model to one that focused on alternative dispute resolution processes.

Difficult cases were addressed using conflict coaching and mediation – this resulted in cases being resolved more quickly, used fewer resources and lowered the risk of expensive litigation.

The organisation estimated a related risk reduction of $150,000 a month.

The case study at Appendix B describes one organisation's modelling and findings in more detail.

An approach based solely on 'rights' and formal grievances such as the one illustrated in Figure 2, can create particular ways of thinking about conflict and personal responsibility:

- The 'arms length' approach can easily reinforce the idea that someone else is responsible for the cause of the problem, and someone else is responsible for fixing

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the problem.

- Often, affected parties are not directly involved in the 'resolution' process.
- Because of the focus on 'rights', underlying and systemic issues are not always addressed.

Paradoxically, this means that the current systems used in the sector are both underused and overused: underused, because people avoid what they perceive to be an unfair, cumbersome system that might bring negative consequences; and overused, because we know that unresolved conflicts are clogging the system.

Footnotes

1. In the form of bullying and harassment
2. Comcare is the workers compensation insurer for the Australian Government.
3. AIM, Management Today, August 2007
4. WorkSafe Victoria (2007), *Stresswise – Preventing Work-related stress: A guide for employers in the public sector*
5. Victorian Public Sector Commission (2008), Taking the Heat out of Workplace Issues Discussion Paper
6. *Designing Integrated Conflict Management Systems: Guidelines for Practitioners and Decision Makers in Organizations* (2001) Cornell Studies in Conflict and Dispute Resolution (No.4), Martin and Laurie Scheinman Institute on Conflict Resolution, School of Industrial and Labor Relations & the Foundation for the Prevention and Early Resolution of Conflict (PERC), Cornell University.

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Report - 3. Building conflict resilient workplaces

A conflict resilient workplace does not rely solely on formal dispute processes, but emphasises positive relationships and strong communication so that conflict is managed early.

It uses conflict management systems that integrate strong diagnosis ('what is the cause of the problem?') with appropriate decision making about the best response ('is this best managed through adjudication by a third party, or can we resolve this better through mediation, a courageous conversation or facilitation?').

A practical and achievable first step for sector organisations is to build an integrated conflict management model.

3.1 An Integrated Conflict Management Model

Each workplace has its own cultures, processes and traditions: this means conflict management systems will inevitably look different in every organisation. However, as Figure 3 shows, an integrated conflict management model has two key features.

First, it is always underpinned with a strong intake assessment system (triage, see Figure 3) when issues are raised. Second, it encourages alternative dispute resolution (with a strong focus on interests and needs of the people involved) approaches.

Figure 3: Integrated conflict management model
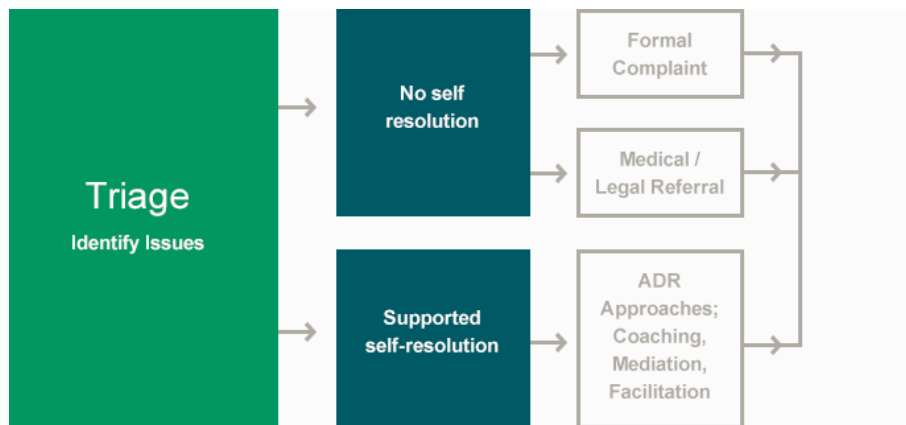
The model retains a place for formal grievance processes – but they are used only for specific disputes suited to formal complaints, or as a safety net.

An Integrated Conflict Management Model

- Provides early intervention through a triage or collaborative intake assessment system with multiple entry points for ease of access.
- Identifies root causes of problems in addition to symptoms, and shares this information to create change.
- Uses alternative dispute resolution methods (feedback, conversation, mediation, facilitation) that preserve workplace relationships by:
  - addressing the needs and interests of parties – not just their rights
  - encouraging self resolution, rather than emphasising a formal process.
- Incorporates preventative actions such as training and awareness raising.

Where Does this Leave Formal Grievance Processes?

Putting resources into alternative dispute resolution models does not do away with the need for grievance structures.

For example, certain situations demand formal processes be used: allegations of criminal or serious misbehaviour; situations where there is a lack of good faith and

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parties won't cooperate; situations where public policy, procedural or legal issues arise, or where the welfare of individuals is threatened.

There is widespread acceptance, and a legal requirement, that organisations must have fair and effective systems for handling grievances. If someone claims that a law, standard or guideline has been breached, there must be an effective and fair system to test that claim. If a grievance handling system is not perceived as procedurally fair, it will itself generate grievances, and become part of the problem.

A conflict-resilient workplace uses adjudicated grievance processes when they are necessary; but prevents conflict escalating into formal grievances when early resolution is possible.

Alternative Dispute Resolution

Alternative dispute resolution (ADR) processes and techniques are useful in managing a range of situations from individual performance to the intellectually challenging or emotionally complex issues that can arise in working relationships.

The methods are informal, voluntary and don't include litigation. While they are usually structured, they can be non-adjudicatory.

Importantly, they are based on four key tenets, that:

- the best decision makers in a dispute are usually the people directly involved;
- to effectively resolve a dispute, people need to hear and understand each other;
- disputes are best resolved on the basis of people's interests and needs; and
- disputes are best resolved at the earliest possible time and at the lowest possible level.

Figure 4: Examples of ADR approaches

Commonly Used Processes to Promote Constructive Relationships

Feedback

Offering observations or helping someone to reflect.

Conversation

People talking to reach shared understanding and (possibly) commit to action.

Meditation

A third party helping to find mutual understanding and optimal action.

Facilitation

A third party helping a group to achieve a collective goal. This could involve workplace conferencing or what is known as appreciative inquiry.

Coaching

A third party works with an individual to help develop insights and clarity around resolving disputes and conflict.

