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70% of employees are avoiding difficult conversations with their boss, colleagues, or direct reports. Workplace health is suffering as a result.

Across industries and sectors, U.S. professionals are routinely avoiding conversations about the situations they're facing at work, particularly around issues tied to performance, broken promises, and mismanaged expectations.¹ Studies point to a variety of deep-rooted causes—a lack of trust between employees and their companies and fear of retribution chief among them—as well as the financial costs associated with this lack of dialogue.

In this report, we suggest that employees are in need of an alternative outlet that encourages open, honest, and proactive dialogue, and prepares them for the next step: approaching their boss, colleague, direct report, or HR team with a clear goal or outcome in mind. When these spaces are created, employees are happier and healthier, and the entire workplace thrives as a result.

As the workplace becomes more difficult to navigate, employees are less likely to engage in conversations they deem difficult or uncomfortable—especially when confrontation is required.

A 2017 survey of 1,344 full-time employees sponsored by Quantum Workplace and Fierce Conversations found that 53 percent of employees are handling “toxic” situations by ignoring them. Just 24 percent reported having confronted a difficult situation directly, while only 18 percent say that they had escalated an issue to management.²

Why? According to this research, more than 40 percent of people believe that once alerted, company leadership would do nothing to address the problem, and just one in five of those surveyed believe that a co-worker would change when confronted. Indeed, of those who did go forward, only 50.3 percent reported ‘great or excellent’ outcomes. The authors suggest that these feelings are likely due to a widespread lack of adequate confrontation skills among employees.

Furthermore, when employees approach bosses or colleagues directly, they've often waited too long to voice their concerns—resulting in conversations that are overly charged, and as a result, fail to result in outcomes that people deem positive or productive. The numbers speak for themselves: Just a third of managers (31 percent) think that they handle confrontations well, and only 26 percent of employees believe that their employer adequately handles office conflicts and workplace disputes.³

To understand how communication channels have broken down to this degree, it's helpful to look into what's happening in the workplace overall.

¹Vital Smarts, *Costly Conversations: Why the Way Employees Communicate Will Make or Break Your Bottom Line*

²Quantum Workplace and Fierce Conversations, *The State of Miscommunication: 6 Insights on Effective Workplace Communication*

³Legal Zoom, *Workplace Insight Report for Businesses 2018*

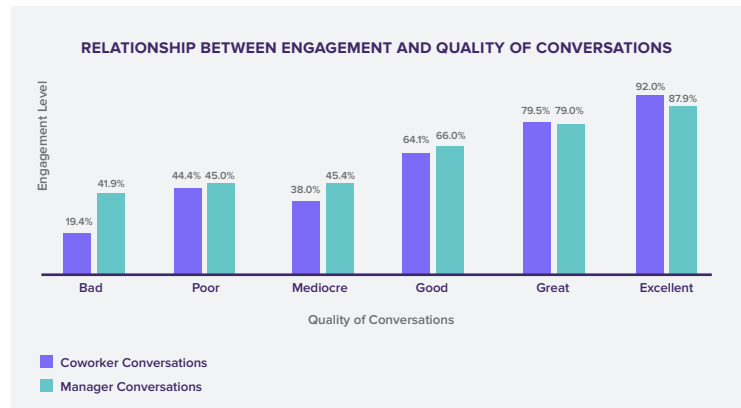
Only 65% of people claim to trust the company they work for.

Employees and employers have lost trust in one another, leading to decreased engagement and increased attrition.

According to the Edelman Trust Barometer, only 65% of people claim to trust the company they work for, and this number drops to 48% among non-executive employees.

Equally as detrimental to company culture is the fact that employers don't feel trusted by their employees. "When people are trusted, they tend to trust in return," write Holly Henderson Brower, Scott Wayne Lester, and M. Audrey Korsgaard in *Harvard Business Review*, where they synthesize their earlier research published in the *Journal of Management*.⁴ "Research ... offers evidence of the ripple effects of a manager-employee trust gap. Employees who are less trusted by their manager exert less effort, are less productive, and are more likely to leave the organization."

And when employees are less productive, they're less engaged. Gallop reports that just 29 percent of millennials say they are engaged at work, while 16% of millennials say they are *actively disengaged*.⁵



Quantum Workplace and Fierce Conversations, The State of Miscommunication: 6 Insights on Effective Workplace Communication

Beyond impacting engagement, performance, and productivity, this lack of trust plays a major role in talent attrition. Fifty-one percent of employees are considering a new job,⁶ fifteen percent report having quit a job due to workplace issues, and 85 percent say that they've observed someone leave their company due to unfair behavior or treatment. For women, toxic employees have an even more detrimental effect: in another study led by Fierce Conversations, women were 10 percent more likely to leave a job due to a toxic relationship than their male counterparts.⁷ Deloitte has estimated that companies spend more than two hundred billion dollars annually replacing empty positions.

This trust gap has also instilled fear in employees that speaking up will lead to retribution.

According to a 2016 *Harvard Business Review* study, "leaders generally react quite negatively to employees who challenge them, even when employees do so constructively. Employees trying to

⁴Journal of Management, A Closer Look at Trust Between Managers and Subordinates: Understanding the Effects of Both Trusting and Being Trusted on Subordinate Outcomes

⁵Gallup, State of the American Workplace, 2017

⁶Gallup, Workforce Panel, 2015

⁷Fierce Inc, Toxic Employees Survey 2017

Every single conversation failure costs an organization \$7,500 and more than seven work days.

resist certain changes or demands in non-hostile and constructive conversations are more likely to be labeled poor performers by their supervisors.”⁸

The 2016 National Business and Ethics survey conducted by the Ethics and Compliance Initiative further supports these findings, reporting that 53% of employees in the United States who reported misconduct in their companies said they experienced some form of retaliation. This often took the form of poor evaluations and performance reviews, or being passed up for promotions and raises.

