

The Cost of Conflict

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Executive Summary

This report provides an evidence-based estimate of the costs of conflict to Christian schools, churches, and other non-profits. Studies have found that institutional conflict results in significant cost to both individuals and organizations:

- Individuals commonly experience demotivation, depression, anxiety, and sleep disturbance.
- At the group level, conflict lowers trust, problem solving, creativity, performance, cooperation, communication, and advice-seeking.¹ As a result, organizational conflict leads to increased absenteeism and turnover, lower productivity, and loss of students, members, and donors.²

The following table provides a summary of the annual costs of conflict for schools, churches, and other nonprofits further detailed in this report. This overview also provides the foundation for a scalable estimate for the cost of conflict based on organization size. By dividing the total cost by the number of staff used in the calculations (i.e., 100 staff for schools, 5 for churches, and 42 for other nonprofits) we find the following conflict costs:

- \$11,231/staff member for schools,
- \$26,952/staff member for churches, and
- \$8,133/staff member for other nonprofits.

Conflict costs about \$15,500 per staff member annually.

Averaging these three estimates provides a useful overall average cost of conflict of \$15,439 - or about \$15,500 per employee. This is in addition to the toll that organizational conflict takes on individuals outside of their workplaces but does not account for the positive benefits to organizations and individuals of constructive conflict engagement.

Annual Organizational Cost of Conflict for Nonprofit Organizations³

Nature of Cost	School (100 Staff)	Church (5 Staff)	Nonprofit (42 Staff)
Time on conflict	\$285,918	\$17,713	\$125,738
Absenteeism due to conflict	\$7,912	\$363	\$2,575
Cost of substitute teachers due to conflict	\$3,584		
Loss of productivity as a result of:			
1. Insufficient sleep	\$7,524	\$376	\$3,160
2. Depression	\$7,069	\$353	\$2,969
3. Anxiety	\$9,257	\$463	\$3,888
Employee turnover	\$164,668	\$5,668	\$65,130
Loss of students/members/donors	\$605,150	\$108,224	\$124,538
Legal fees	\$32,000	\$1,600	\$13,600
Total estimated annual cost	\$1,123,082	\$134,760	\$341,598

¹ De Wit, F., Greer, L. L., & Jehn, K. A. (2012). The paradox of intragroup conflict: A meta-analysis. *Journal of Applied Psychology*, 97(2), 360–390. <https://doi.org/10.1037/a0024844>

² Buss, H. (2011). Controlling conflict costs: The business case of conflict-management. *Journal of the International Ombudsman Association*, 4(1), 54-62

³ Assumptions related to this estimate include conflict duration of one year, the conflict involves every employee within the organization, and the conflict is producing negative outcomes. Salaries are aligned with national averages.

The Cost of Conflict

The process of assigning costs to organizational conflict includes several steps. The first is to explore how conflict has been conceptualized in the literature and to determine the focus of this cost analysis.

Conceptualizing Conflict

Conflict will be defined as “an active disagreement between people with opposing opinions or principles.”⁴ Scholars define three types of conflict in organizational settings.

- **Relationship** conflicts are disagreements among organizational members about interpersonal issues including differences in norms and values.
- **Task** conflicts encompass disagreements about what needs to be accomplished and goals for the work.
- **Process** conflicts entail disagreements concerning how the task will be completed such as how responsibilities will be delegated.⁵

Conflicts can be relationally, task, or process focused.

This analysis encompasses all three types of conflict.

Second, conflicts can be divided into *positive* and *negative* struggles. Positive conflicts can facilitate innovation and better decisions because they encourage critical thinking and prevent premature consensus.^{6, 7} These positive outcomes generally stem from task and process conflicts. Relational conflicts, focused on differing values and norms, have the potential to forge greater trust among team members and deeper understanding of colleagues, but they can have significant accompanying costs.

Both positive and negative conflicts exist.

It is important to acknowledge the potential for positive conflict, which is often brought about through conflict communication training.⁸ However, the focus of this analysis is on

⁴ <https://dictionary.cambridge.org/us/dictionary/english/conflict>

⁵ Jehn, K. A., & Bendersky, C. (2003). Intragroup conflict in organizations: A contingency perspective. *Research in Organizational Behavior*, 25, 189–244

⁶ DeWit et al., 2012

⁷ Schulz-Hardt, S., Brodbeck, F. C., Mojzisch, A., Kerschreiter, R., & Frey, D. (2006). Group decision making in hidden profile situations: Dissent as a facilitator for decision quality. *Journal of Personality and Social Psychology*, 91, 1080–1093

⁸ CPP. (2008). CPP global human capital report: Workplace conflict and how business can harness it thrive. Retrieved from <https://www.themyersbriggs.com/-/media/f39a8b7fb4fe4dface552d9f485c825.ashx>

conflict costs. The counterbalancing benefits will not be included in this report as is customary in similar studies (see for example analyses by KPMG⁹ and Resologics¹⁰).

Third, conflict *outcomes* or *costs* have been conceptualized in the literature in various ways: *proximal* and *distal*;¹¹ *personnel, team, and organizational*;¹² and *direct* and *indirect*.¹³ Proximal outcomes include individuals' anxiety, trust, and commitment to the organization whereas distal outcomes include group creativity and group performance. Direct outcomes include employee turnover as a result of unresolved conflict while indirect outcomes include lost productivity, reduced morale, and lost institutional knowledge.¹⁴

This analysis focuses on the *negative* results of *relational, task, and process* conflicts and centers its analysis on the *organizational* costs of these conflicts.

Literature Review

This next section of the report reviews literature related to the costs of conflict. In addition to peer-reviewed publications, this review includes grey literature – reports that were not produced by a traditional publishing house. Many of the most widely-cited – and largest – studies related to determining conflict costs are grey literature. This includes studies conducted by such respected organizations as CPP, Inc. (a leading provider of research-validated assessments and training tools), KPMG International, and the Chartered Institute of Personnel and Development, an international association of human resource management professionals.

The Effects of Conflict – Grey Literature

Numerous organizationally sponsored studies have found that conflict results in significant costs to individuals as well as to organizations.

In a 2008 nine-country study,¹⁵ 36% of American employees reported that they “always” or “frequently” had to deal with conflict. More specifically, Americans reported that they spent an average of 2.8 hours per week dealing with conflict at work.

⁹ Rebbe, Christian (2012). Best practice conflict (cost) management: The true value of mediation. ACP, Akademie Lichtenauer, KPMG. Retrieved from <https://assets.kpmg.com/content/dam/kpmg/pdf/2013/01/best-practice-conflict-cost-management-2012-kpmg.pdf>

¹⁰ Resologics (2024). <https://www.resologics.com/>

¹¹ DeWit et al, 2012

¹² Rebbe, 2012

¹³ Bouchey, H. & Glynn, S. J., (2012). There Are Significant Business Costs to Replacing Employees. Center for American Progress. Retrieved from <https://www.americanprogress.org/article/there-are-significant-business-costs-to-replacing-employees/>

¹⁴ Ibid.

