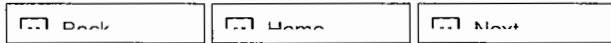


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Productive Conflict Management in the Construction Industry

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Conflict can be defined as "an expressed struggle between at least two interdependent parties who perceive incompatible goals, scarce resources, and interference from others in achieving their goals". Given the highly interdependent nature of construction projects and the often-competing goals of project participants, regulatory agencies, and other interested parties, conflict is prevalent in the construction industry. This paper sets forth a three-pronged approach for managing conflicts more productively in the construction industry. The three focus areas are: (1) building productive interpersonal conflict management skills, (2) partnering, and (3) using the mediation form of alternative disputes resolution.

Keywords: Conflict, resolution, mediation, alternate dispute resolution

Introduction

An opportunity for conflict can be found virtually anywhere in the construction industry or within a given project. Opportunities for conflict may be present in idealistic expectations by the owner; differences in contract interpretation between the construction manager and contractor; design changes; scope changes; cost concerns; bid errors; environmental or community concerns; supply problems; inability to perform; differing site conditions; adverse weather; subcontractor performance problems; financing difficulties; work slowdowns and strikes; interpersonal conflicts; regulatory problems; lack of communication; coordination of multiple trades; and for other reasons. Wilmot & Hocker (1998) define conflict as "an expressed struggle between at least two interdependent parties who perceive incompatible goals, scarce resources, and interference from others in achieving their goals" (p.34). Given the highly interdependent nature of construction projects and the often-competing goals of project participants, regulatory agencies, and other interested parties, it is no wonder that conflict is so prevalent in the construction industry.

Dozzi, Hartman, Tidsbury, & Ashrafi (1996) report the results of a survey given to owners, contractors, and engineers. As part of the survey, participants were asked what needed to be improved in the contracting process. The need to improve the dispute resolution process and the need to improve communication tied as the number one response to the question of what needs improvement. This response is consistent with current movements in the construction industry such as the promotion of partnering and alternative disputes resolution to minimize disputes and to shorten the time and reduce the cost of resolving disputes. It is clear that the construction industry can benefit from more productive conflict management.

Productive conflict management gets facts into the open, maintains and improves relationships, reduces tension, builds trust, is timely, and creates a climate of optimism. It is characterized by flexible behaviors, attention to the needs of all parties, and the maintaining of a balance between competitiveness and cooperation (J.A. Moorhead, personal communication, September 17, 1998). Productive conflict management generally leads to timely, win-win outcomes. Covey (1989) explains that win-win outcomes are achieved through compromise or collaboration, with collaboration generally producing a higher degree of win-win outcome. A win-win outcome resulting from compromise is an outcome that maximizes the positive benefits and minimizes the negative benefits for each party, with little creativity and a moderate degree of trust and cooperation. A collaborative win-win outcome is an outcome that is superior to the desired outcome anticipated by each party at the start of discussions; it is a creative outcome (Covey, 1989). Gray defines *collaboration* as "a process through which parties who see different aspects of a problem can constructively explore their differences and search for solutions that go beyond their own limited vision of what is possible" (as cited in Egri, 1999, p.97). Creative outcomes are possible when all parties share a high degree of trust and cooperate to resolve the conflict, and when all parties search for a solution that will meet the interests of all concerned (Covey, 1989). In addition to meeting the needs of all parties, a timely win-win outcome can also foster an elated feeling of success that can provide momentum for managing future conflicts productively.

Unproductive (a.k.a. *destructive*) conflict management has a win-lose orientation that often escalates the conflict and causes more problems. Unproductive conflict management views the other party as the enemy, erodes relationships, is untimely, places blame, is emotional, and creates a climate of pessimism. It is characterized by rigid behaviors, a loss of sight of original goals, hostility, the desire to punish, and the tendency for the conflict to take on a life of its own (J.A. Moorhead, personal communication, September 17, 1998). When meaningful conflict remains unresolved, new problems may also appear to be too difficult to resolve. The new unresolved conflicts are added to the old and, ultimately, the parties face a virtual mountain of conflict. Stedman (1999) also reports on an "underlying tension that festers when an issue is not addressed" in a timely manner (p.8). As tension escalates, participants to the conflict begin to personalize the conflict, start viewing the other party as an opponent, and begin to feel that the conflict is the fault of the other party. These perceptions lead to destructive conflict behaviors that can escalate the conflict. The net result of the heightened tension and continuing unhelpful behaviors is a win-lose outcome or impasse. If impasse results, it may be necessary to have the dispute resolved by a court or arbitrator. Arbitration and court-ordered resolutions are often costly and time-consuming, and the individual determining the resolution may have limited or no practical knowledge of construction. Arbitrated and court-ordered remedies are generally win-lose or lose-lose in nature, and none of the parties may be satisfied with the imposed outcome.

The foregoing does not mean that all conflicts can be resolved in a win-win manner or that there is no place for courts or arbitrators. It does assume, however, that timely, win-win resolution to conflict is best for maintaining positive relationships and best for continuing the advancement toward project goals; that all parties must cooperate to forge win-win outcomes; that outcomes determined by the parties themselves are preferable to outcomes imposed by third parties; and that the construction industry as a whole can benefit by managing conflicts more productively.

This paper sets forth a three-pronged approach for managing conflicts more productively in the construction industry. The three focus areas are: (1) building productive interpersonal conflict management skills, (2) partnering, and (3) using the mediation form of alternative disputes resolution.

Building Productive Interpersonal Conflict Management Skills

In order to build productive interpersonal conflict management skills, it is necessary to understand basic conflict dynamics. A basic understanding of conflict dynamics enables one to identify personal behaviors and thought processes which are unhelpful in conflict situations. Once unhelpful behaviors have been identified, it becomes possible to exchange the behaviors for more productive ones. The following section identifies some key conflict dynamics.

A Conflict Primer

Folger, Poole, & Stutman (1997) report that the conflict behavior exhibited by normal individuals falls into one of five recognized styles: *competing*, *accommodating*, *avoiding*, *collaborating*, and *compromising*. "A competing style is high in assertiveness and low in cooperativeness: the party places great emphasis on his or her own concerns and ignores those of others....An accommodating style is unassertive and cooperative: the person gives in to the other at the cost of his or her own concerns....An avoiding style is unassertive and uncooperative: the person simply withdraws and refuses to deal with the conflict....A collaborating style is high in both assertiveness and cooperation: the person works to attain a solution that will meet the needs of both people....A compromising style is intermediate in both assertiveness and cooperativeness: both people give up some and 'split the difference' to reach an agreement" (Folger et al., 1997, p.32). The recognition of one's predominant conflict style is important because it influences the manner in which the conflict will be managed. When people with different conflict styles encounter conflict, difficulty may result because of the perception that the other party is breaking the rules for conflict interaction; each party believes that the other should behave in the same manner as themselves (Wilmot & Hocker, 1998).