Using the best process for the situation

The following table distinguishes a range of different situations, and presents corresponding structured processes for responding constructively[1]:

Figure 5: Choosing the best process option (Situation / Appropriate processes)

Disputed accusation

Investigation + adjudication

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Managers needing to respond appropriately to disputes and conflicts

Conflict coaching and other managerial skills

Dispute between two parties

Mediation (assisted negotation)

Dispute or potential dispute between several parties

Facilitation (problem-solving, strategic planning, appreciative inquiry)

Specific-conflict with no dispute or many disputes

Group conferencing, transformative mediation

General conflict across an organisation

Managed change, training, coaching, mediation, facilitation

3.2 What Victorian Public Sector Leaders Can Do

Victorian public sector leaders can encourage managers and teams to use the companion guide to this report: Developing Conflict Resilient Workplace – a guide for managers and teams. This is a review tool to help managers and teams move toward an integrated conflict management model.

As well, they can support the use of alternative dispute resolution (ideally, as part of an integrated model), coordinate efforts to improve conflict management, and measure the actual and potential savings produced.

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Support the Use of Alternative Dispute Resolution

Staff must be skilled, or experts brought in, if alternative dispute resolution is to be more widely used.

To do this, organisations can:

- promote skills development as part of a leadership capability framework (specifically, skills in feedback, conversation, mediation and facilitation)
- develop protocols for effective coaching; communicate the benefits of adopting a coaching approach; train staff in relevant methods
- build coaching into manuals and procedures to embed as part of an organisation's responses to handling complaints and other issues
- create lists of internal and external consultants who can work as coaches, mediators and facilitators.

Coordinate Efforts

Often, different organisational divisions are responsible for different policies, and are seen to 'own' those policies. For example, Occupational Health and Safety may be seen to 'own' policies concerning workplace discrimination and harassment. This is a common structural impediment to developing an effective conflict handling system.

'Grievances' and 'disputes' might be managed by different divisions, encouraging the question: 'in whose in-tray does this belong (who owns this case)?' rather than 'what's the nature of the dispute' and 'who is involved?'.

Coordination will be needed to foster common principles and practices among divisions such as Human Resources, Occupational Health and Safety, Industrial Relations, Employee Relations, and Organisational Development.

Coordination is also required to produce a common system of case management, and to monitor cases across the organisation.

Organisational leaders need to coordinate an effort to articulate clear, concise organisational aspirations, to define the role of designated case managers, and to identify the requisite training for teams and managers.

Moving towards a fully integrated conflict management model with a focus on strong communications and relationships will need longer-term resource planning: the right people, the right programs, the right messages and the right budget.

The table below is based on ideas in *Designing Integrated Conflict Management Systems* (2001).

The right people

- A common vision from managers
- A representative body overseeing the system
- Independent third party advisors and facilitators within the organisation
- A coordinating office or mechanism

The right programs and processes

- Mechanisms for monitoring and evaluating the system
- Appropriate programs of learning and development
- Policies and practices that are consistent with a philosophy of conflict resilience
- Incentives embedded in organisational systems: performance appraisaland management

The right messages

- Communication strategy

The right budget

- Cost allocation that encourages early and effective conflict resolution
- Resources to implement and coordinate an effective system

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Monitor Success

The business case for effective conflict management and prevention needs to be better developed and articulated across the sector.

Effective monitoring and measuring will tell us if a new approach to managing conflict represents a better return on investment than a focus on grievance processes.

How to present a business case (projected savings) and how to measure success following interventions, also remain two of the biggest challenges for individual organisations.

The case study at Appendix B of this report describes one model that has been used to quantify and measure success at the organisational level. The VPSC resources on people metrics[2] are also relevant.

3.3 Beyond Integrated Systems – Conflict Resilient Organisations

Sector organisations with a strong integrated conflict management system will respond well to conflict by taking the heat out of workplace issues early.

Once an organisation begins to identify root causes of conflict in individual cases, managers can also look for patterns across multiple cases. They ask:

- What sort of early interventions could resolve the greatest number of problems?
- What could have prevented a situation from becoming problematic in the first place?
- What would it take for people in this organisation to have more constructive interactions, working relationships, and group dynamics?
- What would it take to shift organisational culture beyond responding to, and preventing, disputes and conflict?
- What initiatives would promote an organisational culture characterised by positive communication and working relations?

When conflict management is truly integrated in organisations, the result can be described less as an integrated conflict management system and more as a system to improve communication and workplace relations. This system will include dispute and conflict handling components, but the main focus will be on building and strengthening relationships. The result will be a conflict resilient organisation.

Figure 6 depicts a conflict resilient workplace. Appendix C describes the attributes of a workplace with reference to the three layers of the 'conflict resilient workplace pyramid'.

Figure 6: The conflict resilient workplace pyramid

This diagram reflects an environment that is no longer dominated by a heavy reliance on grievance procedures. At the top of the pyramid (grievance procedures) formal processes are employed only in respect of allegations of criminal or serious misbehaviour; where there is a lack of good faith; situations where public policy, procedural or legal issues arise, or where the welfare of individuals is threatened.

The next stage denotes activity in an integrated model (of formal and alternative dispute resolution practices), characterised by intake assessment practices and an acknowledgment that responsibility for solving conflict is one shared between people involved (collaborative problem solving). Methods used for resolving interpersonal conflicts are usually those mentioned in Figure 4: feedback, conversation, mediation and facilitation. Typically the focus in this area is focused on preventing things from going wrong.

The pyramid's foundation level signifies that the shift in culture is characterised by one where the dominant focus is on constructive communication (building and strengthening relationships) to help things go right.

There are a considerable opportunities for the sector to take the heat out of workplace issues as highlighted throughout this report. Most are relatively simple processes to implement.

To achieve significant improvements, reduce costs and provide early resolution, a whole-of-organisation change program is strongly recommended. The companion document to this report, 'An implementation guide to developing conflict resilient workplaces' provides a step-by-step methodology. We welcome your feedback on this report and are happy to provide further information and assistance.

Footnotes

1. Adapted from D.B. Moore (2003) David Williamson's *Jack Manning Trilogy: A Study Guide*, Sydney: Currency Press.

2. A Guide to People Metrics; A dictionary of People Metrics

Report - Appendices

Appendix A: People Matter Survey (PMS) Data

Four of the 11 PMS statements with the lowest percentage agreement related to the 'reasonable avenue of redress' employment principle. These statements were:

- "My manager is sufficiently skilled to resolve grievances."
- " In my organisation there is confidence in the procedures and processes for resolving grievances."
- " The procedures and processes for resolving grievances are well understood in my organisation."
- "I am confident that if I lodge a grievance I would not suffer any negative consequences."

Figure 7: What our employees say

Analysis of employee survey results tell us that:

- Individuals who experience, or simply witness workplace bullying will be significantly less likely to experience job satisfaction, or a sense of pride in working for their organisation.
- The same individuals are significantly more likely to think about leaving their current organisation and the Victorian public sector.
- Fellow workers were significantly more likely to be identified as engaging in bullying behaviours than immediate or more senior managers, or clients/members of the public.