¹⁵ In 2008 CPP, Inc. surveyed 5,000 full-time employees in nine countries around Europe and the Americas: Belgium, Brazil, Denmark, France, Germany, Ireland, the Netherlands, the United Kingdom, and the United States. <https://www.themyersbriggs.com/-/media/f39a8b7fb4fe4dface552d9f485c825.ashx>

Twenty-five percent of respondents from across the nine countries indicated they had witnessed conflict lead to sickness or absence, 18% had seen others leave the organization as a result of conflict, and 16% had seen people fired over conflict. In addition, 9% witnessed project failure as a result of conflict.

Conflict occurred most often in the nonprofit sector.

-2008 Study

Emotionally, 21% of employees reported conflict caused them to feel demotivated, 18% felt angry and frustrated, 9% felt nervous and/or sick to their stomach, and 9% reported being sleepless and stressed. Women were twice as likely as men to report nervousness and sleeplessness. Fourteen percent of these respondents had personally missed a day of work, and 9% had taken off more than one day of work because of a conflict. Twelve percent had left a position as a result of conflict.

With regard to the rate of conflict across economic sectors, this study found that conflict occurred most often in the nonprofit sector (48%) followed by the catering industry (43%). Employees in the nonprofit sector were also the most likely to report disagreements that became inflamed, behind only employees in the marketing sector (23% and 30%, respectively). Almost half (48%) of respondents in the nonprofit sector also reported having witnessed a conflict that led to sickness and/or absenteeism, far above the 25% who reported witnessing this overall.

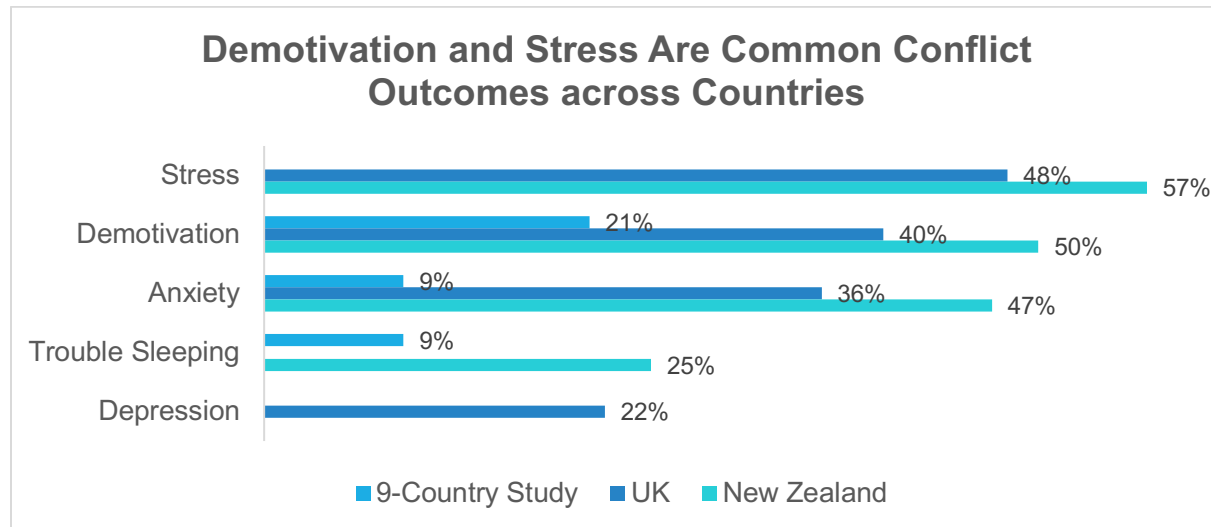
A 2020 study of 2,211 employees across the UK found even more frequent negative outcomes related to organizational conflict.¹⁶ Forty-eight percent indicated they had experienced stress as a result of conflict, 40% a drop in motivation or commitment, 36% had experienced anxiety, 22% had experienced depression, 19% had experienced a drop in productivity, and 9% reported a sickness absence as a result of conflict. Women were more likely to experience each of these outcomes than men, most notably with stress – 54% vs 42%, anxiety – 41% vs. 32%, depression – 25% vs 19%, and sickness absence – 12% vs 7%.

A 2014 New Zealand survey of 740 employees from the public and private sector in a range of industries found that a quarter of the employees surveyed had at least one disagreement or argument at work that was serious enough to impact their ability to do their job.¹⁷ Employees reported their most common reactions to conflict were anger or frustration (83%), stress (57%), anxiousness and nervousness (47%), loss of self-esteem (25%), and trouble sleeping (25%). As with the multi-country and UK studies cited above, New Zealand women more often reported feeling stressed as a result of the conflict (69% compared to 47% of males).

¹⁶ Suff, R. Managing conflict in the modern workplace. (2020). Chartered Institute of Personnel and Development. Retrieved from https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/reports/managing-conflict-in-the-workplace-2_tcm18-70655.pdf

¹⁷ Jehn, K. & Mannix, E. (2014). Conflict in New Zealand Workplaces Study. FairWay Resolution. https://dokumen.tips/documents/conflict-in-new-zealand-workplaces-study-fairway-resolution-conflict-in-new.html?page=1#google_vignette

The following graph highlights findings from these three studies, recognizing that the questions in each of the three surveys differed somewhat.



The impact of conflict on the overall operation of an organization is also substantial. Because of conflict, almost half of respondents in the New Zealand study reported losing focus, motivation, and confidence, as well as missing deadlines. Fourteen percent of those in conflict took time off work.

People embroiled in conflict also make choices that have long-term consequences for the organization. Fifty-eight percent of workers in a Randstad study had quit a job or were considering doing so because of disruptive workplace politics.¹⁸

The Effects of Conflict – Academic Literature

Individual Outcomes

Research published in academic journals aligns with the findings of the gray literature. Conflict at work is positively correlated with anxiety and frustration, physical complaints, and exhaustion.^{19, 20}

¹⁸ Your best employees are leaving but is it personal or practical? (2018). Randstad USA. Retrieved from <https://www.randstadusa.com/business/business-insights/employee-retention/your-best-employees-are-leaving-it-personal-practical/>

¹⁹ De Dreu, C. K. W. (2008). The virtue and vice of workplace conflict: food for (pessimistic) thought. *Journal of Organizational Behavior*, 29(1), 5–18. <https://doi.org/10.1002/job.4748>

²⁰ De Dreu, C. K. W., Van Dierendonck, D., & Dijkstra, M. T. (2004). Looking back, looking ahead: Conflict at work and individual health and well-being. *International Journal of Conflict Management*, 15, 1–18

A 2012 meta-analysis of 116 empirical studies of intragroup conflict yielded similar insights.²¹ Relational conflicts were positively correlated with heightened anxiety, increased hostility among group members, and lowered trust. These conflicts had negative effects on member commitment or turnover intentions.²² Relational conflict was also negatively correlated with team member satisfaction.^{23, 24}

Organizational Outcomes

Productivity and Performance - The costs of conflict to an organization are substantial as well. Workplace conflicts demand time and other resources that are shifted from time on tasks such as attending to customers and pursuing new organizational opportunities.²⁵ Relational conflicts also reduce collaborative problem solving, group creativity, and group performance²⁶ as well as decrease cooperation, communication, advice-seeking, and trust.²⁷

In a study of United Nations employees, two-thirds of survey respondents agreed that badly managed conflict affected their efficiency at work. On average, they reported spending 2.7 hours per week in poorly managed workplace conflict²⁸ – a very similar number to the previously cited 2.8 hours of workplace conflict per week found in the CPP study.²⁹

Relational conflicts reduce collaborative problem solving, group creativity, and overall group performance.