Conflict styles are learned during childhood and are reinforced and modified as we experience conflict during our lives. The tendency is to use our learned style of conflict behavior in stressful situations. In less-stressful situations, people have the ability to move between the styles. Movement between the styles can be helpful because each style has its place. For example, in a minor conflict where there will be no continuing relationship, the best course of action may be to minimize one's investment in the conflict by accommodating the desires of the other. For more meaningful conflicts, however, it is generally realized that outcomes produced by collaboration or compromise are superior to those produced by other methods (Covey, 1989). Stulberg states that in the U.S., as in other Western cultures, the predominant method of dealing with conflict is to argue, fight, appeal to the courts or other party, or vote (as cited in Wilmot & Hocker, 1998). These are win-lose methods of resolving conflict. A problem with win-lose is that the losers may reluctantly agree to a resolution to the conflict, but then fight against the agreement every way they can (Wilmot & Hocker, 1998). Other problems with win-lose are that relationships can be damaged and the benefits of productive conflict management, such as reducing tension and resolving the conflict in a timely manner, are lost.

The worst thing that can happen in a conflict is to have it escalate out of control. Conflicts escalate in a destructive spiral when the interaction deteriorates into the expression of strong emotions, accusations, threats, and coercion. As the destructive spiral continues, relationships are eroded, each party places blame on the other, behaviors become demeaning and intentionally escalatory, and a desire for retaliation may be formed. One or all parties may also try to avoid conflict interaction which minimizes the chance for the conflict to be resolved because there is no interaction (Wilmot & Hocker, 1998). Destructive

spirals take on a life of their own and can be costly in terms of time, money, and effort (Lytle, Brett, & Shapiro, 1999). Unless effective intervention moves the conflict into a productive mode, the conflict interaction is doomed to an impasse and the relationship between the parties will be damaged.

Some of the factors that lead to non-productive conflict and destructive spirals are the attribution process and face-saving. During conflict interactions, each party tries to make sense of the other's behavior by finding a cause for the behavior. Attaching a cause to behavior is a process called *attribution* (Ng & Ang, 1999). Folger et al. (1997) explain two premises behind the attribution process. The first premise is that "people interpret behavior in terms of its causes" (p.53). The second is that identifying the cause of another's behavior assists in the selection of an appropriate reaction to that behavior. The cause of one's behavior can be due to situational factors (external causes) or to dispositional factors (internal causes). The tendency is to attribute one's own behavior to external, and therefore excusable, causes and to attribute the other party's behavior to internal, or intentional, causes (Folger et al., 1997). This tendency is known as the *fundamental attribution bias*.

As Folger et al. (1997) explain, the fundamental attribution bias impacts the selection of a party's strategy for dealing with the conflict. Specifically, "when actors attribute conflict responsibility to their partners, they perceive no threat to escalate the conflict [and select distributive, win-lose strategies such as competing for conflict interaction]...Conversely, those who attribute responsibility for the conflict to themselves are likely to desire sensible resolution through integrative [win-win] strategies" such as collaborating or compromising (p.54). Two other biases that result from the attribution process are the *false consensus bias* and the *negative impression bias* (Ng & Ang, 1999). The false consensus bias is the tendency for a person to assume that one's own perspective and behaviors are the "right" ones. This results in an "unwillingness and inability to accept another person's perspective and behaviors" which increases stress during conflict interactions (Ng & Ang, 1999, p.380). Because both parties assume they are right, they see the other party as being unreasonable. The negative impression bias is the tendency for people to attribute more weight to the negative information about the other party than to the positive information. The result of this bias is that the parties distrust one another which may cause them to entrench in their positions (Ng & Ang, 1999). The importance of the party's perception as to the cause of the conflict and the cause of specific behaviors cannot be overemphasized. As stated by Wilmot & Hocker (1998), "at the heart of *all* conflicts are the perceptions of the parties--they fuel the dispute engine" (p.30).

Face is a person's social identity or self-concept; it is the way a person wants to be perceived by the world in order to gain respect. When a threat to one's identity (a face-attack) is perceived, a person will work to protect that identity and may move into a defensive posture. People with low self-esteem are particularly quick to become defensive. The perceived attacks and the resulting defensive move to save face can set up an attack-defend sequence that may escalate the conflict. Three causes which lead to the need to save face are: low self-esteem, close identification with an issue or position which when challenged is perceived as a face-attack, and the attempt by one party to place blame on another (J.A. Moorhead, personal communication, October 1, 1998). Face-saving can result in a number of behaviors including: a stated accusation of unfair treatment and resistance to the interaction continuing, withdrawing from the interaction, entrenchment in a position, escalating demands, and taking a more extreme position (Folger et al., 1997; J.A. Moorhead, personal communication, October 1, 1998). The need to save face also adds an additional relational conflict to the interaction, thus diverting the interaction from its primary focus (Folger et al., 1997). The face issue and the attribution process again and again serve to escalate conflicts; their ability to divert productive conflict interaction cannot be overstated.

All conflicts consist of the communications of each party, how each party interprets the communications, and the meaning each party imputes to the parties' relationship. The interpretation each party places on communications and the meaning each imputes to the relationship is a function of past and current events and estimates as to what the future holds for the relationship. Because each party has different views of self, other, and the joint relationship, each will interpret communications differently and each will have a different perspective of the conflict and of the behaviors exhibited by the parties (Wilmot & Hocker, 1998). The difference in perspective makes it easy for the parties to view themselves as on opposite sides of an issue and, as a result, to view the other party as an opponent. In order to manage conflict productively, it is necessary to get the parties to view the conflict as a joint problem. "When conflict is viewed as a problem to be solved instead of a battle to be won or interaction to be avoided, creative solutions can be found" (Wilmot & Hocker, 1998, p.33). The next section, *Building Productive Skills*, will explain how to avoid destructive spirals and how to view a conflict as a joint problem to be solved.

