The High Cost of Conflict

- In the United States the civil litigation bill averages $250 million annually.¹
- Fortune 500 senior executives spend 20% of their time in litigation activities.²
- The average cost of defending a litigated employment claim is $130,000.³
- 42% of a manager’s time is spent on reaching agreement with others when conflicts occur.⁴
- Even when an employer prevails in court he/she has usually spent $50,000 or more in attorney’s fees, in addition to the organization’s time and resources⁵
- In fiscal year 2003 there were 81,293 charges of employment discrimination that were filed with the U.S. EEOC. Since 1999 the agency has mediated 50,00 cases and 70% were successfully resolved⁶
- In the 21st century commercial disputes will be seen as business matters rather than the province of attorneys.⁷
- Workplace disruptions due to conflict cost an employer 10% of the salary of the employees involved.⁸
- Constellation Energy Group and Baltimore Gas & Electric saved approximately $400,000 in the first year of their mediation program and preserved valuable working relationships.

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¹ American Arbitration Association Dispute-Wise Management: Improving Economic and Non-economic Outcomes in Managing Business Conflicts
² The Use of Alternative Dispute Resolution in Maryland Business (2004)
³ Ibid
⁴ Ibid
⁵ Ibid
⁶ U.S. EEOC
⁸ Dana Mediation Institute, Financial Cost of Conflict, www.nationalmediation.com