Source: People Matter Survey, Victorian Public Sector Commission, 2008

PMS results also include evidence to support the goal of moving beyond a focus on grievance and mediation processes, to a focus on positive communication:Where

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employees provided their own additional comments in submitting survey responses, one of the main subjects of negative comments was the avenues of redress principle.

Although formal policies and processes are in place in most cases, the issues seem to be more related to how they actually operate and the outcomes of submitting complaints.

Employees who understood organisational procedures and processes for resolving grievances were significantly more confident in those processes. They were also less concerned about any negative consequences associated with lodging a grievance.

The report recommended staff training or briefings to raise awareness and understanding of grievance processes as a means of improving employee confidence in the application of the avenues of redress principle.

The report also noted that the type of performance feedback received also has a positive impact on employees' perceptions of the application of the employment principles, particularly in relation to the avenues of redress, and the fair and reasonable treatment principles.

Analysis showed that respondents who received informal feedback on performance expressed more positive opinions on the application of these employment principles than those who received only formal feedback.

Appendix B: Case Study – Building a Business Case for Change

How can staff in an organisation make a persuasive business case for change? How can they show that the organisation will actually save money by spending appropriately on dispute handling processes and conflict management systems?

The following methodology was used by a public education organisation in Victoria as part of the business case for change.

The problems identified

- Employees were 'forum shopping' across multiple areas such as OH&S, Staff Equity, and Employee Relations when they had a concern: this was blurring the issues and

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processes.

- Charges of 'bullying' were arising from managers' attempts to discuss role responsibility and accountability.
- Managers felt under-skilled and inexperienced to address concerns about individual performance, and to manage difficulties in working relations.
- Significant numbers in the workforce were estimated to suffer a level of psychological distress.
- Staff preventing conflict were under-resourced compared to those reacting to more developed problems.
- The potential risk to the organisation and the individual was never quantified or factored into any remedial strategies – except by chance. The true cost of case management (direct and indirect) was hidden.

A Model for Estimating Risk and Cost

In an effort to quantify the financial cost and risk associated with existing conflict handling systems, the organisation used a simple quadrant analytical tool.

Figure A: Analytical tool

Low complexity high risk	High complexity high risk
Low complexity low risk	High complexity low risk

The quadrants distinguish cases that present a low risk to the organisation, from those that present a high risk (vertical dimension). They also distinguish cases that are relatively simple (and therefore relatively low risk) from those that involve a greater range of issues and are more complex (horizontal dimension).

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The result: an estimated cost exposure (risk) of close to five million dollars

The organisation reviewed 90 cases and estimated average cost exposure based on case complexity and the risk of additional potential costs. The elements used to calculate fixed and potential costs are summarised in Figure B.

Figure B: Elements used to calculate fixed and potential administrative costs

Fixed	Internal staff time(Budget) cost of external
Potential	Litigation Fines Work Cover premiumsRestorative consulting services

It is important to note that the analysis did not take into account 'hidden' costs such as reduced productivity, time lost or staff turnover.

Figure C: Results of analysis (average per case)

Low complexity/high risk fixed costs: $28,000 potential cost: $40,000total exposure: $68,00031% of cases (n = 28)38.4% of total exposure (all cases)	**high complexity/high riskfixed costs: $55,000potential cost: $72,000total exposure: $127,00024.5% of cases (n = 22)56.3% of total exposure (all cases)**
low complexity/low riskfixed costs: $800potential cost: $4,000total exposure: $4,80030% of cases (n = 27)2.7% of total exposure (all cases)	**high complexity/low risk** fixed costs: $2,000 potential cost: $8,000total exposure: $10,00014.5% of cases (n = 28)2.6% of total exposure (all cases)

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Key Changes Following Analysis

The organisation made key changes to address the identified problems as described on page 10 such as 'forum shopping', lack of role clarity, inadequate staff numbers to deal with conflict prevention and the like. It was recognised that these issues were not only hindering effective conflict resolution, they were driving associated costs and risks. The following changes were consequently put into place:

- HR advisers increasing the number of earlier interventions
- HR advisers developing their skills in conflict resolution methods
- HR advisers coaching and mentoring disputing parties
- encouraging self resolution (with support as needed)
- more interaction and communication between HR 'areas'
- extending the pool of external resources for help
- planning a shift to one consolidated HR unit
- training and development for managers in constructive communication methods.

Cost Savings

Following the introduction of these changes, the organisation saw a trend away from complex cases. With more effective case management, the organisation estimated a direct (fixed cost) saving of $50,000 per month and an estimated reduction in potential risk of three times that amount.

Appendix C: Specific Attributes of a Conflict Resilient Workplace

The following three tables, draw out specific attributes of the levels in the conflict resilient workplace pyramid.

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The foundation level – promoting a culture of communication to help things go right

Attribute	Demonstrated by
Collaborative problem solving is integrated into corporate culture	Decisions are made by the people directly involved Management does not mandate answers or solutions without consultation People are actively encouraged and supported to resolve their own issues
Constructive communications are promoted	People listen and seek to understand before they seek to be understood Constructive criticism is welcomed Staff are trained in communications and conflict resolution Organisation seeks to learn from its mistakes Interest-based (not rights-based) language and behaviour is every day practice
Different styles are accepted and tolerated	Relationships between areas are supportive and cooperative
Leaders 'walk the talk'	They practice open and honest communication They separate the problem from the person They seek early resolution of conflict They champion effective conflict management (and are sincere)
Corporate mission, vision and values are consistent with a conflict management philosophy	Organisation has taken steps to ensure its systems and structures will minimise conflict

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The middle level – preventing things from going wrong

Attribute	Demonstrated by
We do things to address conflict before it escalates	Train staff and managers on how to respond appropriately at first instance to complaints and issues Collect feedback about issues Expect interaction between managers and staff (not waiting until performance review time before giving or getting feedback)
An intake assessment (triage) process helps determine the best way to resolve disputes: conflict coaching, mediation, investigation, adjudication or some other approach	There is a good understanding of which alternative dispute resolution approaches suit particular issues Cases are referred to a dispute resolution process only once the intake assessment information is analysed and the best process agreed
Organisational culture supports the airing of grievances	Conflict can be safely raised; privacy is respected Staff are encouraged to voice concerns and constructive dissent early People feel confident that they will be heard, respected and their concerns acted upon Staff are encouraged to resolve their own issues and are talked through various options Staff are given reasons for decisions about disputes Conflict management is noted as a separate core competency Natural justice and procedural fairness are applied
The right data is collected, analysed and used	A cross disciplinary team conducts root cause analysis and makes recommendations to stop issues from recurring This information is shared broadly and used to make decisions – for example, about training needs
Executive management takes an interest in grievances	They read reports on conflict, bullying, stress, grievances They discuss grievances at meetings, preferably as standing agenda items