Building Productive Skills

Wilmot & Hocker (1998) explain that conflict parties can change a conflict in three ways: by trying to change the other party; by changing the conflict conditions, such as the availability of resources; and by changing one's own thinking and behavior. From an interaction perspective, parties to non-productive conflict interactions typically focus on trying to change the other party. As previously addressed when explaining the attribution process, the attempt to change the other party leads to conflict escalation and destructive spirals because both parties believe they are right and both insist on the other party changing. The ability to change one's own thinking and behaviors is the only control a single party really has in a conflict interaction (Wilmot & Hocker, 1998). "If you are in an unproductive or destructive conflict with another, you are responsible for making choices that will not feed into the destructive spiral" (Wilmot & Hocker, 1998, p.211). This may mean altering one's preferred conflict style and choosing different behaviors. Wilmot & Hocker (1998) state, "individuals who can change and adapt are more likely to be effective conflict participants, accomplishing private and group goals better than people who avoid change....Effective interpersonal communicators expect change and adapt to change in their communication with others. They avoid getting 'stuck' in certain conflict styles" (p.151).

One way of changing our behaviors is to change what we say and how we say it. Stewart (1995) states that language and perception are interdependent: "language affects what we perceive, and our perceptions are reflected in our speaking and writing" (p.64). Neutral, descriptive language is preferred over evaluative language because evaluative language is judgmental which causes defensiveness and increases the potential for the other party to feel the need to initiate face-saving behaviors. Language reflecting a problem orientation is preferred to that which attempts to change the other person. Gibb explains that "when a sender communicates a desire to collaborate in defining a mutual problem and in seeking its solution, he tends to create the same problem orientation in the listener; and, of greater importance, he implies that he has no predetermined solution, attitude, or method to impose. Such behavior is permissive in that it allows the receiver to set his own goals [and] make his own decisions..." (as written in Stewart, 1995, p.414). Defensiveness is also reduced when a message of equality, as opposed to superiority, is conveyed. A message of equality is conveyed by the speaker's willingness to enter into joint problem-solving, and when the speaker's behavior conveys the message of trust and respect for the other party (Stewart, 1995). Communication that conveys understanding and concern (empathy) for the listener's feelings is particularly supportive because the listener feels valued as a person. When people feel others understand and value them, defensiveness is reduced (Stewart, 1995).

Language is never neutral; every statement or response says something about the relationship between the speaker and the listener (Stewart, 1995). As such, it is very important that parties be genuine and respectful in their communications because any indication of untruthfulness or lack of respect for the other may result in defensiveness which can lead to behaviors which feed destructive spirals. Being genuine and respectful applies not only to spoken words but to the nonverbal aspects of communication. As explained by Grove, "we place more importance on verbal cues for factual, abstract, and persuasive meanings, but place more importance on nonverbal cues for relational, attributional, emotional, and attitudinal meanings" (as written in Stewart, 1995, p.95).

Active listening assists in achieving productive conflict interactions. When speakers believe others are listening to them, they feel liked, respected, and important, and they view the listeners as courteous, respectful, and understanding (Clark, 1999). Because of the positive perceptions the speaker has regarding the listener, the speaker is more likely to attribute negative aspects of the listener's behavior to unintentional, external causes. When speakers think they are being ignored they feel unimportant, stupid, and anxious, and they view the listeners as rude, arrogant, and hostile (Clark, 1999). Because of the negative perceptions the speaker has formed regarding the listener, the speaker is more likely to attribute negative aspects of the listener's behavior to intentional, internal causes. The speaker may also implement face-saving behaviors to counter the lack of respect implicit in being ignored. The face-saving behaviors may serve to feed a destructive spiral.

Most people raised in a Western culture have very poor listening skills and view listening as a passive activity. Active listening is far from passive. Active listening requires allowing the speaker to present the idea completely; giving full attention; having an open mind (i.e., listening from the speaker's point of view); thinking about and weighing what is being said against what is known and anticipating where the speaker is going (Adler, 1989; Elgin, 1995); and asking questions, seeking additional information, examining evidence, and paraphrasing in order to ensure communication is complete and understood (Adler, 1989). According to Brownell, "the proof of good listening is an appropriate response" (as written in Stewart, 1995, p.177). One appropriate response is to convey understanding without judgment (i.e., to show empathy). Other appropriate responses are paraphrasing what has been said, asking informed questions, and restating key thoughts to verify perceptions. Inappropriate responses include not responding at all, giving unsolicited advice, blaming, and joking (Stewart, 1995). Good listening is also characterized by alertness, maintaining eye contact, providing minimal reinforcers such as nodding or the occasional "un-huh" or "I see," not fidgeting, and maintaining body postures that convey attentiveness (Stewart, 1995). By listening actively and behaving in a respectful, attentive manner, it is likely that the perceptions both parties have of one another will be positive and set the stage for productive conflict interactions.

To manage conflict more productively, Fisher, Ury & Patton (1991) suggest attention to four points as follows: "[1] People: Separate the people from the problem. [2] Interests: Focus on interests, not positions. [3] Options: Generate a variety of possibilities before deciding what to do. [4] Criteria: Insist that the result be based on some objective standard" (p.10-11). In general, Fisher et al. (1991) suggest not arguing over positions, but identifying where the interests of all can be accommodated and, where interests oppose, to use a fair and independent standard for determining the resolution.

Separating the people from the problem means not allowing the relationship between the parties to become part of the issue at conflict, and dealing with people problems separate from substantive issues. People problems can include differences in perception, strong emotions, and inaccurate or incomplete communication. Each party to a conflict has a different perspective of the conflict. It is important to find a way to see the situation from the

perspective of the other party and to empathize with the other party (Fisher et al., 1991). Discussing (without placing blame) the differing perspectives of all parties increases the parties' understanding of the other's point of view, shows concern for the other, may narrow the conflict by altering views of the conflict, and may reveal the major interests of the parties. It is also important to demonstrate that accurate and complete communication has been achieved. This can be done by paraphrasing and by questioning key points. Once a party has shown that it understood the other's message, it can then describe its own point of view in a purposeful manner using preferred language describing how the situation affects it. Preferred language is that which reveals a view of the conflict as a joint problem to be solved and that which does not place blame (Fisher et al., 1991). If emotions are high, allowing the other party an emotional outburst to let off steam and reduce stress may be helpful. Acknowledging emotions helps show empathy and respect for the other party as individuals, but it is important that the receiving party not react to an emotional outburst in a defensive manner that could feed a destructive spiral. If appropriate to the situation, an apology could be made. "An apology may be one of the least costly and most rewarding investments you can make" (Fisher et al., 1991, p.32). Finally, it is important that all parties feel a part of the process in reaching an outcome. This is especially true when the outcome includes decisions that another party is not happy about. By being a part of the process all parties will have ownership in the outcome and are more likely to support the outcome. If the outcome can be explained in a manner that it appears to be fair, all parties are more likely to agree to it (Fisher et al., 1991).