Absenteeism and Presenteeism - Conflict has been linked to stress and absenteeism³⁰ as well as to *presenteeism* when employees show up to work while ill or otherwise not fit for work. Presenteeism also encompasses employees who disengage from their work, not doing their expected work even though they are present.³¹

Turnover - Exit interview data on voluntary departures revealed that chronic unresolved conflict was a determining factor in at least 50% of cases.³²

²¹ Jehn & Bendersky, 2003.

The authors used a conceptualization of three types of conflict: 1) relationship conflicts which reflect disagreements among group members about interpersonal issues, including personality differences or differences in norms and values, 2) task conflicts which describe disagreements among group members about the nature and outcomes of the task at hand, and 3) process conflicts which entail disagreements among group members about the logistics of task accomplishment, such as the assignment of tasks and responsibilities.

²² DeWit et al., 2012

²³ De Dreu, C. K. W., & Weingart, L. R. (2003). Task versus relationship conflict, team performance, and team member satisfaction: A meta-analysis. *Journal of Applied Psychology*, 88(4), 741–749. <https://doi.org/10.1037/0021-9010.88.4.741>

²⁴ Dirrler, P. & Podrzenski, S. (2022). Companies can lose time over conflicts: Analysis of internal indirect conflict costs. *Business: theory and practice*, 23(2), 288-301

²⁵ De Dreu, 2008

²⁶ DeWit et al., 2012

²⁷ Dirrler & Podrzenski, 2022

²⁸ Buss, H. (2011). Controlling conflict costs: The business case of conflict-management. *Journal of the International Ombudsman Association*, 4(1), 54-62

²⁹ <https://www.themyersbriggs.com/-/media/f39a8b7fb4fe4dface552d9f485c825.ashx>

³⁰ Freres, M. (2013). Financial costs of workplace conflict. *Journal of the International Ombudsman Association*, 6(2), 83-93

³¹ Buss, 2011

³² Duxbury, L. & Higgins, C. (2003). Work-life conflict in Canada in the new millennium: A status report, as cited in Buss, 2011.

Analysis of the General Social Survey Quality of Work Life module found that 13.9% of employees working in organizations with a “high culture” were very likely to intend to leave the company compared to 48.4% of those working in “low culture” organizations.³³ The culture scale created for this study included five variables: being treated with respect at work, having trust in management at work, having pride in working for your employer, having work conditions that allow for productivity, and having a workplace that runs in a smooth manner. While these findings are not explicitly linked to conflict, these characteristics are typical of organizations where conflict is not effectively managed.³⁴

Reputation - Research has found that almost 80% of an organization’s employees who were affected by negative conflict told people both inside and outside the organization. Social networks increase the risk of employees sharing their experiences widely.³⁵ A 2018 survey found that 86% of respondents would not apply for or continue to work for a company that had a bad reputation with former employees or the public. Sixty-five percent indicated they would leave the organization if their employer was being negatively portrayed in the news or on social media because of a crisis or negative business practices.³⁶ A damaged reputation, in turn, affects an organization’s ability to attract and retain top talent and secure both member and donor support.³⁷

Relational conflicts reduce collaborative problem solving, group creativity, and overall group performance.

Client Satisfaction - The negative implications of conflict for church members, students, and others associated with an organization are rarely discussed in the literature but are likely substantial. These can include lower member satisfaction and diminished reputation of the organization overall, possibly as a result of lower quality of services. As one example, a survey of United Nations employees found that over half felt conflict changed their mood and made them less friendly and balanced.³⁸

The causal chain continues as lower client satisfaction can result in damage to the organization’s brand, difficulty attracting top talent, and the drain of intellectual capital through employee turnover. In addition, lower performance overall can result in the loss of key business as well as key donors.³⁹

³³ Medina, E. (2012). Job Satisfaction and Employee Turnover Intention: What does Organizational Culture Have To Do With It? Master’s Thesis. Columbia University. <https://academiccommons.columbia.edu/doi/10.7916/D8DV1S08>

³⁴ See for example the following article on the relationship between trust and conflict: Wang, Y., Liu, F., Zhang, Y., & Gong, E. (2021). Surviving trust from conflict in the construction industry: an interaction between conflict handling behaviors, behavioral outcomes, conflict and trust. *International Journal of Conflict Management (Emerald)*, 32(4), 648–672. <https://doi-org.dml.regis.edu/10.1108/IJCM-11-2020-0189>

³⁵ Pearson & Porath (2009). *The cost of bad behavior*. New York: Portfolio/The Penguin Group, 100-103.

³⁶ Your best employees, 2018

³⁷ Buss, 2011

³⁸ Ibid

³⁹ Ibid

Quantifying Annual Costs

Based on this review of literature, costs will be divided into the following categories for the cost analysis:

- Time spent on the conflict rather than productive work
- Absenteeism (plus replacement costs for teachers)
- Presenteeism - cost of lowered productivity due to health problems caused by the conflict, including the cost of depression, anxiety, and insufficient sleep
- Turnover, including separation costs, recruitment costs, and training costs
- Loss of donations/tuition due to loss of members/students
- Legal costs

In assigning costs to conflict, it is important to note that not all conflict is unproductive or unnecessary. KPMG's work on the costs of conflict divides costs into functional and dysfunctional categories. Functional costs such as organizational development and training are an investment that can be expected to lead to positive returns, including empowered employees who use conflict to probe problems, develop creative solutions, and enliven their relationships.⁴⁰ Dysfunctional costs, on the other hand, include employee turnover, loss of members, decrease in productivity, and absenteeism, costs that do not lead to organizational benefits.⁴¹

In assigning costs to conflict, it is important to note that not all conflict is unproductive or unnecessary.

This analysis includes only dysfunctional costs of conflict to the organization and at times makes conservative estimates of costs to acknowledge the potential positive outcomes of a conflict.

Justification and Assumptions for Assigned Costs

The assumptions used for this cost analysis are as follows: the conflict involves every employee within the organization, the conflict is producing negative outcomes, and the conflict has lasted for at least one year.