The top level – reacting well when things do go wrong

Attribute	Demonstrated by
There is a defined and documented process for responding to workplace grievances	There are informal process options to resolve conflict at a local level (these emphasise listening and understanding) There are formal process options for resolving disputes Formal processes are generally not accessed until informal processes have been used There is a multiple entry and coordinated intake assessment system The dispute resolution procedures are organised in a low to high cost sequence and based on a risk assessment process
Employees know how to use the process	Employees know how and where to communicate their grievance Options for ascertaining legal rights and addressing underlying interests are available Appeal rights to other organisations are made clear The outcomes of decisions are made clear to employees, particularly including reasons for the decision
Clear roles and responsibilities are allocated and communicated	A central coordinator exists for conflict management and reports to senior management In larger organisations, this is a dedicated person or office A senior person in the organisation has overarching responsibility for conflict management (and has direct access to executive management)
Conflict management systems, policies and procedures are consistent with wider organisational practice	They are consistent with: • each other • policy and legislation • industrial provisions and agreements • key terms are used consistently

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Guide - 1. Background

In 2008 the Victorian Public Sector Commission commenced a project 'Taking the heat out of workplace issues' to collaboratively bring about positive change in the conflict resolution space.

Much of the progress has come about through the generous work of the conflict resolution network. The network links more than 100 people across some 40 Victorian public sector organisations, many of whom are working on local change projects.

This guide captures some of their innovations to help organisations respond to, and reduce, internal conflict. Its purpose is to act as a handbook or reference manual for those people and teams who have been authorised by their senior managers to undertake work in the area.

The Victorian Public Sector Commission companion document Developing Conflict Resilient Workplaces: A Report for Victorian Sector Leaders sets out the rationale for both the project and this guide. It provides the business case for changing the way that conflict is managed in the workplace. It also seeks the consideration of Victorian public sector leaders to help build workplaces where relationships are stronger through a practical commitment to improving open communication.

The guide describes the features of a conflict resilient workplace – one where conflict is managed well, and not allowed to escalate. It supports you to create a more positive workplace by suggesting how to build commitment to change, review current practice, identify areas for improvement, present options for change and evaluate success.

Much of the guide is diagnostic: it encourages you to ask questions about your organisation's systems, values and behaviours to identify the most important issues to work on. As well, it gives practical tips for writing business cases and presenting options to senior management.

Guide - 2. The conflict resilient workplace

A conflict resilient workplace is one where strong communications and relationships underpin the conflict management system.

It is one that integrates strong diagnosis('what is the cause of the problem?') with appropriate decision making about the best response('is this best managed through adjudication by a third party, or can we resolve this better through mediation, a courageous conversation or facilitation?').

A conflict resilient workplace does not rely solely informal dispute processes,but emphasises positive relationships and strong communication so that conflict is managed early, at the lowest possible level, and with the most appropriate response.

Conflict resilient workplaces share four features:

- **Promote:** They are proactive in building a culture of communication.
- **Prevent:** They stop things going wrong.
- **Respond:** They Respond Quickly and appropriately when things do go wrong.
- **Comply:** They comply with relevant guidelines, rules, regulations and address principles of natural justice and procedural fairness.

This guide uses terms such as grievance, conflict and dispute. These terms are evolving in conflict management literature (and in law), and therefore different organisations might use the terms indifferent ways.

'Grievance' in particular can be problematic, and senior HR managers have said that many staff see 'grievance' as an inevitable endpoint, requiring a third party adjudicator. Rather than prescribe definitions here, we urge you to interpret the language and terms we use here in a way that is meaningful to your organisation. Conversation and debate about the language of conflict resolution – in particular, what 'conflict resilient' means to you – can be a valuable part of the process leading to change.

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Building an Integrated Conflict Management Model

Each workplace has its own culture, processes and traditions. This means that conflict management systems will inevitably look different in every organisation.

An integrated conflict management model should, however, link rights-based formal procedures with alternative dispute resolution models through strong interactive problem solving.

The people directly involved in the dispute should be actively encouraged and supported to take responsibility for managing their own issues.

As Figure 1 shows, an integrated model is underpinned by strong collaborative intake assessment (triage) when disputes are raised. It encourages alternative dispute resolution which has a strong focus on the interests and needs of the parties concerned.

It has a place for formal grievance processes – but uses them for specific disputes suited to formal complaints, or as a safety net.

Characteristics of an Integrated Conflict Management Model

- Provides early intervention through a triage or collaborative intake assessment model with multiple entry points for ease of access.
- Identifies root causes of problems in addition to symptoms, and shares this information to create change.
- Uses alternative dispute resolution methods (feedback, conversation, mediation, facilitation) that preserve workplace relationships by:
  - addressing the needs and interests of the people involved, not just formal rights
  - encouraging self resolution (with support), rather than emphasising a formal arm's
    length process
- Incorporates preventative actions such as training and awareness raising.

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Figure 1: Integrated conflict management model

Figure 1: Integrated conflict management model
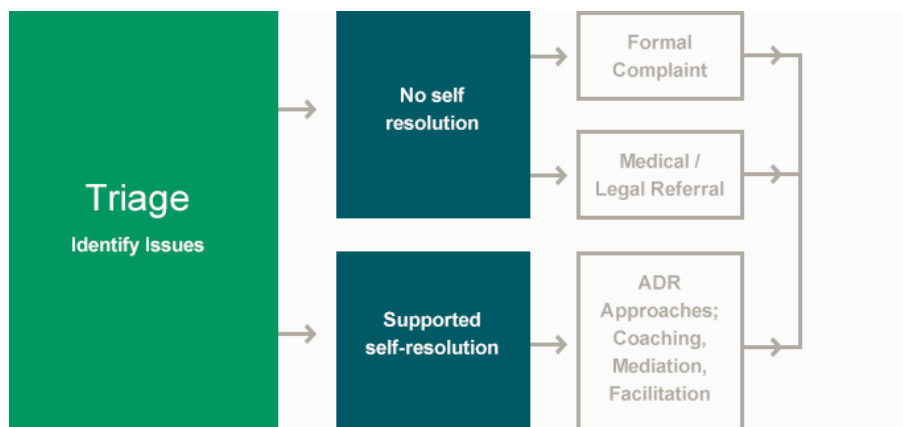
2.1 Triage: 'What is the Real Issue?'