Focus on interests, not positions means identifying and attempting to accommodate the needs of both parties. An interest is a need, whereas a position is one way of meeting a need. In conflict interactions, the parties generally present their positions, but positions are limiting. Negotiation over positions requires changing the other party which is likely to encourage resistance and lead to destructive spirals. By identifying the interests behind the positions, options for meeting the needs can be generated and it is more likely that win-win outcomes will result. Once interests are identified, the parties may also discover that they are not as far apart as they originally believed. Fisher et al. (1991) recommend that interests be communicated specifically and their importance be emphasized without implying that the other party's interests are unimportant. They also recommend fighting hard for one's own interests but being appreciative of the other party's interests, and showing courtesy, respect, and support for the other party and the joint relationship. They also suggest a forward-looking focus (i.e., don't argue about the past) and being flexible as long as one's own interests are being met.

Generating a variety of options before deciding what to do allows the parties to have a number of possible options before them for meeting their shared interests and resolving their differences. The difficulty is in the generation of the options. "In most negotiations there are four major obstacles that inhibit the inventing of an abundance of options: (1) premature judgment; (2) searching for the single answer; (3) the assumption of a fixed pie; and (4) thinking that 'solving their problem is their problem'" (Fisher et al., 1991, p.57). In order to generate a list of possible options, it is necessary to keep the judging of the options separate from the generation of the options. It is also helpful to identify ideas which will not resolve the entire problem but may be useful in its resolution (i.e., those that can be built on); to include ideas of different strength (one would result in a weaker outcome than another); to change the scope of the problem by breaking it into smaller pieces and identifying ideas for the smaller issues; and to consider both general and specific perspectives (Fisher et al., 1991). Once a number of options are generated, they can be discussed in view of the parties' interests. Opportunities to accommodate shared interests and possible dovetailing opportunities (where a proposed element has low cost to one party but high benefit to the other party) can then be identified. In the event the total issue cannot be resolved, Fisher et al. (1991) recommend getting agreement wherever it can be found

even if it's only on procedure or agreeing as to where you disagree.

Using objective criteria means using standards such as fairness, community practice, and precedent to produce an outcome that is "wise and fair.... and less vulnerable to attack" (Fisher et al., 1991, p.83). By focusing on objective standards, it is not necessary to force the other party to change and back down. As such, the focus on object standards is less likely to impair the relationship between the parties. When using objective criteria, Fisher et al. (1991) suggest conducting a joint search for possible objective criteria for each issue, discussing possible standards in a reasonable manner, and only agreeing to use legitimate and objective standards.

When used in conjunction with the skills addressed above, it is helpful to target specific conflict interventions to the categories of conflict at play. There are five categories of conflict: *data*, *values*, *structural*, *relationship*, and *interests* (Moore, 1996). Any given conflict may span a number of categories of conflict, each of which requires its own intervention. When an appropriate intervention is not used, the conflict is likely to remain unresolved (Moore, 1996). Interventions for data conflicts include agreeing on data collection, agreeing on data relevance, and identifying and finding objective criteria to use in evaluating data. Interventions for relationship conflicts include using ground rules to discourage behaviors which could lead to destructive spirals, acknowledging emotions, discussing perceptions to obtain a better view of the conflict, improving communication by ensuring that each party is hearing and understanding the other, and creating a problem-solving environment (Moore, 1996). Interest-based conflicts can be assisted by interventions that focus on interests instead of positions, searching for objective criteria, identifying solutions that can meet the needs of all parties, finding ways to expand resources, and by finding opportunities to trade off or dovetail (Moore, 1996). Possible interventions for value conflicts include allowing disagreement and shrinking the value conflict while expanding the issues behind the values that can be worked on (Moore, 1996; R. Amadei, personal communication, June 15, 1998). Structural conflict interventions include focusing on what can be changed, inventing creative solutions to change the perception of scarce resources, changing external pressures, changing interaction style, establishing a mutually-agreeable process for making decisions, and reallocating resources (Moore, 1996; R. Amadei, personal communication, June 15, 1998). When parties to a conflict keep arguing over and over about the same substantive issues with no progress, there is usually a relational aspect to the conflict; the parties are trying to negotiate their relationship (J.A. Moorhead, personal communication, October 1, 1998). In these situations it is suggested that interventions for relationship conflicts be attempted.

The reason a party negotiates is to advance its interests (Fisher et al., 1991). This is true whether the purpose of the negotiation is to resolve a conflict or not. Although this paper and countless others are concerned with productive, win-win conflict interactions, there will be situations when a win-win outcome is not possible. When significant issues are at stake, it is important not to be gullible and agree to an unwise resolution just for the sake of reaching agreement. It is best to walk away from the table if the agreement is a less desirable outcome than no agreement. On the other hand, it is important not to allow a beneficial agreement to slip away, such as in a situation where the proposed agreement was adequate but greed got in the way of the deal (e.g., a seller rejects an offer on a house as too low, but the seller has already purchased another house and the possibility of paying two mortgages for an extended period of time could force bankruptcy). To keep focused on what is a good or bad agreement, Fisher et al. (1991) recommend developing one's *best alternative to a negotiated agreement*, or BATNA. A party's BATNA is the course of action a party will take if agreement cannot be reached. The BATNA is "the standard against which any proposed agreement should be measured. That is the only standard which can protect you both from accepting terms that are too unfavorable and from rejecting terms it would be

in your interest to accept" (Fisher et al., 1991, p.100).

Building Productive Skills in a Structured Environment

Educators can play an important role in helping students build productive conflict management skills. They can do this by introducing students to conflict theory, by helping them develop new skills, and by providing opportunities for them to practice new skills. Knowledge of conflict theory is useful for understanding the nature of conflict interaction and to enable individuals to identify personal behaviors that are unhelpful in conflict situations. Group discussions on issues, role plays, and group projects serve to make the student aware of the importance of interpersonal conflict management skills. Group discussions, role plays, and group projects also provide opportunities for students to practice new skills.

With respect to group projects, Bolton (1999) provided training in teaming skills by developing three sequential modules which addressed *getting teams started*, *managing diversity and conflict*, and *learning from the team experience*. "[Each] module is delivered to students on a 'just-in-time' basis at the beginning, in the middle of the semester after conflicts surface, and at the conclusion of the team after the work product has been delivered" (Bolton, 1999, p.235). The final module included self-assessment, peer-assessment, and team-assessment activities that allowed for feedback to the students and provided information as to how they may become more effective team members. Bolton (1999) reports that students were more satisfied with group projects that took the time to develop and stress the importance of teaming skills over those that did not.