⁴⁰ Tjosvold, D. (2008). The conflict-positive organization: It depends upon us. *Journal of Organizational Behavior*. 29, 19-28

⁴¹ Rebbe, 2012

Annual Salaries Used for the Analysis

Christian Schools

- Average annual salary for an administrative assistant at a school is \$40,700⁴²
- Average annual salary for a teacher aide is: \$30,400⁴³
- Average annual salary for a teacher at a Christian school is: \$48,600⁴⁴
- Average annual salary for a principal at a Christian school is: \$96,500⁴⁵

Assuming 3 principals, 6 administrative assistants, 70 teachers, and 21 aids for a three-school team of 100 staff members, the average annual salary for the entire team would be **\$45,741**.

Churches

- Average annual salary for an administrative assistant at a church is: \$36,900⁴⁶
- Average annual salary for a church ministry director is: \$46,600⁴⁷
- Average annual salary for a pastor is: \$106,700⁴⁸

Assuming the church has 5 full-time employees including one pastor, one administrative assistant, and three program directors/coordinators, the average annual salary for the entire team would be \$ **56,680**.

Other Nonprofit Organizations

- Average annual salary for an entry level position at a nonprofit is: \$35,235⁴⁹
- Average annual salary for an administrative assistant at a nonprofit is: \$43,768⁵⁰
- Average annual salary for a program director at a nonprofit is: \$78,196⁵¹

⁴²[https://www.talent.com/salary?job=school+administrative+assistant#:~:text=How%20much%20does%20a%20School%20Administrative%20Assistant%20make%20in%20USA?&text=The%20average%20school%20administrative%20assistant%20salary%20in%20the%20USA%20is,up%20to%20\\$56%2C304%20per%20year.](https://www.talent.com/salary?job=school+administrative+assistant#:~:text=How%20much%20does%20a%20School%20Administrative%20Assistant%20make%20in%20USA?&text=The%20average%20school%20administrative%20assistant%20salary%20in%20the%20USA%20is,up%20to%20$56%2C304%20per%20year.)

⁴³ <https://www.salary.com/research/salary/benchmark/teacher-aide-salary>

⁴⁴ [https://www.glassdoor.com/Salaries/christian-school-teacher-salary-SRCH_KO0,24.htm#:~:text=\\$51K&text=The%20estimated%20total%20pay%20for,salaries%20collected%20from%20our%20users.](https://www.glassdoor.com/Salaries/christian-school-teacher-salary-SRCH_KO0,24.htm#:~:text=$51K&text=The%20estimated%20total%20pay%20for,salaries%20collected%20from%20our%20users.)

⁴⁵ [https://www.ziprecruiter.com/Salaries/Christian-School-Principal-Salary#:~:text=How%20much%20does%20a%20Christian,/week%20or%20\\$8%2C043/month.](https://www.ziprecruiter.com/Salaries/Christian-School-Principal-Salary#:~:text=How%20much%20does%20a%20Christian,/week%20or%20$8%2C043/month.)

⁴⁶ <https://www.salary.com/research/company/public-church/administrative-assistant-salary?cjid=19168882#:~:text=The%20average%20annual%20Public%20Church%20Salary%20for,year.%20Visit%20Salary.com%20to%20find%20out%20more.>

⁴⁷ https://www.payscale.com/research/US/Job=Ministry_Director/Salary

⁴⁸ <https://www.salary.com/research/salary/benchmark/pastor-salary>

⁴⁹ <https://www.ziprecruiter.com/Salaries/Entry-Level-Nonprofit-Salary>

⁵⁰ <https://www.ziprecruiter.com/Salaries/Non-Profit-Administrative-Assistant-Salary#:~:text=Non%20Profit%20Administrative%20Assistant%20Salary,%57%2C000%20is%20the%2090th%20percentile.>

⁵¹ [https://www.ziprecruiter.com/Salaries/Program-Manager-Non-Profit-Salary#:~:text=\\$2%2C129,annually%20across%20the%20United%20States.](https://www.ziprecruiter.com/Salaries/Program-Manager-Non-Profit-Salary#:~:text=$2%2C129,annually%20across%20the%20United%20States.)

- Average annual salary for an executive director at a nonprofit is: \$120,677⁵²

The most recent Bureau of Labor Statistics report indicates that nonprofit organizations average 42 employees.⁵³

Assuming the organization has one executive director, eight program directors, twelve administrative assistants, and twenty-one entry level employees, the average annual salary for the entire team would be **\$47,890**.

Time on Conflict

Studies indicate that employees spend an average of 2.8 hours dealing with conflict at work each week.^{54, 55} As described earlier, not all conflict is negative although a majority of it is.⁵⁶ For the analysis, 2.5 hours per week (89% of the 2.8 hours research finds each employee spends on conflict) will be used to determine costs.

Studies indicate that employees spend an average of 2.8 hours dealing with conflict each week.

School Conflict-Related Costs

Average hourly wage (\$45,741/1,480 hours per year) x 2.5 hours per week x 37 weeks (average school year) x 100 people =

$$\mathbf{\$30.91 \times 2.5 \times 37 \times 100 = \$285,918}$$

Church Conflict-Related Costs

Average hourly wage (\$56,680/2000) x 2.5 hours per week x 50 weeks x 5 people =

$$\mathbf{\$28.34 \times 2.5 \times 50 \times 5 = \$17,713}$$

Nonprofit Conflict-Related Costs

Average hourly wage (\$47,890/2000) x 2.5 hours per week x 50 weeks x 42 people =

$$\mathbf{\$23.95 \times 2.5 \times 50 \times 42 = \$125,738}$$

⁵² <https://www.salary.com/research/salary/posting/nonprofit-executive-director-salary#:~:text=The%20average%20Nonprofit%20Executive%20Director, falls%20between%20%24101%2C051%20and%20%24146%2C372.>

⁵³ [https://www.bls.gov/opub/mlr/2024/article/nonprofits-a-look-at-national-trends-in-establishment-size-and-employment.htm#:~:text=On%20average%2C%20nonprofit%20establishments%20tend,\(See%20table%201.\)](https://www.bls.gov/opub/mlr/2024/article/nonprofits-a-look-at-national-trends-in-establishment-size-and-employment.htm#:~:text=On%20average%2C%20nonprofit%20establishments%20tend,(See%20table%201.))

⁵⁴ CPP, Inc. 2008

⁵⁵ Buss, 2011

⁵⁶ De Dreu, 2007

Absenteeism

Fourteen percent of respondents to the nine-country CPP survey had personally missed a day of work and 9% had taken off more than one day of work because of a conflict. Nine percent in the UK study reported a sickness absence. (The time frame, if any, for these absences was not clear from the reports.) The CPP study also found that the nonprofit sector had a higher-than-average rate of conflict and rate of employees who had witnessed a conflict that led to sickness and/or absenteeism.

