

Effective Workplace Conflict Intervention Prevents Toxic Work Environment Liability – Case Study



In addition to harming productivity and morale, conflict between employees, left unchecked, can create a toxic work environment that exposes your company to risk of liability for constructive dismissal and discriminatory harassment. That's why it's important to take workplace conflict seriously while preparing to handle it should it arise. An Ontario case offers an excellent illustration of how effective workplace conflict intervention can help an employer avoid liability for workplace conflict-related toxic environments.

What Happened

The case involved a receptionist who worked for a partnership of financial advisors. She was competent, personable and generally well liked. But she was also insecure, anxious and supersensitive. She didn't take criticism well and tended to break into tears over minor issues. The receptionist saw herself as a victim who triggered negative reactions from other people.

A controversy arose over how often the receptionist took her smoking breaks. Every time the receptionist took a break, one of the firm's assistants had to cover for her. Over time, some assistants came to resent what they felt was a constant need to handle the receptionist's phone duties. One assistant was particularly resentful because she was already so busy. Tension between the receptionist and assistant grew and led to confrontation.

Caught in the middle, the partners of the firm tried to ease the tensions, but to no avail. One day, the receptionist delivered the partners an ultimatum: Fire the assistant or I'm out of here. The partners didn't want the receptionist to leave. But they also liked the assistant and refused to be bullied. So, they called the receptionist's bluff; only it wasn't a bluff. The receptionist made good on her threat to quit. She then sued the firm for constructive dismissal.

You Make the Call

Do you think the receptionist had a valid claim for constructive dismissal?

How the Court Ruled

The Ontario court dismissed the lawsuit, ruling that the receptionist wasn't forced out due to a toxic work environment but had resigned voluntarily. There was no reason why she and the assistant shouldn't have been able to function in the workplace together. Nor was there any evidence of a conspiracy to force her out. On the contrary, the partners wanted the receptionist to stay. It was the receptionist herself who forced the showdown.

Significantly, the court also cited all of the "reasonable and adequate" steps the partners had taken to resolve the conflict, including:

- Advising the receptionist to work things out with the assistant or at least minimize contact with her;
- Instituting a regimented smoke break schedule; and
- Relieving the assistant of her duty to cover for the receptionist while she was on break, thus removing the principal bone of contention between the two.

Thus, to the court, it didn't appear that anything the partners could have done short of firing the assistant that would have made the receptionist happy. And the court said the partners were right not to give in to the receptionist's demand to fire the assistant. After all, the court explained, the partners' duty wasn't to make the receptionist happy; their obligation as employers was to act in good faith and deal with her legitimate complaints in a reasonable manner. And they fulfilled that duty, the court concluded.

[*King v. Skyview Financial Advisors*](#), [2006] CanLII 22139 (ON S.C.)