Organisations must have a strong intake assessment process for managing complaints and disputes. A triage system involves a skilled staff member (usually, but not necessarily from the Human Resources team) asking the right questions to determine: the root cause of the conflict, who is involved and the desired outcome. This helps people make an informed choice about the best resolution option. This process often goes under different names including collaborative intake assessment or triage (see Figure 1).

Through a triage process, it will for example, become apparent that if someone is accused of doing something that by policy and law must formally be dealt with, and if the other person clearly disputes that accusation, the appropriate process will be a rights-based process of adjudication. Here, a formal complaint is usually warranted.

Alternatively, if a dispute seems to have arisen through lack of clarity about issues (for example, where a person perceives someone's behaviour as bullying), and if the dispute seems only to affect two parties, then mediation may be appropriate. If there is significant conflict, an intervention that transforms the conflict to the point where those affected are willing to cooperate would be appropriate.

These are the types of circumstances that can be raised through a triage process. It provides a legitimate opportunity for people to describe their particular issue. A trained intake assessment officer is able to ask pertinent questions. Options for resolving the issue, including the objective the person is seeking, as well as the likely outcomes, can be discussed. This collaborative approach results in people being better informed about their choices. It also provides people with a high level of ownership and responsibility for managing their own issues. In choosing to focus on interest-based processes, a person does not relinquish their rights.

However, in choosing to lodge a formal complaint based on rights, a person does relinquish control, as the process is usually beyond their control, and is often driven by a third party. Often people who seek some kind of redress are not made aware of this.

A triage process helps people to:

- define the problem and separate the problem from the person
- identify the roles and relationships that they have with each other and with the workplace;
- Identify the issues–personal, workplace, organisational, other
- Identify interests, needs and concerns (not just rights)
- unpack perceptions, assumptions, interpretations and expectations
- consider the impact of emotions on the process
- consider their own and others skills and communication styles
- identify the information needed
- explore options and alternatives
- communicate choices
- use objective criteria
- commit to change.

Multiple Entry Points

Ideally, the intake process will have multiple entry points. This encourages staff to act early and at an appropriate level when they have a concern.

For example, they could:

- self manage a concern by approaching a colleague directly
- seek internal advice from a supervisor, manager, human resources or elected Occupational Health and Safety representative
- seek informal resolution with assistance from a supervisor, manager or human resources representative
- seek formal resolution through a designated process (e.g. internal grievance)
- seek external advice(e.g. from the Victorian Equal Opportunity and Human Rights Commission, or WorkSafe).

2.2 Alternative Dispute Resolution (ADR)

Alternative dispute resolution (ADR) processes – sometimes called appropriate dispute resolution processes – are an essential part of the integrated conflict management model.

They include approaches such as feedback, mediation, facilitation and conflict coaching –processes that can be used as an alternative to, or alongside, more formal, rights-based models. Figure 2 provides a list of some of the more commonly used approaches. These are described in more detail in Appendix A.

ADR processes and techniques are useful in managing a range of situations from individual performance to emotionally complex issues that can arise in working relationships. Recognising the best process for a given situation is critical and should be addressed early on, such as during the triage process. Figure 3 provides information on what approach might best fit a situation.

ADR methods are informal, voluntary and don't include litigation. While they are usually structured, they can be non-adjudicatory.

Importantly, they are based on four key tenets, that:

- The best decision makers in a dispute are usually the people directly involved.
- To effectively resolve a dispute, people need to hear and understand each other.

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- Disputes are best resolved on the basis of the people's interests and needs.
- Disputes are best resolved at the earliest possible time and at the lowest possible level.

Figure 2: Commonly used ADR approaches to promote constructive relationships

Feedback and interactive problem solving	Offering observations or helping someone to reflect.
Conversation	People talking to reach shared understanding and (possibly) commit to action.
Conflict coaching	Powerful questioning to help gain insights and encourage the concept of mutuality.
Mediation	A third party assisting the search for mutual understanding and optimal action.
Facilitation	A third party helping a group to achieve a collective goal. This could involve workplace conferencing or what is known as appreciative inquiry.

Figure 3 distinguishes a range of different situations, and presents corresponding structured processes for responding constructively.

Figure 3: Using the best process for the situation

Situation	Appropriate processes
Disputed accusation	Investigation + adjudication
Managers needing to respond appropriately to disputes and conflicts	Conflict coaching and other managerial skills
Disputes between two parties	Mediation (assisted negotiation)
Dispute or potential dispute between several parties	Facilitation (problem-solving, strategic planning, appreciative inquiry)
Specific conflict with no dispute or many disputes	Group conferencing, transformative mediation
General conflict across an organisation	Managed change Training, coaching, mediation, facilitation

Why Use Alternative Dispute Resolution?

In most workplaces, conflict develops through everyday misunderstandings. Differences

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in style and expectations generate resentment, avoidance, aggression and other destructive thoughts, feelings and behaviours. The most strongly negative feelings associated with interpersonal conflict are anger, fear and contempt, which predispose people to disengage, or to engage destructively.

Once they are in a state of conflict, people identify others as the problem, cling to their own fixed positions, feel that they can only win if the others lose and insist on their own subjective criteria.

People in conflict find it hard to engage constructively until they have acknowledged the sources of the conflict, and have begun to transform conflict into cooperation. ADR approaches facilitate this kind of change in thinking and behaviour.

2.3 Where does this leave formal grievance processes?

Putting resources into alternative dispute resolution models does not do away with the need for grievance structures.

For example, certain situations demand formal processes be used: allegations of criminal or serious misbehaviour; situations where there is a lack of good faith and people won't cooperate; situations where public policy, procedural or legal issues arise, or where the welfare of individuals is threatened.

There is widespread acceptance, and a legal requirement, that organisations must have fair and effective systems for handling grievances. If someone claims that a law or guideline has been breached, there must be an effective and fair system to test that claim. **If a grievance handling system is not perceived as procedurally fair, it will itself generate grievances and become part of the problem.**

A conflict resilient workplace uses adjudicated grievance processes when they are necessary but prevents conflict escalating into formal grievances when early resolution is possible.

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Guide - 3. Action steps and useful tools

This section identifies issues and some useful tools where managers and teams are seeking to develop a more conflict resilient workplace.

It explains these against the background of the steps commonly used in any change management exercise (Figure 4).

In some organisations,work towards better conflict handling may already be underway – in which case this section may assist in reviewing progress to date and identifying next steps.