Partnering

Partnering emphasizes dispute prevention and, when disputes do occur, quick and cooperative resolution of disputes at the lowest possible level. Partnering is a proven success. In a 1994 survey by the Dispute Avoidance and Resolution Task Force of the American Arbitration Association, design professionals and members of the Associated General Contractors rated partnering as the most effective means for minimizing disputes, reducing time to resolve disputes, reducing dispute-related costs, improving communication, maintaining or improving relationships, and meeting budget and schedule goals (as cited in DPIC Companies, 1996). The Construction Industry Institute (1991) states that the benefits of partnering include "improved ability to respond to changing business conditions....improved quality and safety....reduced cost, schedule and improved profit....[and] more effective utilization of resources" (p.8).

Partnering is a cooperative approach to project management that recognizes that teamwork on the part of the contractor, construction manager, owner, and designer is necessary to deliver a successful project (Zack, 1995). Partnering works to identify common goals, establish an environment of trust and open communication, and create a problem-solving attitude among project participants (U.S. Army Corps of Engineers, December 1991). The benefits of a cooperative attitude among project participants include dispute prevention and "improved communication, increased quality and efficiency, on-time performance, improved long-term relationships, and a fair profit and prompt payment for the contractor" (U.S. Army Corps of Engineers, December 1991, p.1). When problems arise, partnering encourages timely, good-faith, cooperative problem-solving. The cooperative problem-solving approach is more likely to result in win-win outcomes as opposed to win-lose or lose-lose outcomes (Dispute Avoidance and Resolution Task Force, 1996).

Partnering is not an answer to all construction concerns. Partnering does not alter the terms of the contract between the parties, it does not relax the performance requirements of the contract, and it does not alter the parties' rights under the contract. Partnering does not guarantee that there will be no problems or no claims (Zack, 1995; U.S. Army Corps of Engineers, December 1991). Partnering does not guarantee the contractor a profit and it does not mean that the owner will not have to pay the cost of rectifying design mistakes. The cooperative, joint problem-solving approach fostered by partnering does, however, help to reduce claims and to resolve issues quickly so as to minimize and mitigate the negative effects of problems which can lead to claims (Zack, 1995). Partnering can also result in a more pleasurable work experience by eliminating the adversarial climate and opening lines of communication so that people can voice their concerns and know that those concerns will be heard and responded too in a respectful manner (U.S. Army Corps of Engineers, December 1991).

Although this paper emphasizes partnering in the context of a partnership between the contractor, owner, construction manager, and designer, partnering is appropriate for any team that wishes to form cooperative relationships to assist it in achieving common goals. Partnering has been used in teams of design professionals, in contractor teams, to improve the performance of individual branches of government agencies, and in a multitude of other situations. As stated by the Dispute Avoidance and Resolution Task Force (1996), "seldom are we given an improvement tool that offers the flexibility, breadth of application and value-added potential as does partnering. It is equally effective on projects that are large or small, domestic or foreign, fixed price or cost-plus, R&D or commercial, or fast-track. It can be tailored easily to meet any user's specific needs and is a proven value generator for all committed participants" (p.8).

The partnering process is fairly standard from one project to the next. Generally an invitation to partner is included in the bid solicitation or is conveyed after project award. Once both parties agree to partner the project, arrangements are made for the *partnering workshop*. The partnering workshop, which is generally facilitated, consists of team-building, the creation of a project charter and commitment to the charter, and agreement to specific actions to help ensure partnering success and timely issue resolution. The partnering workshop may be conducted in a single day, over a number of days, or in a number of separate meetings over a number of weeks. The actual time frame will be a function of the experience the parties have with partnering, the size and complexity of the project, and whether the team is to exist for a single project or if it is to be an ongoing team over a period of several years. The goals of the team-building portion are to form a positive, partnering relationship with the other parties; to acquire the attitudes necessary to work together in a productive manner; to learn new skills; and to obtain personal commitment to the partnering effort (Dispute Avoidance and Resolution Task Force, 1996; U.S. Army Corps of Engineers, December 1991). Often performed concurrently with team building is the identification of mutual goals and the identification of specific objectives for reaching these goals (U. S. Army Corps of Engineers, December 1991). The goals and a *mission statement*, which is a general statement of what the parties hope to achieve, are drafted into a document called a *charter* that each person signs to indicate personal commitment to the project goals and the partnering process (Dispute Avoidance and Resolution Task Force, 1996). The parties also agree to perform specific actions during the course of the project to help ensure the success of the partnering process. These actions typically include agreement to ground rules, commitment to regular partnering meetings, agreement to periodically use an evaluation tool that assesses how partnering is working, commitment to an issue resolution procedure, and agreement to follow-up facilitated partnering meeting (s) if the partnering process is breaking down (U.S. Army Corps of Engineers, December 1991; Dispute Avoidance and Resolution Task Force, 1996).

The commitment to hold regular partnering meetings is critical to the success of the partnering process (Dispute Avoidance and Resolution Task Force, 1996). At a minimum, regular partnering meetings should be held weekly at the field level during the performance of the work. The primary goal of a weekly meeting is communication. Although the problem identification and problem-solving activities are theoretically performed on a daily basis, people can get wrapped up in day-to-day activities and neglect to anticipate problems or neglect to voice concerns about a potential future problem. When this occurs, a problem may become critical by the time a concern is communicated. A regular weekly meeting prompts people to think about, identify, and voice concerns about possible future problems, and to take steps to remedy those problems before they negatively impact the work and stress relationships. Weekly meetings also offer the opportunity to ensure the work requirements for upcoming work are properly understood; to verify that the necessary labor, equipment and supplies are available; to ensure arrangements have been made for required testing; and to ensure that necessary communications, such as to warn nearby residents of a water supply interruption, have been made.

A commitment to a bimonthly or quarterly partnering meeting which includes at least the next level of supervision above the field level should also be considered. Such meetings reinforce management's commitment to the partnering process. The meetings also offer an opportunity to focus on the workings of the partnering process itself and to ensure all issues to date have been resolved. In the event issues have not been resolved, higher-level partners can stress the importance of implementing the agreed-upon issue resolution procedure. If appropriate to the situation, the higher-level partners can immediately escalate an issue for resolution.