School Conflict-Related Absenteeism Costs

Assuming the paid absence frequency is per year, and assuming two days per year for the 9% in the CPP study who had taken off more than one day, for a 100-member organization the total absences due directly to conflict would be 32 days per year (14% 1 day/year and 9% 2 days/year). Dividing these 32 days by the 100 employees, per person absenteeism would be .32 days per year. Assuming average salary of \$45,741 and 185 workdays per year, the annual cost of conflict-related absenteeism for schools would be:

Cost of absenteeism: \$247.25 pay per day x .32 days x 100 employees = \$7,912.

For schools, absenteeism also results in the need to hire substitute teachers.⁵⁷ The average pay for a substitute teacher at a private school in the U.S. is \$20 per hour.⁵⁸ Given the assumption of 70 teachers and eight-hour days, the calculation would be:

.7 (percent of staff requiring substitute teachers) x 100 employees x .32 days of conflict-related absences per person per year x \$20 x 8 hours per day

Substitute teacher cost: .7 x 100 x .32 x \$20 x 8 = \$3,584.

Church Conflict-Related Absenteeism Costs

For an organization that has 5 instead of 100 staff members, the total absences due directly to conflict would be:

.32 days per person per year (14% took off one day – 2.8 days – and 9% took off 2 days – 3.6 days). Assuming an average salary of \$56,680 and 250 workdays per year, the annual cost of conflict-related absenteeism would be:

Cost of absenteeism: \$226.72 pay per day x .32 days x 5 employees = \$363.

⁵⁷ Buss, 2011

⁵⁸ [https://www.ziprecruiter.com/Salaries/Private-School-Substitute-Teacher-Salary#:~:text=As%20of%20Jan%2017%2C%202024,/week%20or%20\\$3%2C520/month](https://www.ziprecruiter.com/Salaries/Private-School-Substitute-Teacher-Salary#:~:text=As%20of%20Jan%2017%2C%202024,/week%20or%20$3%2C520/month).

Other Nonprofit Organizations Conflict-Related Absenteeism Costs

For an organization that has 42 staff members, the total absences due directly to conflict would be:

.32 days per person per year (14% took off one day – 2.8 days – and 9% took off 2 days – 3.6 days). Assuming an average salary of \$47,890 and 250 workdays per year, the annual cost of conflict-related absenteeism would be:

Cost of absenteeism: \$191.56 pay per day x .32 days x 42 employees = \$2,575

Presenteeism/Loss of Productivity

Presenteeism occurs when employees show up to work while ill or otherwise unfit for work. The term also encompasses employees who disengage from their work, not doing their expected work even though they are present.⁵⁹ In this analysis, presenteeism is used to represent the cost of many facets of productivity that are negatively affected by conflict including creativity, communication, cooperation, attention to organizational strategy, and group problem solving.

A team of Japanese scholars conducted a study in which 12,350 employees of four pharmaceutical companies were asked if they had experienced any of 34 common health conditions in the past month.⁶⁰ If they had experienced any of the conditions, they were then asked to select the one that had had the biggest effect on their work. Third, they were asked to report the number of days they had experienced their symptoms over the previous three months. Finally, respondents were asked to report the quality/quantity of work they were able to carry out when suffering from their symptoms in comparison to when they were not experiencing the symptoms.

Presenteeism is used to represent the cost of many facets of productivity that are negatively affected by conflict including creativity, cooperation, attention to organizational strategy, and group problem solving.

-CPP Study Finding

Using 2014 dollars, the scholars determined the costs that were associated with presenteeism for the 34 health conditions. Four of these conditions were also identified in the literature reviewed for this study as directly related to organizational conflict. The costs the researchers determined that these four conditions cost a company per person per year follow (all amounts have been converted to 2024 dollars):

Using 2014 dollars, the scholars determined the costs that were associated with presenteeism for the 34 health conditions. Four of these conditions were also identified in the literature reviewed for this study as directly related to organizational conflict. The costs the researchers determined that these four conditions cost a company per person per year follow (all amounts have been converted to 2024 dollars):

⁵⁹ Buss, 2011

⁶⁰ Nagata T, Mori K, Ohtani M, Nagata M, Kajiki S, Fujino Y, Matsuda S, Loeppke R. Total Health-Related Costs Due to Absenteeism, Presenteeism, and Medical and Pharmaceutical Expenses in Japanese Employers. *J Occup Environ Med.* 2018 May;60(5):e273-e280. doi: 10.1097/JOM.0000000000001291. PMID: 29394196; PMCID: PMC5959215

- Insufficient sleep - \$442.60
- Depression - \$321.33
- Sense of weariness or fatigue - \$304.30
- Anxiety - \$298.60

These conditions often co-occur in someone who is dealing with conflict, so to prevent overcounting costs, “sense of weariness or fatigue” is not included in this analysis.

An average of 17% of respondents to the 9-country and New Zealand studies reported trouble sleeping. Twenty-two percent of the UK respondents reported issues with depression and an average of 31% of respondents to the three studies reported anxiety as a result of conflict. Because women in each of the three studies reported higher rates of negative outcomes than men, and because women tend to be over-represented in Christian schools, these are likely conservative estimates of the cost of these conflict-related outcomes for schools.

Calculations:

Insufficient sleep: average of 17% of two surveys’ respondents

Cost to schools: $.17 \times \$442.60 \times 100 = \$7,524$

Cost to churches: $.17 \times \$442.60 \times 5 = \376

Cost to other nonprofits: $.17 \times \$442.60 \times 42 = \$3,160$

Depression: 22% of one survey’s respondents

Cost to schools: $.22 \times \$321.33 \times 100 = \$7,069$

Cost to churches: $.22 \times \$321.33 \times 5 = \353

Cost to other nonprofits: $.22 \times \$321.33 \times 42 = \$2,969$

Anxiety: average of 31% of three surveys’ respondents

Cost to schools: $.31 \times \$298.60 \times 100 = \$9,257$

Cost to churches: $.31 \times \$298.60 \times 5 = \463

Cost to other nonprofits: $.31 \times \$298.60 \times 42 = \$3,888$

Total cost of presenteeism for schools = \$23,850

Total cost of presenteeism for churches = \$1,192

Total cost of presenteeism for other nonprofits = \$10,017

Turnover

Turnover entails numerous costs including separation costs (e.g., exit interviews, severance pay), recruitment costs (e.g., advertising, search firms), training and development costs, loss of human capital investment in skilled individuals, loss of productivity (new hires may take months or years to reach the productivity level of the previous person), increased difficulty attracting top talent as a result of a tarnished organizational reputation, and impact on the organizational culture when employees leave.^{61, 62}

Turnover rates for Christian schools were not readily available, but public-school rates are between 13% and 15% annually and private school rates are nearly twice that of public-school teacher turnover rates.⁶³

Anecdotally, the following excerpt from an interview conducted for The Colossian Forum by the EffectX team in 2023 highlights the relationship between conflict and employee turnover.