Figure 4: Action steps

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Stage A	**Create a cross functional team to decide on project objectives and to conduct a review of current practices and future options**
Stage B	Assess the current situation. The review will assess the costs (both dollars and human) of conflict and propose broad options for change
Stage C	Identify areas for improvement. Determine how well your organisation manages conflict. This will involve both diagnostic work and discussions
Stage D	Develop options for action and present them to decision makers
Stage E	Develop a plan for implementing improvements
Stage F	Implement the improvements
Stage G	Evaluate the success of interventions, including the extent of participant engagement. Provide feedback to management and staff

Action steps: Stage A – Create a Cross Functional

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Team

Cultural change cannot be achieved by one or two people.You'll need to create a cross functional team to conduct a review of conflict management systems. The team should bring together knowledge from across the organisation. This collegiate approach will bring the right mix of skills and organisational understanding to the review.

It will also bring a 'whole of organisation' response to identifying issues and implementing change. This builds a sense of collective commitment to the project.

Finally, before you start work it is crucial to confirm and clarify your mandate from senior management and establish reporting lines. Some suggestions for forming a cross functional team

Some Suggestions for Forming a Cross Functional Team

- Decide if you need to form a new team, or is there an existing team who can do the review?
- Invite a range of internal people with good organisational knowledge – for example, staff from human resources, industrial relations, organisational development, employee wellbeing, marketing and communications, legal and compliance, audit, operations, and IT.
- Seek to have a senior management group member sponsor the project.
- Invite influential people to join the team including those who you think may need to be convinced of the merits of possible change.
- Include people who have used the existing complaints system (both a manager and an employee) and your internal grievance officer (if you have one).
- Consider inviting external people, such as relevant unions to join the team.
- Estimate the time involved and check that those invited have time to dedicate to the review.

It is important to gain broad consensus about the need for change, as well as the direction in which you intend to head. This is in addition to working from the mandate of

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your senior leaders.

Action Steps: Stage B – Assess the Current Situation

Information about current processes and their effectiveness against agreed objectives needs to be considered. This will stimulate discussion about objectives and assumptions that may need to be further explored. It
should also form the business case for change.

Ideas for writing a business case(possibly one or twp pages only) are below. This document should demonstrate that an organisation will save money and reduce risk if it spends appropriately on better conflict management systems.

What to Include in a Business Case

Your Goals

- These should be aligned to business goals – for example, to improve workplace relations; to reduce the cost of workplace conflict
- They should be specific and able to be measured

The Problem

- Include a short story (or stories) illustrating the main problem(s). This brings the issue 'alive' for your readers
- Summarise the problems and issues as you currently see them
- Give the tangible and intangible costs to the organisation of internal conflict (case study, Appendix B of the Developing Conflict Resilient Workplaces report suggests how to cost actual resources and potential risks)
- Identify disputes that pose a high risk to the organisation and how you will prevent or resolve them

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Solutions

- Identify projects or case studies from similar organisations that have led to positive change
- Outline the pros and cons of a list of prioritised proposed options
- Outline next steps (methodology)

Communication

- Explain how you will report back to senior management

Recommendations

- Be clear; are you asking for money? for other resources? for endorsement or agreement?

Use the following two checklists (Checklist 1 and 2) as a conversation starter for your review. The first checklist asks if you have evidence that things need to change. The second asks you to assess how well complaints are being managed.

What to Do

Checklist 1: Do you have evidence of a need for change?

YES	NO
Is there evidence of staff disengagement?	High levels of absenteeism or sick leave
	High levels of presenteeism and disengagement
	High levels of staff attrition
	High number of external complaints about staff
	Senior management don't understand why people are leaving and/or the implications of high staff turnover
	Staff and/or senior management display inappropriate behaviour
	A variety of external experts are engaged to resolve issues
	Some grievance systems are underused: people perceive the system to be unfair, cumbersome or likely to bring negative consequences
High number of formal grievances (including bullying and harassment cases)	Some grievance systems are overused leading to high levels of registered workplace grievances
	Unresolved grievances are blocking the system
	High numbers of grievances are referred to the Public Sector Standards Commissioner for review
Poor organisational response to conflict	Disgruntled employees seek redress outside the public sector, for example, through the Courts, the Australian Industrial Relations Commission, the media or unions
	Processes don't follow principles of natural justice and procedural fairness
	Those who handle workplace complaints don't report to those with the authority to do something about it
	HR carries the costs of conflict resolution and formal grievance procedures, rather than the business unit
	Data on grievances is collected – but little or nothing is done with the information
No strategic thinking	No quantifying of the risk of unresolved conflict
	No analysis of the return on investment from better grievance handling

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Checklist 2: How well are complaints being managed?

YES	NO
Conflicts get too big, too early	Conflict is not always identified early enough
	Informal discussions don't work (for whatever reason) and formal grievances are quickly lodged
	People approach problems from the point of view it's their right to complain as opposed to articulating their concerns in terms of their interests and needs
	A focus on entitlements (a rights-based approach) is stronger than a focus on the needs and interests of the parties (an interests-based approach)
	People don't talk with each other to find out what their real concerns are
	People take sides immediately and don't stop to think about what the issues are and the impact of those issues on the people involved
	Issues are being escalated unnecessarily
Claimants aren't satisfied	The underlying issues in individual complaints are not being adequately addressed
	People who use the system are not satisfied with the process for handling disputes
Claimants aren't engaged	The people involved are not engaged in the process (for example, relying on unions to represent them, without 'speaking' themselves)
	People want to 'hand over' their issues for someone else, such as HR, to manage

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Points to consider:

- Is there evidence ofa need to improve conflict management?
- If you had to choose three main areas fo rimprovement (your three biggest problems), which would they be?
- Are they related to promoting, preventing or responding to conflict?

Action Steps: Stage C – Identify Areas for Improvement

Is your workplace operating at its optimal level? What does it do to promote strong communication? How does it prevent conflict? How well is your workplace managing conflict? How does it respond when things go wrong?

What to Do

- Use the checklist at the end of Stage B (Checklist 2) as a conversation starter for this stage. The checklist asks you to assess how well complaints are being managed. Answering 'yes' to a majority of the points, may indicate high levels of workplace conflict and a conflict resolution system that is under strain.
- Use Checklist 3 at the end of Stage G to do a further 'big picture' check.
- Look at other relevant data such as organisational climate surveys, the VPSC's People Matter Survey2 and the results of other self assessment tools .Useful tools that the VPSC has in this area are listed at Appendix B.
- Find out if processes are already in place to asses show well your organisation is functioning.

Checklist 3 (at the end of Stage G) is a detailed list of the attributes of a conflict resilient workplace. The list is broken into three parts:

- Promoting a culture of communication so that things go right (Checklist 3A)
- Preventing things from going wrong (Checklist 3B)
- Responding well when things do go wrong (Checklist 3C)

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Your review team might want to uset his checklist to conduct a 'big picture' check to find out if your workplace is performing at its optimal level.