As a result, anonymous platforms increasingly appeal to employees who would otherwise stay silent—but the results are rarely productive.

Fishbowl, the anonymous social networking app for professionals, launched to the management consulting community in June 2017. Before long, internal data indicated that 25% of employees from firms including PwC, Deloitte, and Accenture were using the app an average of 12 minutes a day—and since expanding into the advertising industry in 2018, utilization rates appear to be consistent.⁹ This is bad news for industry executives like Jon Cook, global CEO of agency VML, who says that “[the] industry could stand to have a more sophisticated and professional means for these types of communications.”

Jennifer Berdahl, who studies workplace sexual harassment at the University of British Columbia’s Sauder School of Business, argues that employees flock to platforms like Fishbowl and Glassdoor, an anonymous company review site, because they see no other alternatives. This is especially true when employees are dealing with situations involving mistreatment, intimidation, or abuse.

“When a company has a toxic or abusive culture, whistle-blowing—going outside the company—is the only alternative,” she says. “You can do it by leaving, or by writing about the company online and exposing it to the public, so the shock and condemnation force a change. And hopefully the market will start taking care of it.”¹⁰

This is bad for business and the bottom line.

When employees fail to engage in conversations that resolve conflicts, employers pay the price. According to a study commissioned by CPP Inc, publishers of the Myers-Briggs Assessment and the Thomas-Kilmann Conflict Mode Instrument, employees spend 2.8 hours per week dealing with difficult situations. This amounts to approximately \$359 billion in paid hours (based on average hourly earnings of \$17.95), or the equivalent of 385 million working days.

A 2016 survey of 1,025 employees from VitalSmarts also points to the cost of conflict, reporting that every single conversation failure costs an organization \$7,500 and more than seven work days.¹¹

⁸Harvard Business Review, Can Employees Really Speak Up Without Retribution?

⁹Campaign, Fishbowl Aims to Unite Agency Leaders and Staff with Anonymous Conversations

¹⁰New Yorker, Improving Workplace Culture One Review at a Time

¹¹VitalSmarts, Costly Conversations: Why The Way Employees Communicate Will Make or Break Your Bottom Line

Bravely, a platform that connects employees with professional coaches (“Pros”) for confidential conversations about topics like performance, relationships, and growth, has developed a new framework for engaging in this critical dialogue.

“This study confirms what we’ve seen over the past thirty years: one of the costliest barriers to organizational performance is unresolved crucial conversations,” say Joseph Grenny and David Maxfield, workplace experts who point to the “resource-sapping avoidance tactics” exhibited by employees. These include complaining to others, doing unnecessary work, and ruminating about the problem. “The few who know how to speak up don’t waste time avoiding crucial issues because they have the confidence and skills to raise them in a way that leads to productive dialogue.”

In conclusion, workplace health is dependent on proactive, productive dialogue.

Employees who talk openly and often about the situations they’re facing at work are happier and healthier. Yet this is easier said than done.

In order to create a workplace culture that encourages this dialogue, companies must provide people not just with opportunities to verbalize their concerns, but the tools they need to approach these conversations productively.¹² Additionally, employers must drive home the importance of proactive conversations—teaching employees to address difficult situations before they reach a breaking point.

“When employees speak up, companies benefit,” write David De Cremer, Leander de Schutter, Jeroen Stouten, and Jess Zhang in Harvard Business Review. “Thus not surprisingly, lots of leaders say they want to encourage their employees to speak freely, whether it’s by offering creative new ideas, identifying process improvements, or even calling out unethical behavior. But several studies suggest that leaders often undermine their own efforts to get employees to speak up.”¹³

Bravely is a new “first step” in the movement towards the adoption of these crucial conversations.

Bravely, a platform that connects employees with professional coaches (“Pros”) for confidential conversations about topics like performance, relationships, and growth, has developed a new framework for engaging in this critical dialogue. Like health insurance or a 401K, it’s an employee benefit—only instead of supporting physical and financial health, it’s focused on overall workplace health.

For employees, it is an opportunity to open up without worrying what their boss, colleagues, direct reports or HR leaders might think. Since Pros exist outside the walls of their company, they’re able to provide guidance from a place of objectivity, and help develop a game plan for moving forward. Their coaching is grounded in Bravely’s proprietary methodology—an approach based in crucial conversation frameworks, leading conflict management models, and interest-based negotiation tactics.

For employers, it’s a new way to encourage conversations that might not be happening otherwise, and take steps towards increasing productivity, engagement, and retention. Additionally, companies

¹²Quantum Workplace and Fierce Conversations, The State of Miscommunication: 6 Insights on Effective Workplace Communication

¹³Harvard Business Review, Can Employees Really Speak Up Without Retribution?

are provided with aggregated and anonymized data—extracted from Pros' sessions—that can be critical in identifying themes and trends that speak volumes about employee happiness.

It is our belief that these benefits focused on workplace health will ultimately be considered table stakes, paving the way for a future workplace that's grounded in open and honest conversations.