“COVID was the issue at our school - COVID policy. It’s interesting because in the course of a month we lost our principal, seven staff, and 25% of the student body. Not all staff were teachers. We lost all our office staff and our principal.”

Church staff rate of turnover, according to a recent survey of 337 churches, was 12% over the previous year.⁶⁴ The turnover rate for the nonprofit sector was 19% in a 2022 survey conducted by the Society for Human Resource Management, compared to an all-sector average of 12%.⁶⁵

A study that used exit interview data on voluntary departures found that chronic unresolved conflict was a significant factor in at least 50 percent of all decisions to leave the organization.⁶⁶ As cited earlier, average turnover at companies with negative cultures was 48.4% compared to average turnover at organizations with healthy cultures of 13.9% per year.⁶⁷ For churches in particular, a recent study found that 72% of congregations reported some kind of disagreement or conflict. This study went on to explore the relationship between conflict and a pastor’s plans to leave a congregation and found that

⁶¹ Freres, 2013

⁶² Dirrtler & Podruzsik, 2022

⁶³ D’Ercole, D. Research insights: Are independent school teachers happy? (2019). National Association of Independent Schools. Retrieved from <https://www.nais.org/magazine/independent-school/fall-2019/research-insights-are-independent-school-teachers-happy/>

⁶⁴ Morgan, T., (2023). New Church Staffing Trends: Q2 2023 Unstuck Church Report. Retrieved from <https://theunstuckgroup.com/new-church-staffing-trends-q2-2023-unstuck-church-report-episode-298-the-unstuck-church-podcast/>

⁶⁵ Tips for retaining nonprofit employees. (2025). Inside Charity. Retrieved from <https://insidecharity.org/2023/03/03/tips-for-retaining-nonprofit-employees/#:~:text=For%20many%20reasons%2C%20employee%20retention,industry%20turnover%20rate%20was%2012%25.>

⁶⁶ Duxbury, & Higgins, 2003

⁶⁷ Medina, 2012

the more conflict a congregation experienced, the greater the likelihood that the pastor anticipated leaving.⁶⁸

For the purpose of this cost analysis, based on this research of conflict's effect on turnover rates, we will assume a 22% turnover rate for Christian school staff members with 40% of these turnovers caused by conflict. For the church turnover rate, we will assume a 12% annual turnover rate with 40% of these turnovers caused by conflict. Finally, for nonprofit turnover rates, we will assume a 19% turnover rate with 40% of these turnovers caused by conflict.

Chronic unresolved conflict was a significant factor in at least 50 percent of all decisions to leave the organization.

-2003 Study

Estimated costs related to turnover vary widely. One study found turnover costs were, on average, 16% of wages for those earning approximately minimum wage, 21% of income for those earning average U.S. salaries, and more than two times the income of highly paid professionals.⁶⁹ Business leaders commonly calculate costs closer to 150% for any employee.⁷⁰

This cost analysis will assume turnover costs to be 40% of an organization's average salary. Studies have shown that turnover rates among heads of school are higher than other private school turnover rates,^{71, 72} translating into higher average costs per turnover for schools. Again, we are using conservative estimates of costs to account for other factors that lead to turnover as well as to avoid over-estimating costs.

Taking these findings into account, the following will be used to determine turnover.

School Turnover Costs

Annual turnover rate due to conflict: assume 22% rate x 40% due to conflict = 9%
Turnover costs: 40% of average salary
100 employees x .09 x .40 (\$45,741) = \$164,667

Church Turnover Costs

Annual turnover rate due to conflict: assume 12% rate x 40% due to conflict = 5%
Turnover costs: 40% of average salary
5 employees x .05 x .40 (\$56,680) = \$5,668

⁶⁸ Exploring the pandemic impact on clergy. Hartford Institute for Religion Research https://www.covidreligionresearch.org/wp-content/uploads/2024/03/Clergy_Discontentment_Patterns_Report-compressed_2.pdf

⁶⁹ Boushey & Glynn, 2012

⁷⁰ Bliss, B. (2000). The business cost and impact of employee turnover. ERE Media, Inc. Retrieved from <https://www.ere.net/articles/the-business-cost-and-impact-of-employee-turnover>

⁷¹ Swaner, L. & Ferguson, J. (2020). Christian School Leadership: 2019 ACSI Profile. Association of Christian Schools International. Retrieved from <https://blog.acsi.org/christian-school-leadership-2019-acsi-profile>

⁷² Swaner, L. E., Eckert, J., Ellefsen, E., & Lee, M. H. (2023). Innovative structural and financial models in U.S. Christian education, International Journal of Educational Development, 100, <https://doi.org/10.1016/j.ijedudev.2023.102784>

Other Nonprofit Turnover Costs

Annual turnover rate due to conflict: assume 19% rate x 40% due to conflict = 8%
Turnover costs: 40% of average salary
42 employees x .08 x .40 (\$47,890) = \$64,364

Loss of Members

The costs of conflict thus far have focused on costs related to paid staff. However, conflict clearly also affects church members, students, parents, and other stakeholders.

Regarding churches, a 2005 Faith Communities Today study found that 69% of congregations experiencing conflict had members leave as a result. In addition, 39% reported that donations had been withheld as a result. A 2004 *Christianity Today* survey of pastors found that where conflict existed in their congregations, 32% experienced a decline in attendance.⁷³ A 2023 study found that 11% of people who left their church say they left because they had problems or conflicts with someone else at the church or the congregation itself had a conflict.⁷⁴

Research on distress, decline, and the eventual collapse of Christian schools identified several warning signs including “open conflict at the highest levels of school or church leadership and conflict that spills over to the parents of the school, leading to parental uncertainty and confusion, lack of confidence in the school, a proliferation of damaging gossip, a reduction in parental support and involvement, and an eventual decline in student enrollment.”⁷⁵

The following excerpt from an interview conducted by EffectX for The Colossian Forum in 2023 highlights this type of cost that results from ongoing conflict in schools and churches.

“[The cost of conflict] can be absolutely devastating and detrimental. In our region thirty years ago when [our denomination] moved ahead and said we affirm women in leadership and yet churches can do different thing, there were schisms amongst the churches and amongst the schools. Two schools didn’t survive... If we don’t do this well, we will experience schisms and schools will close in the next five years. I don’t know what will happen in the high school. People are saying let’s set up another one. It’s costly. You need a ground swell of financial and moral support to do so. Now what do we do?”