Alternatively, you might want to complete the Checklists 1 and 2 and then consider which attributes of the third checklis tare most needed: promoting, preventing or responding. This can then guide your decisions about where to focus action.

Planning the Work Resulting From the Assessment

Revisit the Project Goals (Outlined in Your Business Case)

- Once agreed, the project goals should be revisited regularly. It is common for goals to change over the course of the project, so you should anticipate that too!

Decide on Options for Action

- Allow time for discussions. For example, the team might need a few hours of uninterrupted time to discuss whether the organisation is functioning at its optimal best, to discuss their individual conclusions, and to debate different views.
- Distribute this guide as appropriate, to support discussions.

Allocate Roles

- Decide on the roles required as part of the review. These might include organising meetings, chairing meetings, or doing research.
- Consider whether team leaders should come from Human Resources of from another part of the business.
- Have someone facilitate team meetings. This needn't be an expert, but the facilitator must be prepared. They should start each meeting with a discussion to get agreement on the meeting objectives. They should also set ground rules for the meeting and be given a mandate to enforce them.

Having identified your three key areas for improvement, you need to develop options.

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Action Steps: Stage D – Develop Options

The objective here is to move towards a best practice conflict management model–described earlier as the conflict resilient workplace which promotes a positive culture of communication, prevents things from going wrong, and responds well when things do go wrong.

What to Do

- Identify a range of options for dealing with your three main areas of concern:
- read through the various attributes of a conflict resilient workplace listed in Checklist 3 for ideas.
    - read the case study in the VPSC report for Victorian public sector leaders:
    - [Developing Conflict Resilient Workplaces](#).
    - use the resources listed at Appendix C of this guide.
- List the advantages and disadvantages of each option. Think about budget constraints, time constraints, other relevant projects, and the culture of your particular organisation.
- Decide on those options you think will make a reasonably significant difference, and are feasible.
- Find out what you need to do to get support for your ideas. Will you need some informal conversations with other staff or management before presenting a formal written proposal?
- Develop a paper for senior management that outlines your preferred options, and seeks approval.

A word of caution

Any options you develop should take into account:

- Processes prescribed in industrial awards and agreements for resolving grievances and disputes; and
- Your organisation's internal policies and procedures.

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Action Steps: Stage E ⑦– Develop a Plan

Once you have the go-ahead to introduce specific change, you will need a plan. Your review team might be responsible for developing the implementation plan, or a new team might be needed to do this work.

Timing

- When will new interventions be introduced?
- How often will you meet?
- When will you report to senior management?
- Which interventions are priorities?

Cost

- Have you estimated budgets?

Consultation

- Who needs to be consulted before you start?

Objectives

- Do these match your original project objectives? If not, why not?

Who

- Who will carry out the implementation?
- Will you need external experts?
- WHo will you need to report to?

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Evaluate

- How will you measure progress?
- How will you measure success?
- How will you learn from you mistakes?

Points to consider

- Are the people being asked to change Involved in planning?
- Have people's concerns with change been articulated and addressed?

Action Steps: Stage F – Implement the Improvements

This stage of the cycle is where all the team's hard work comes together. Having worked in an open, collaborative and methodical style as suggested in this guide, implementation should not be overwhelming –although remember something you didn't expect is likely to happen!

Most importantly, top level commitment, a cross functional team and careful analysis of the existing systems, will mean that you are working from a solid base.

Points to Consider

- Has your communication for the planned changes been rigorous? Does everyone know and understand what's happening, when it's taking place and why improvements are being made?
- Have the concerns of people who will be instrumental in making the changes, as well as people 'up and down stream' been comprehensively addressed?

Action Steps: Stage G – Evaluate Your Success

Your review (or implementation) team should assess the success of their interventions. This is a critical part of the action learning model described earlier in this guide. It sets up the learning for the next stage of reflection, planning and change.

What to Do

Ask yourself:

- What empirical evidence is there that the project goals were met?
- Are there other factors (not just empirical evidence) to suggest success?
- How much did the project cost? Did it exceed budget? Why?
- In hindsight, would you have done anything differently?
- What feedback will you give to management and staff?

Also measure how engaged participants were in the project by asking:

- What did you learn by being part of this project?
- In hindsight, would you have done anything differently?

The following Checklists (3A, 3B, 3C) may be of assistance here, as well as the data that was gathered in developing the original business cases for the changes.

Do you promote a culture of communication to help things go right?

Checklist 3A: How conflict resilient is your workplace?

Attribute	Mark on a scale of 1 to 5 where '5' is 'just like us' and '1' is 'not at all like us'	1	2	3	4	5
Collaborative problem solving is integrated into corporate culture	Decisions are made by staff and managers					
Management does not mandate answers or solutions without consultation						
Constructive communications are promoted	People listen and seek to understand before they seek to be understood					
Constructive criticism is welcomed						
Staff are trained in communications and conflict resolution						
Relationships between areas are supportive and cooperative						
Organisation seeks to learn from its mistakes						
Interest-based (not rights-based) language and behaviour is everyday practice						
Different styles of work behaviour are accepted and tolerated						
Leaders 'walk the talk'	They practise open and honest communications					
They separate the problem from the person						
They seek early resolution of conflict						
They champion effective conflict management (and are sincere)						
Corporate mission, vision and values are consistent with a conflict management philosophy	Organisation has taken steps to ensure its systems and structures will minimise conflict					

- Which activities should your organisation be doing

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more of to help things go right?

- What else can your organisation do to promote a culture of communication?

Do you prevent things from going wrong?

Checklist 3B: How conflict resilient is your workplace?

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Attribute	Mark on a scale of 1 to 5 where '5' is 'just like us' and '1' is 'not at all like us'	1	2	3	4	5
We do things to address conflict before it escalates	Train staff and managers on how to respond appropriately in first instance to complaints and issues					
Collect feedback about issues						
Expect interaction between managers and staff (not waiting until performance review time before giving or getting feedback)						
An intake assessment (triage) process helps determine the best way to resolve the dispute: conflict coaching, mediation, adjudication or another approach	There is a good understanding of which alternative dispute resolution approach suits particular issues					
Cases are referred to a dispute resolution process only once. The intake assessment information is analysed and the best process agreed						
People are given enough information about options to make an informed choice						
Organisational culture supports the airing of grievances	Conflict can be safely raised; privacy is respected					
Staff are encouraged to voice concerns and constructive dissent early						
People feel confident that they will be heard, respected, and their concerns acted upon						
Staff are encouraged to resolve their own issues and are supported in their choice of resolution option						
Staff are given reasons for decisions about grievances – in writing and orally						
Conflict management is a separate core competency						
Natural justice and procedural fairness are applied						
The right data is collected, analysed and used	A cross disciplinary team conducts root cause analysis and makes recommendations to stop issues from recurring					
This information is shared broadly and used to make decisions – for example, about training needs						
Senior management take an interest in grievances (for example, reading reports, discussing resolution options)						

- Which activities should your organisation be doing more of?
- What else can your organisation do to prevent things going wrong?