Using an evaluation tool on a regular basis to assess team performance can be helpful for successful partnering. It is recommended that the tool be used at least monthly to identify the degree to which the team is successful in meeting its goals and to identify where improvement can be made (Dispute Avoidance and Resolution Task Force, 1996). Sometimes a team is lax in completing the evaluation tool because the project is running smoothly. Once problems arise, however, the parties may find themselves struggling to resolve issues. In this event, the evaluation tool should be reinstated (if applicable) or used more frequently. The feedback provided by the evaluation tool often points to particular individuals as not behaving in a cooperative manner. It is important that team members remember that the feedback is not offered with the intent to blame, but to inform so that change can occur. It is often difficult for us to see our behavior as it really is, so the feedback provides us a less-biased perspective on our behavior. In the event personalities are getting in the way of partnering, or if the partnering process is otherwise struggling, it may be time to arrange for a follow-on, facilitated partnering meeting that includes higher-level members.

Key to successful partnering is the issue resolution procedure. The procedure generally includes an order for issue escalation from one level to the next if the issue remains unresolved. Names are provided for each party at each level, and the time available for each level to resolve an issue is agreed upon. When used properly, the issue resolution process ensures timely issue resolution. The goal is to resolve the issue at the lowest level where the knowledge of the issue is the greatest and where the affect of the issue is most felt (Stedman, 1999). When an issue is not resolved at a lower level within the allowed time frame, it is escalated to the next level and so on until the issue is resolved. The theory is that the higher level representatives will have a broader perspective and fewer emotional ties to an issue, thus improving the opportunity for finding an agreeable resolution to an issue (Stedman, 1999).

At the completion of the project, it is recommended that the parties discuss the partnering

process to determine whether or not the mutual goals were accomplished, to discuss where improvements can be made, and to celebrate success. At this time, it is possible to recognize individuals for their contributions to the partnering process. This is also a good time to commit to continuing the partnering effort on future projects (Dispute Avoidance and Resolution Task Force, 1996).

Partnering can assist individuals in improving their interpersonal and problem-solving skills. This is accomplished as a result of the less stressful environment and the focus on problem-solving instead of finger pointing. Conversely, the partnering structure can insulate a project from the difficulties posed by a single individual. As indicated in the study performed by Diekmann & Girard (1995), "people do not *cause* disputes, but the quality of people can affect the project disputes performance more than any other type of project variable. People either greatly help or hinder the process of settling disputes" (p.360). At best, people who have the tendency to hinder dispute resolution are refocused by the partnering team to assist, or at least not impede, the timely resolution of disputes. At worst, an issue resolution procedure exists within the partnering effort which enables the issue to be escalated beyond the hindering individual.

Being an good partner requires a cooperative attitude and the belief that it takes everyone on the team to bring the project to a successful conclusion. Being a good partner requires exchanging personal goals for mutual goals. Being a good partner requires a problem-solving focus. Individuals can improve their ability to be good partners by building interpersonal skills, by learning productive conflict management skills, and by putting their skepticism on hold until they've given partnering a fair chance. Specific actions an individual can take to be a good partner include participating and contributing, communicating openly and providing all relevant information, looking for consensus, working to resolve issues quickly, nurturing the partnership, keeping commitments, and supporting the team and its common interests (Dispute Avoidance and Resolution Task Force, 1996).

Educators can assist students to prepare for partnership roles by exposing them to partnering concepts via articles, videos, and discussions. Group projects also offer an opportunity to role-play the partnering process or for one group to demonstrate the partnering process for the class. More effective training is that which develops a belief that it takes all parties, working together, to successfully deliver a project. The formation of this cooperative attitude along with the development of an expectancy for win-win outcomes to conflict and the learning of problem-solving skills would be very effective training indeed. Davidson & Versluys (1999) found that targeted cooperation skills training and problem-solving training was helpful to conflict resolution, with cooperation skills training being the more influential of the two. Davidson & Versluys' (1999) cooperation skills training included "(a) developing expectancies for a win-win outcome, (b) active listening, (c) appropriate assertiveness, and (d) handling emotions " (p.142). Problem-solving skills training included "(a) defining the problem in terms of interests (as opposed to positions), (b) brainstorming creative options, and (c) combining options into win-win solutions" (Davidson & Versluys, 1999, p.142).

Mediation

The third focus area for managing conflicts more productively is the utilization of the mediation form of alternative disputes resolution. Mediation is generally employed after normal negotiations or the partnering escalation process has failed to resolve a dispute. Mediation may, however, be initiated earlier in the process if the parties anticipate unusual

difficulty in resolving a conflict. Mediation is recognized for its ability to assist parties in finding agreement when strong emotions are present, when extreme differences exist, or when the parties are deadlocked (U.S. Army Corps of Engineers, September 1991).

Mediation is a process that uses a neutral third party, called a *mediator*, to assist the conflict parties in finding a resolution to their conflict. "The role of the mediator is to assist the parties in understanding the nature of the problem, the underlying interests of all parties, and the various options that may exist which can help resolve all, or a part, of the problem" (Ordover, Flores, & Doneff, 1993, p.6). In mediation the neutral party does not decide the resolution of a dispute; the parties have complete control over the outcome of the dispute (U.S. Army Corps of Engineers, September 1991; Ordover et al., 1993).

Mediation is a form of interests-based bargaining (Ordover et al., 1993). The mediator assists the parties in identifying their interests and finding options that will satisfy those interests. The mediator's role also includes opening the lines of communication between the parties, improving the relationship between the parties, identifying when outside expertise may be required, acknowledging and defusing emotions, assisting the parties in reality-checking their positions or goals, playing the scapegoat, providing suggestions, clarifying data, and formulating a negotiation process (Moore, 1996; U.S. Army Corps of Engineers, September 1991). Because of the varied roles a mediator must play, and because the abilities of the mediator influence the success of the mediation, it is important that trained and experienced mediators be used.

Some of the advantages of mediation include: the parties control the outcome, the opportunity for a win-win solution is maximized, the process is confidential, the parties are more likely to follow through with an agreement because they have buy-in, the process preserves relationships, it saves time and money, it can work with multiple parties, it empowers the participants, it is low stress, it can expand options, and it saves the cost of appeals (R. Amadei, personal communication, January 4, 1999). Mediation may not work if one of the parties does not want to settle, if one of the parties is so aggressive that it refuses to back off of a position, or if the mediator is incompetent or biased (R. Amadei, personal communication, January 4, 1999).