⁷³ Dudley, C., Zingery, T., & Breeden, D. (2019). Insights Into Congregational Conflict. Retrieved from <https://faithcommunitiestoday.org/wp-content/uploads/2019/01/Insights-Into-Congregational-Conflict.pdf>

⁷⁴ Earls, A. (2023). Church switchers highlight reasons for congregational change. Lifeway Research. <https://news.lifeway.com/2023/11/07/church-switchers-highlight-reasons-for-congregational-change/#:~:text=Around%201%20in%2010%20say,because%20their%20previous%20one%20closed.>

⁷⁵ Nichols, V. E. (2015b, February). Schools at risk: The danger signs—Introducing repetitive inaction disorder theory. Conference address and research findings presented at the Factors Endangering Christian Schools 224 California Leadership Summit of the Association of Christian Schools International (California/Hawaii Region): Tenaya Lodge, Fish Camp (Yosemite), CA. Cited in Nichols, V. E., (2016). Schools at risk: An analysis of factors endangering the evangelical Christian school movement in America, Doctoral Dissertation, University of Southern California. Retrieved from <https://www.rainierchristian.org/294584.pdf>

School Costs

The average student to teacher ratio in Christian schools is 14:1.⁷⁶ For this analysis, we have used an assumption of 70 teachers per school. The total student population would then be 980 students.

Average tuition in 2023 for American private k-12 schools was \$12,350.⁷⁷ We will assume that adjustments to staffing levels would not be made until the following year as a result of student departure due to conflict.

Withdrawing from a school due to conflict can involve significant costs to families. These could include loss of friendships and the need to identify a different school in which to enroll (or to homeschool for a time). We therefore estimate a relatively low departure rate of 5%.

Assume 5% loss of students due to conflict who are not immediately replaced.

49 students lost x \$12,350 = \$605,150

Church Costs

The median size for U.S. church congregations is 65 members⁷⁸ but to calculate the costs of a larger staff than one or two full-time people, this report has assumed 5 staff members. The typical ratio of staff to member ratio is 51:1⁷⁹ so to be consistent with the staff size used in this analysis, we assume a church of 255 members.

The decision to leave a church due to conflict often involves fewer constraints than the decision to leave a school. For that reason, we assume a 15% loss of church members as a result of conflict.

Average annual per person giving to a church is \$2,848.⁸⁰

Assume 15% loss of members and a related decline in giving of 15%.

Loss of 38 members x \$2,848 = \$108,224

Other Nonprofit Costs

Nonprofits, taken as a whole, may lose donors as a result of conflict;⁸¹ however no direct research was found on this topic. The barriers to leaving a school or church are usually greater than the barriers to altering one's giving pattern. On the other hand, unless the

⁷⁶[https://nces.ed.gov/pubs/ps/97459ch3.asp#:~:text=School%20Resources%20and%20Programs&text=Only%20one%2Dfifth%20of%20the,in%20general%20\(table%201.7\).](https://nces.ed.gov/pubs/ps/97459ch3.asp#:~:text=School%20Resources%20and%20Programs&text=Only%20one%2Dfifth%20of%20the,in%20general%20(table%201.7).)

⁷⁷ <https://educationdata.org/average-cost-of-private-school>

⁷⁸ Earls, A. (2021). Small Churches Continue Growing—but in Number, not Size. Lifeway Research. Retrieved from <https://research.lifeway.com/2021/10/20/small-churches-continue-growing-but-in-number-not-size/>

⁷⁹ <https://www.churchsalary.com/content/articles/how-many-staff-should-your-church-have-based-on-attendance.html>

⁸⁰ <https://www.churchsalary.com/content/articles/average-per-person-giving-in-church.html>

⁸¹ Brookins, M. (2019). The effects of conflict within an organization. Small Business Chronicle. <https://smallbusiness.chron.com/effects-conflict-within-organization-164.html>

organizational conflict is significant, donors are less likely than parents and church members to be aware that conflict exists. They may, however, recognize the effects of conflict through the lower quality of interactions they have with organizational representatives or the organization's lower performance overall.⁸² Given this context, we will assume a 5% loss of donations as a result of a nonprofit's internal conflict.

Research shows that the average nonprofit had 25 recurring donors in 2022⁸³ but given that the average nonprofit has 42 employees, this number seems like a significant underestimation. For our purposes, we will assume 750 recurring donors.

Average annual donation to a U.S.-based nonprofit: \$3,321 (2015 donation amount of \$2,520 converted to 2024 dollars).⁸⁴

Assume 5% loss of donors and a related decline in receipts of 5%.

Loss of 37.5 donors x \$3,321 = \$124,538

Legal Costs

Extended conflict often involves legal fees.^{85, 86} This can include support from attorneys, arbitrators, and outside decision-making entities. A study of 1,214 closed claims reported by small- to medium-sized enterprises with less than 500 employees found that 24% of employment charges resulted in defense and settlement costs averaging a total of \$160,000. While the focus of these claims is quite different than conflict affecting an entire organization's future, this appears to be a reasonable estimate of the legal costs that may be incurred with extended conflict.⁸⁷ To determine a per-organization cost estimate, we allocated 20% of the \$160,000 average legal fees (\$32,000) to schools, 8.5% to nonprofits, and 1% to churches based on their relative sizes. The cited research did not differentiate costs by organizational size or type, but we assumed the number of individuals in the organization would correlate with the likelihood of incurring legal fees.

Average legal fees as a result of significant conflict:

Schools - \$32,000

Churches - \$1,600

Other Nonprofits - \$13,600

⁸² De Dreu, 2008

⁸³ Whitehead, S. 15 Fundraising Statistics Every Nonprofit Should Know. Neon One.

<https://neonone.com/resources/blog/fundraising-statistics/#:~:text=In%202018%2C%20the%20average%20nonprofit,one%20that%20deserves%20special%20focus.>

⁸⁴ The ultimate list of charitable giving statistics for 2023. Nonprofit Source. <https://nonprofitssource.com/online-giving-statistics/>

⁸⁵ Buss, 2011

⁸⁶ Freres, 2013

⁸⁷ Mitchell, P. The 2017 Hiscox Guide to Employee Lawsuits. Hiscox. Retrieved from <https://www.hiscox.com/documents/2017-Hiscox-Guide-to-Employee-Lawsuits.pdf>

Summary Tables of Annual Conflict Costs to Schools, Churches, and Other Nonprofits

The following tables summarize the direct costs of conflict to schools, churches, and other nonprofits. Adding together the six broad categories of costs identified in this report, the total estimated annual cost of significant conflict for a Christian school with 100 staff members and 980 students is **\$1,123,082**. The total estimated annual cost of significant conflict for a church with 5 staff members and 255 congregants is **\$134,760**. Finally, the total estimated annual cost of significant conflict for another nonprofit with 42 employees is **\$341,598**.