Do you respond well when things go wrong?

Checklist 3C: How conflict resilient is your workplace?

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Attribute	Mark on a scale of 1 to 5 where '5' is 'just like us' and '1' is 'not at all like us'	1	2	3	4	5
There is a defined and documented process for responding to workplace grievances	There are **informal** process options to resolve conflict at a local level (these emphasise listening and understanding)					
There are **formal** process options for resolving disputes						
Formal processes should not generally be accessed until informal processes have been used						
There is a multiple entry and coordinated intake assessment system						
The dispute resolution procedures are organised in a low to high cost sequence and based on a risk assessment process						
Employees know how to use the process	Employees know how and where to communicate their problem/s					
Options for ascertaining legal rights and addressing underlying interests are available						
Appeal rights to other organisations are made clear						
The outcomes of decisions are made clear to employees, including reasons for the decision – in writing and orally						
Clear roles and responsibilities are allocated and communicated	A central coordinator exists for conflict management and this person reports to senior management					
In larger organisations, this is a dedicated person or office						
A senior person in the organisation has overarching responsibility for conflict management with direct access to executive management						
Conflict management systems, policies and procedures are consistent with wider organisational practice	They are consistent with: • each other • policy and legislation • industrial provisions and agreements • key terms are used consistently					

- Which of these activities should your organisation be doing more of?
- What else can your organisation do when things go wrong?

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Guide - Appendices

Appendix A: Summary of Key Alternative Dispute Resolution Methods

Feedback

Offering observations or helping someone to reflect.

Coaching

Coaching approaches to managing conflict, particularly asking 'what' and 'how' questions (rather than 'why' questions) can help a person understand a situation and interact more effectively with colleagues. A trained coach helps a person to reflect on a situation, to analyse interactions, and then to identify and practice alternative responses. When a similar situation occurs, the person will react with greater insight.

Supervisory/Performance Coaching

Managers coach staff regularly as a core part of their job. This coaching helps to align the work staff are doing with the work they should be doing. How a manager provides coaching feedback can significantly affect staff motivation – both positively and negatively. Coaching is now a recognised profession, with training standards and accreditation bodies. A coach can help a person to articulate aspirations, then clarify and achieve goals. Key techniques include open questioning, provocation, and assisting with analysis (rather than advising or directing).

Mentoring

Many organisations run formal mentoring programs. This allows a more experienced colleague to provide advice and serve as an example. Mentors can be internal or

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external. An effective mentor combines skills of coaching and reflective conversation.

Conversation

People talking to reach shared understanding and (possibly) to commit to action.
Basic conversational skills can be strengthened with programs that help people to practise mindful listening, questioning, and narration. Strategic negotiation theory can be widely applied in workplaces and involves negotiating a shared understanding and a plan of action to meet each party's needs.

Mediation

A third party assisting the search for mutual understanding and optimal action.

Mediation has been the alternative dispute resolution flagship – and there are many different mediation formats, distinguished in terms of guiding principles, process, outcomes and type of program. For example, a distinction between evaluative and facilitative mediation is partly a distinction between programs, partly a distinction between processes, partly a distinction between outcomes, and partly a distinction based on the principle of self-determination.

Evaluative mediation focuses on the parties' legal rights. The mediator assesses what an adjudicator might decide if the case were brought to court, then seeks some resolution consistent with these legal standards.

Facilitative mediation focuses on the parties' interests and options and seeks to resolve disputes by meeting those interests. The facilitative mediator encourages the disputing parties to control much of the process and to make the key decisions.

Transformative mediation focuses more generally on helping the parties to understand each other's values and interests to repair relationships. Accordingly, transformative mediation is often used for disputes involving interpersonal conflicts.

Despite these differences, mediation can be understood as assisted negotiation .It is (i) a generic process in which(ii) a third party assists the people directly involved (iii) to negotiate a mutually acceptable outcome.

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The process should not be affected significantly by the nature of the mediator, or the nature of the hos tprogram. Each variation on a basic format is appropriate for certain situations. Any variations on the process should be determined largely by the nature of the particular case and the specific needs of the participants.

Mediation is understood to increase both:

- efficiency (decreases costs and reduces delays in decision making)
- effectiveness (increases a sense of procedural fairness, as those affected by agreements have been involved, and parties look beyond the narrow ssue of legal rights to consider their broader interests).

Conflict Coaching

A 'model' process for helping people resolve their own conflicts through seeing the other person's perspective.

Conflict presents opportunities for people to strengthen their relationships with themselves and others. Resolving the issues is only one of the desired outcomes when people are in dispute. Transformation in behaviour is achieved in part, by increased self awareness and insights. With increased self awareness, we are more likely to discover our choices and shift our behaviour.

One of the elements that underpin conflict coaching is that change in conflict behaviour is more likely to occur when people understand the concept of mutuality. This involves considering various elements of the conflict, from both (or all) sides. Self determination is a crucial component of coaching. Conflict coaching supports effective and productive working relationships. It is an equally useful model for anyone in an organisation offering insights into the dynamics of team and workplace conflicts.

Facilitation

A third party helping a group to achieve a collective goal.

Workplace Conferencing

Conferencing is a process that helps a group of individuals to manage their own relationships in the wake of conflict. The conflict may be associated with a single incident or with ongoing patterns of behaviour. The facilitator provides the process so that a group can understand what has happened, how people have been affected, and what might be done to improve the situation.

Appreciative Inquiry

Appreciative inquiry is an approach to organisational development, adapted from work done by earlier theorists and practitioners of action research. Its guiding principle is that organisations can change adaptively by focusing on what works. Colleagues determine what goals need to be achieved, and focus primarily on ways to achieve these goals, rather than focusing primarily on problems that need solving.

Other Modes of Facilitation

The science and practice of effective group decision-making is growing rapidly. Promoters emphasise the public good of involvement, collaborative decision-making, citizen engagement, advocacy, mediation, consensus building and community building.

Appendix B: Other Resources and Further Reading

The Victorian Public Sector Commission has a number of documents relevant to cultural change work and conflict resolution.

- Conflict Resilient Workplaces: A Report for Victorian Public Sector Leaders (2010)
- Employment Principles and Standards (2017)
- Managing Poor Performance in the Workplace (2008)
- How Positive Is Your Work Environment? (2008)
- Ethics Resource Kit (2008)
- People Metrics Resource (2010)
- Talking Performance (2010)

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