



Finding New Routes for Managing Workplace Conflicts

There are a number of Alternative Dispute Resolution (ADR) options for businesses interested in avoiding formal arbitration and litigation. An Integrated Conflict Management system is the approach that creates a culture of resolution.

One of the most difficult challenges managers face is finding effective and economical resolutions for a wide spectrum of employee disputes. Formal resolutions through the court systems are long, tedious and expensive, and they lay private disputes open to public scrutiny.

To overcome these negatives, corporations initially turned to binding arbitration and mediation for conflict resolution. Since their introduction, companies have developed a variety of intervention strategies for conflict resolution that are referred to as Alternative Dispute Resolution (ADR). Ideally, the conflict resolution system is one all stakeholders share in, occurs at the lowest level of the organization, addresses and resolves concerns early and before they become a major conflict, and uses feedback to improve organizational effectiveness.

The adoption of ADR has been an evolutionary process. In the 1990s, corporations relied heavily on out-of-court binding arbitration but have since dramatically moved away from its use, turning to mediation and other conflict interventions as less expensive and less public alternatives. The next stage involved a move toward early-stage conflict management rather than late-stage conflict resolution, giving the business more control of the progression of events. Strategic management of disputes, especially in the employment area, was more likely to head-off the need for conflict resolution in the first place.

More recent developments led to the concept of Integrated Conflict Management or Integrated Resolution Management systems which are focused on resolving concerns and issues long before they become disruptive conflicts.

Early is Better than Late

In trying to find conflict resolution strategies that led to early, non-court settlements of issues, a variety of ADR processes were developed. Besides mediation, they included peer review, fact-finding procedures, internal negotiation processes, ombudsmen, mini-trial, early case assessment (ECA), early neutral evaluation (ENA) and grievance processes.

Early-stage conflict management could be thought of as a predecessor to Integrated Conflict Management (ICM). Its goal is to proactively identify issues before they become conflict by offering different ways for employees to report issues and seek resolution within the internal corporate system first before a third-party neutral is involved.



As corporations increasingly realized that preventing or resolving business-connected disputes before they involved courts made more sense, ADR continued to grow in popularity. The use of ADR can shorten the time to resolution, allow for a greater variety of creative resolutions, save money through less need for attorney involvement, limit discovery efforts, keep conflicts confidential, and allow for resolutions acceptable to both sides that a third-party expert could not impose. The third-party external expertise is only used when resolution cannot be found internally.

ADR leads to voluntary agreements which means it also avoids establishing legal precedents that can significantly impact corporate policies and procedures. ADR is used for more than employee disputes. It can also be used for commercial disputes concerning application of contractual provisions and consumer disputes involving products or corporate procedures.

The two most proactive approaches to ADR are early case assessment and early neutral evaluation. Early case assessment is a proactive approach to ADR in that disputes are systematically reviewed to determine the best strategies for resolving them. Early neutral evaluation involves the use of third-party expertise to evaluate disputes by using fact-finding and case preparation.

One of the highest use approaches is the in-house grievance system. However, mediation remains the most popular strategy for settling employment and commercial or contract disputes.

ADR options must necessarily use neutral parties at some point to have validity and avoid a perception of bias. The people playing the role of neutral negotiator can come from a variety of sources which include governmental agencies, private consultants, experienced professionals and court systems. A low percentage of corporations use someone on staff within the corporation as the neutral negotiator, but there must be thoughtful assignment of the person's place and role in the organization in order to maintain neutrality.

Solving Issues Rather than Conflicts

The ICM system recognizes that conflict is inevitable and can occur anywhere in the organization. The sooner the circumstances leading to rising conflict are addressed, the less likely disputes will need to enter a formalized system of resolution.

Ideally, conflict management occurs at the lowest level and is part of good leadership practices across the organization. It can incorporate ADR practices like conciliation, in which a person helps people build positive relationships, and cooperative problem-solving in which people agree to resolve a mutual concern. However, ICM is a broader system in which everyone participates to lessen conflict.

Successful implementation and maintenance of the integrated conflict management system depends on creating a corporate culture in which people believe they can freely address issues. There is a focus on leadership preventing conflicts as much as possible by establishing an open door policy, providing training and education, utilizing union councils or an ombudsman, instituting an upward



feedback system, and sharing information. An ombudsman, separate office for dispute resolution and “hotlines” where employees can confidentially report concerns are some of the elements incorporated. There are “open door policies” and confidential methods for reporting and resolving disputes.

An ICM system offers multiple access points to staff who want to report an issue or talk about concerns. Everyone is free to use the access points which can include the supervisor, human resources or other relevant departments, and a website. Internal and/or external neutral persons are identified. The system accepts informal concerns and formal complaints, has no limitations on what can be reported, and offers easy access to third-party expertise on an as-needed basis.

Ideally, the integrated ADR system is a continuous improvement and one in which the company learns from the types of concerns and resolutions adopted to minimize reoccurrences.

A Japanese proverb goes like this: None of us is as smart as all of us. Only when the ADR is viewed as a shared responsibility by all stakeholders can it be successful as an integrated system because the intent is to resolve concerns before they become disputes or conflicts.