Table 1. Annual Organizational Cost of Conflict for Schools with 100 Staff Members

Type of Cost	Research Finding	Formula	Values	Total Cost
Time on conflict	2.5 hours/week per person	Average pay/hour x 37-week school year	\$30.91 x 2.5 x 37 x 100	\$285,918
Absenteeism due to conflict	.32 days/person/year	Average pay/day x .32 days x total staff (100)	\$247.25 x .32 x 100	\$7,912
Cost of substitute teachers due to conflict	.32 days/teacher/year	Average Sub pay/hour x % of staff requiring substitutes x 8 hours/day x # of days per person x total staff (100)	\$20 x .7 x 8 x .32 x 100	\$3,584
Reduced productivity as a result of:				
4. Insufficient sleep	\$442.60 per person annually/17% of staff who report symptom	17% x \$442.60 x 100 staff members	.17 x \$442.60 x 100	\$7,524
5. Depression	\$321.33 per person annually/22% of staff who report symptom	22% x \$321.33 x 100 staff members	.22 x \$321.33 x 100	\$7,069
6. Anxiety	\$298.60 per person annually/31% of staff who report symptom	31% x \$298.60 x 100 staff members	.31 x \$298.60 x 100	\$9,257
Employee turnover	9% overall annual turnover rate due to conflict; turnover costs 40% of average salary	9 turnovers x 40% turnover costs x \$45,741 annual salary	9 x .4 x \$45,741	\$164,668
Loss of students	5% loss of students due to conflict	49 students (assuming 980 total) x \$12,350	49 x \$12,350	\$605,150
Legal fees	Legal fees due to significant conflict (avg. cost distributed across all schools)	Average fees if legal counsel is required	\$160,000 x .20	\$32,000
Total Estimated Annual Costs				\$1,123,082

Table 2. Annual Organizational Cost of Conflict for Churches with 5 Staff Members

Type of Cost	Research Finding	Value	Formula	Total Cost
Time on Conflict	2.5 hours/week per person	Average pay/hour x 50 weeks	$\$28.34 \times 2.5 \times 50 \times 5$	\$17,713
Absenteeism	.32 days/person/year	Average daily salary x .32 days x 5 people	$\$226.72 \times .32 \times 5$	\$363
Loss of productivity as a result of:				
1. Insufficient sleep	\$442.60 per person annually/17% of staff who report this symptom	17% x \$442.60 x 5 staff members	$.17 \times \$442.60 \times 5$	\$376
2. Depression	\$321.33 per person annually/22% of staff who report this symptom	22% x \$321.33 x 5 staff members	$.22 \times \$321.33 \times 5$	\$353
3. Anxiety	\$298.60 per person annually/31% of staff who report this symptom	31% x \$298.60 x 5 staff members	$.31 \times \$298.60 \times 5$	\$463
Employee turnover	5% overall annual turnover rate due to conflict; turnover costs 40% of avg. salary	.25 turnovers x 40% turnover costs x \$56,680 annual salary	$.25 \times .4 \times \$56,680$	\$5,668
Loss of members	15% loss of members due to conflict; giving per person \$2,848	38 members (assuming 255-member church) x \$2,848	$38 \times \$2,848$	\$108,224
Legal fees	Legal fees as a result of significant conflict	Average fees if legal counsel is required	$\$160,000 \times .01$	\$1,600
Total Estimated Annual Costs				\$134,760

Table 3. Annual Organizational Cost of Conflict for Other Nonprofits with 42 Staff Members

Type of Cost	Research Finding	Value	Formula	Total Cost
Time on Conflict	2.5 hours/week per person	Average pay/hour x 50 weeks	\$23.95 x 2.5 x 50 x 42	\$125,738
Absenteeism	.32 days/person/year	Average daily salary x .32 days x 42 people	\$191.56 x .32 x 42	\$2,575
Loss of productivity as a result of:				
1. Insufficient sleep	\$442.60 per person annually/17% of staff who report this symptom	17% x \$442.60 x 42 staff members	.17 x \$442.60 x 42	\$3,160
2. Depression	\$321.33 per person annually/22% of staff who report this symptom	22% x \$321.33 x 42 staff members	.22 x \$321.33 x 42	\$2,969
3. Anxiety	\$298.60 per person annually/31% of staff who report this symptom	31% x \$298.60 x 42 staff members	.31 x \$298.60 x 42	\$3,888
Employee turnover	8% annual turnover rate due to conflict; turnover costs 40% of avg. salary	3.4 turnovers x 40% turnover costs x \$47,890	3.4 x .4 x \$47,890	\$65,130
Loss of donors	5% loss of donors due to conflict; giving per person \$3,321	50 donors (assuming 750 recurring donors) x \$3,321	37.5 x \$3,321	\$124,538
Legal fees	Legal fees as a result of significant conflict	Average fees if legal counsel is required	\$160,000 x .085	\$13,600
Total Estimated Annual Costs				\$341,598

Conclusion

The organizational (and personal) costs of conflict are sobering. But it is important to remember that the negative outcomes of conflict can be mitigated.

In 2008, 57% of U.S. respondents to the CPP survey had received training in how to manage workplace conflict. More than 95% of those who had received training reported that it had helped them in some way,

The potential benefit to individuals and to organizations of developing employees' conflict management skills is significant.

although just 36% of U.S. respondents indicated that the training had made them more comfortable and confident in managing disputes. Interestingly, the study authors identified a relationship between training and experiences where conflict led to a positive outcome. In the U.S. and Brazil, the countries where training is most common, 81% and 84% of respondents, respectively, indicated that they had seen conflict lead to a positive outcome. Belgium and France, the countries with the lowest reported incidence of conflict training, also had the lowest incidence of reported positive outcomes.⁸⁸ Several peer-reviewed studies support this finding that effective engagement with conflict makes negative group outcomes less likely.⁸⁹

The costs of conflict are both direct and indirect and often difficult to measure. However, one thing is clear - the potential benefit to individuals and to organizations of developing employees' ability to engage effectively when conflict arises is significant.

⁸⁸ CPP, 2008

⁸⁹ De Wit et al, 2012

Appendix 1: Cost Conversion Reference Tables

The estimated costs of conflict noted in this white paper are based on averages found in the literature for schools, churches and nonprofit organizations. Given the fact that no organization is ‘average,’ the following tables show the key variables associated with the costs for small, medium and large organizations within each category to help provide a more specific reference.

School Cost of Conflict				
Org Size	FTE Staff Members	Average Annual Salary	Student Count	Estimated Annual Cost of Conflict
Small	50	\$40,000	400	\$565,190
Medium	100	\$45,741	980	\$1,123,081
Large	150	\$55,000	1500	\$1,727,266

Church Cost of Conflict				
Org Size	FTE Staff Members	Average Annual Salary	Church Members	Estimated Annual Cost of Conflict
Small	1.5	\$50,000	100	\$50,961
Medium	5	\$56,680	255	\$134,760
Large	20	\$60,000	1000	\$534,106

Nonprofit Organization Cost of Conflict					
Org Size	FTE Staff Members	Average Annual Salary	Recurring Donors	Average Donation	Estimated Annual Cost of Conflict
Small	5	\$35,000	100	\$1,000	\$36,000
Medium	42	\$47,890	750	\$3,321	\$341,597
Large	150	\$50,000	1500	\$4,000	\$1,067,725

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