



## From tension to turnover: factoring conflict into retention strategy

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Conflict is often an overlooked factor as businesses focus on retention. Discover how early intervention can protect retention, morale and your bottom line.

More than two in five (42%) employees who left their jobs voluntarily in the past year report that their manager or organisation could have done something to keep them, according to research from Gallup. As leavers rarely cite relationship breakdowns directly in exit interviews, the root cause of their departure may be hidden from HR leaders, and therefore unaddressed. By understanding the role of conflict as a potential driver of turnover, HR can take a more proactive approach to retaining staff.

### Cost of conflict

A study jointly carried out by Acas, the University of Sheffield Management School and the Centre for Employment Research estimated that conflict costs UK business £28.5bn annually. Some of those costs are tangible, such as legal fees or bringing in workplace mediators. Others are less visible, and include: the vast amounts of management time dedicated to discussions and investigations; lengthy grievance procedures; the impact on productivity felt by the wider team; and the negative effects on people's wellbeing.

When people do leave, they may be reluctant to reveal the challenging relationship issues that contributed to their exit. This may be because they want to protect an employment reference, for example. The person they were in conflict with may cite other issues, such as performance or cultural fit. This can mean that conflict within the wider team remains unresolved, potentially leading to further attrition in the long term. On the flipside, even if someone who is experiencing issues doesn't leave, employers could experience the negative impact of presenteeism, higher absence or lower productivity.

The study also found that if employees leave an organisation due to conflict, the cost of replacement is £5,433 per employee, and the average cost of a formal procedure is £6,405 per employee. This is why equipping staff to deal with issues before they escalate can generate substantial cost savings.

### The ripple effect

Addressing conflict early and informally is crucial because, by the time staff reach the point of leaving, it's usually too late to do anything about it. Conflict between co-workers may have become entrenched, and individuals are likely to hold fixed positions and form one-sided opinions that they struggle to come back from. If an employee decides to resign, they're unlikely to be open to efforts

to repair the relationship. Instead, they probably want to leave as quickly and painlessly as possible, rather than engaging in resolution.

The impact of workplace conflict is also felt beyond the individuals directly involved. Relationship breakdowns in the workplace send ripple effects through the wider team. Colleagues feel compelled to take sides or spend time listening to their teammates' frustrations. Morale suffers because people are working in an 'atmosphere'. And when someone does leave or is absent due to conflict, the rest of the team takes on extra work to compensate.

### **What can employers do?**

There are three main factors to consider when identifying and addressing conflict as a retention issue in your organisation.

#### **Build managers' conflict management and mediation skills**

Training managers in conflict management and mediation skills will pay significant dividends. This type of training helps managers to develop the self-awareness, confidence and skills to informally manage workplace conflict without the need for HR support. It also enables them to recognise the early warning signs of conflict and recognise how their communication style might affect relationships with co-workers.

#### **Drive awareness and accountability**

Beyond management training, organisations need to foster a culture that values addressing relationship issues early. This means equipping more staff with the resources they need to take action where necessary. Advances in technology make it easier than ever to develop this type of support, enabling all employees to access informal resolution tools.

#### **Support at the point of exit**

It may be the last line of defence, but your organisation could offer confidential support to employees who are considering leaving the organisation due to workplace conflict. This could help identify relationship issues, and potentially prevent further relationship breakdowns in the future. Workplace mediation, either through an internal mediation service or external mediation support, could also assist colleagues to navigate any difficulties they encounter, and the earlier it is put in place, the better.

With many organisations looking to make the most of their existing workforce, retention is a board-level issue. A clear understanding of what drives employees to leave allows organisations to develop retention strategies for conflict mitigation. This in turn will help managers and HR leaders to address issues early, strengthen workplace relationships and build a more resilient business.