Mediation is recommended by this paper because of the parties' ability to maintain control over the outcome of a dispute; its positive effect on the relationship between the parties; and its low-stress, non-adversarial approach. Mediation is not recommended when the primary interest for a party is to establish legal precedent; a decision in a court of law is the only way to accomplish this goal (Ordover et al., 1993).

The mediation process may be initiated by the parties themselves, by referral by secondary parties that have either a direct or indirect interest in the resolution of the dispute, by order of a court of law, or by the mediator directly (Moore, 1996). Once the mediator is informed of the interest of the parties to mediate a dispute, the mediator normally contacts both parties to discuss the mediation process, the mediator's role, confidentiality, the manner in which agreements are obtained, and the control the parties have over the outcome. The goals of this initial contact are to ensure the parties understand what mediation is, to answer questions, to address concerns that the parties may have regarding mediation, to obtain an initial commitment to mediate, and to build mediator credibility (Moore, 1996). In complex disputes, once the mediator has obtained an initial commitment to mediate, the mediator may request that each party provide a brief written synopsis of the issues in dispute and the party's perspective on each issue to help bring the mediator up-to-speed before the opening session. The parties to the dispute generally split the mediator's fee in order to avoid the perception of bias.

At the outset of the first formal mediation session, introductions are made and the mediator makes some opening remarks to ensure all participants understand the process. These remarks include an explanation of the mediator's role, a discussion regarding neutrality and confidentiality, an overview of the process, an explanation of caucus and how caucus is used, and suggested ground rules for communication between the parties (U.S. Army Corps of Engineers, September 1991). After the mediator's opening remarks and before discussions between the parties begin in earnest, the parties usually sign an *Agreement to Mediate*. The *Agreement to Mediate* typically includes: a statement as to the parties' intent to work in a good-faith manner to settle their dispute, a statement as to the confidentiality of the proceedings and any exceptions to the confidentiality rule, a statement that legal advice is not provided by the mediator, a suggestion that the parties obtain counsel, and the right of the parties to terminate the process (Ordover et al., 1993).

When the mediator's remarks are concluded and the *Agreement to Mediate* is signed, the mediator will invite each party to make an opening, summary statement before beginning concentrated problem-solving efforts (U.S. Army Corps of Engineers, September 1991; Slaikeu, 1996). The summary statement may include a history of the conflict, related issues, and possibly a statement as to how the party would like to see the conflict resolved. Clarifying questions from the mediator and other parties are asked during this stage to ensure understanding (Slaikeu, 1996).

The opening statements generally lead to further questioning and discussion to clarify the issues and views. The mediator will use skills such as questioning, paraphrasing, restating, summarizing, elaborating, and structuring to assist with understanding the issues and the underlying interests of each party. The mediator may feign misunderstanding so as to get a party to explain their concerns in more detail and, in so doing, educate the other party as well (Ordover et al., 1993; Moore, 1996). The mediator may also call a *caucus*, which is a private meeting with one of the parties. A caucus can be used at this stage to allow a party to vent anger and other emotions, to discuss appropriate ways to show emotion when the other party is present, to establish rapport, to identify remaining issues and interests, and to identify which interests are most important to a party (Ordover et al., 1993). The outcome of the sharing of views by the parties is an agenda to guide the remainder of the mediation. The agenda consists of the issues organized in a logical manner or in a manner that places less-contentious issues to be resolved at the top of the agenda. The theory is that successful resolution of less-difficult issues will help set a stage for finding resolution to the more difficult issues (Ordover et al., 1993; U.S. Army Corps of Engineers, September 1991). The manner in which the issue is framed on the agenda can be important to the outcome of the mediation. Generally, issues will be written by the mediator as a comprehensive statement of a joint problem that includes the interests of all parties (Moore, 1996). An example of a joint problem statement with the interests included is: *How can ABC Company increase its daily paving production without creating additional traffic delays?*

Once the agenda is complete, problem-solving can begin. Problem-solving may be accomplished in a number of ways, of which three are described here. First, each issue is taken in turn and brainstormed to identify possible options for resolving the issue (Ordover et al., 1993). When the identification of options has been exhausted, the parties turn to evaluating the options, rejecting those that are not feasible, building on others, and combining options so as to accommodate dovetailing interests. The parties may develop mutually-acceptable criteria or standards to assist in option evaluation (R. Amadei, personal communication, January 25, 1999; Fisher et al., 1991). The goal in evaluating options is to combine and build on options in such a manner as to expand the resources available and result in a win-win outcome. A second method of problem solving is to use a *one-text approach*. The one-text approach begins with the identification of each party's interests.

The party which raised the issue (or the mediator in some circumstances) then creates a proposal (text) that "might satisfy the majority of the interests and resolve the dispute. This document becomes a draft settlement text that is circulated between the parties for comments and revision. Gradual revision often results in a single text that is acceptable to all disputants" (Ordovery et al., 1993, p.63). A third method of solving a problem is to obtain an *agreement in principle*. With an agreement in principle, the parties agree that the final resolution will follow specific, agreed-upon principles which provide a framework for settlement. Once this general agreement is reached, the parties then work to fill in the agreement with specifics (Moore, 1996).

It is not unusual for problem-solving discussions to indicate a need to further clarify interests or to expand the list of interests. When this occurs, the parties perform additional information sharing and then return to problem solving. The mediator may call a caucus during the problem-solving stage for the purpose of clarifying interests or facts, to discuss possible alternatives, to prevent premature entrenchment in a position, and to reality test the power structure and the party's BATNA (Ordovery et al., 1993).

As the parties identify acceptable options for resolving issues, they move into the settlement proposal stage wherein one or more parties will formulate proposals to resolve all of the issues on the table. The mediator may call a caucus for the purpose of assisting a party in formulating a proposal, or to assist with the evaluation of a proposal. When assisting in the formulation of a proposal, the mediator will attempt to steer the proposal in a direction that will meet the interests of all parties. The mediator can accomplish this in a caucus by discussing positions which appear to be unrealistic or unacceptable and by discussing the possible reaction the other party will have to a specific item in the proposal (Ordovery et al., 1993). The mediator may also suggest a method for delivering a proposal which will 'test the waters' without risking an impasse. When evaluating a proposal, the mediator will help a party test the proposal against the party's interests, will help test the proposal against the party's BATNA, will assist in looking for ways to improve the proposal, will help assess the risk of rejecting the proposal, or will assist in formulating a counterproposal (Ordovery et al., 1993).

Once an agreement is reached, the mediator assists the parties in putting the agreement in writing. For a construction contract, the agreement may be written as a contract modification or as a settlement agreement. With either format, the document should identify the dispute, the resolution to the dispute, and it should bar further claims related to the disputed issues. For disputes that are before a court of law, the settlement agreement is stipulated to by the parties and entered with the court. The court can enter the stipulation in the form of an order to make it enforceable under the law.

The mediation process outlined above is a process-oriented procedure that is generally facilitative in nature. Mediation can also have an evaluative (substance) focus or a transformative (empowerment and recognition) focus. Transformative mediation is a fairly new approach that focuses on empowerment in lieu of pushing for an agreement (R. Amadei, personal communication, January 18, 1999). Because transformative mediation is still relatively new, and because it is unlikely to be the mediation form of choice in a contract dispute requiring quick resolution, it will not be discussed here. Evaluative mediation, however, is frequently used in the mediation of construction disputes and is discussed below (M. Budwig, personal communication, December 1998).

In the facilitative process described previously, the mediator does not give the parties the solution to their problems. The mediator may suggest solutions, but the emphasis is on the parties determining the solution for themselves. In evaluative mediation, however, the mediator looks at the substance of the dispute, comes to a conclusion about the dispute,

and then tries to get the parties to come to the solution. In many ways, evaluative mediation is more similar to a settlement conference, albeit a subtle one, than to what most people envision when they hear the word *mediation* (R. Amadei, personal communication, January 18, 1999). Because facilitative mediation allows the parties to find the resolution for themselves, it is generally more time consuming than evaluative mediation. When disputes are solely about money, there is a greater likelihood that mediation will tend more toward the evaluative process than toward the facilitative process. This is because the distribution of monetary resources doesn't offer a lot of opportunity for creating integrative, win-win agreements. In evaluative mediation it is not unusual for a mediator to use *shuttle diplomacy*. Shuttle diplomacy requires that the parties be in a constant caucus (i.e., they are separated and deal only with the mediator) from the completion of their summary statements until agreement is achieved. The mediator shuttles between the parties questioning them about their views and interests, playing devil's advocate, and assisting with the formulation of preliminary proposals. The advantage of shuttle diplomacy in an evaluative mediation that is solely about money is that agreement can be reached quickly and without a lot of emotions and posturing. For parties which have been deadlocked on an issue, the quick, non-adversarial resolution is seen as a great victory and relationships between the parties can be at least partially restored as a result of the 'victory' in resolving the dispute. Quick agreement is made possible by all parties being open with the mediator. Although the mediator forms an opinion about the conflict, the mediator also learns each party's view as to what that party believes the true value of the dispute is worth and what each party is willing to accept (or give) to resolve the issue. If the ranges overlap, the dispute is easily resolved. All the mediator has to do is get each party to agree to settle for an amount within its indicated range if the mediator can get the other parties to agree to an amount within that range. Once all the parties agree to do this, the mediator reveals the settlement amount, which is within the overlapping area of the parties' ranges and adjusted within the overlap area based on the mediator's view of the dispute.

Mediation in its pure, facilitative form is most successful when there are a number of issues to be resolved (thus indicating a high potential for tradeoffs), when the relationship is ongoing, when both parties want to settle the dispute, when emotions are high, when there is a relatively equal power balance, and when each party has something to give (R. Amadei, personal communication, June 22, 1998). Mediation in its evaluative form is most successful when only money is being distributed, when the opportunity for integrative solutions does not exist, and when the mediator is experienced with construction. One must be careful, however, in assuming that there is not an opportunity for an integrative, win-win resolution. Although a dispute may be phrased in terms of additional money the contractor wants from an owner, as long as the contract work is still underway there are opportunities for an integrative solution. If all that remains of a construction contract is the resolution of a dispute, evaluative mediation may make sense because it can result in a quick and satisfying resolution without a lot of emotional involvement.

When mediation does not result in a dispute being resolved, it is time to move to a binding form of alternative disputes resolution (e.g., arbitration) or to a court of law. Arbitration is generally quicker and less expensive than going to court, however, excessive discovery demands can drive up arbitration costs. Participants in arbitration should also be aware that binding arbitration generally has fewer forms of appeal than a court of law (Ordovery et al., 1993). In the event the dispute is taken to other forums for resolution, the knowledge held by the mediator is generally protected by confidentiality rules included in the *Agreement to Mediate*. The laws of some states also protect mediator confidentiality (R. Amadei, personal communication, January 11, 1999; Ordovery et al. 1993). As such, the parties to mediation can work in good faith to find an acceptable resolution and be confident that sensitive

information they give to the mediator will not be used against them in another forum.

Unless an individual is interested in becoming a mediator, there is no specific education that one needs to be a party to a mediated dispute resolution. However, effective interpersonal communication skills, effective interpersonal conflict management skills, and an expectation for a win-win outcome can only serve to assist in achieving a successful mediated outcome to a dispute.

Conclusion

Conflict is part of the "ebb and flow of life" (J. A. Moorhead, personal communication, September 17, 1998). Conflict isn't bad, in fact it is the creativity resulting from conflict that can result in significant process improvements and other changes for the better. But, when conflict is unresolved it can damage relationships, increase stress, lower productivity, and increase costs. Conflict isn't going to go away, so what makes a difference is how we handle it when it comes along (J.A. Moorhead, personal communication, September 17, 1998).

Because of the interdependent nature of the construction industry and the often-competing goals of project participants, construction gets more than its fair share of conflict. The construction industry is intensely competitive, profit margins are often small, and project estimators and managers live or die (stay employed or not) based on the numbers on the budget sheet when the project is complete. Because of the competitive focus and significant risks, when conflict occurs in the construction industry it often leads to destructive conflict spirals that result in win-lose or lose-lose outcomes or impasse. Conflict, however, can be managed much more productively by individuals learning problem-solving skills, learning how not to feed destructive conflict spirals, and developing an expectation for win-win outcomes. Identifying mutual goals and working together as partners to achieve those goals results in a team atmosphere and improved cooperation in conflict situations. The partnering issue resolution process which escalates unresolved conflicts to higher levels serves to take the dispute out of the hands of those at the working level before it can severely threaten working relationships. Finally, when resolution has not been accomplished, the use of mediation offers hope for a win-win outcome and preservation of the relationship.

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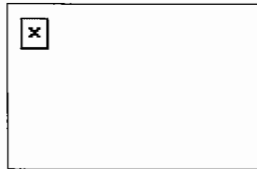
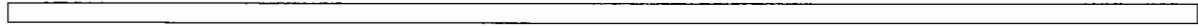
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