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Emerging Systems for Managing Workplace Conflict: Lessons from American Corporations for Managers and Dispute Resolution Professionals

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Professionals

closely industrial relations and welfare policy are related in France. Too often, social policy is treated separately from industrial relations, but Jefferys demonstrates the linkages: the *paritarisme* of employers and unions in managing elements of the welfare system; the manner in which social benefits came to be used to compensate industrial actors for changes in the industrial relations system; and, of course, the way in which efforts to limit widely accepted benefits generated class mobilization. The importance of social policy for French industrial relations is another reason for the continued centrality of the state in managing class relations.

The third strength of this book is its emphasis on employers, as both industrial and political actors. Two chapters are devoted to exploring shifts in the organization and interests of business, emerging managerial strategies, and the growing assertiveness of organizations lobbying on employers' behalf. The story for Jefferys is not simply one of economic and technological constraints acting on employers, but of conscious political mobilization. The transformation of the main employers' organization into Medef (the *Mouvement des entreprises de France*) in 1998 catalyzed the political strategy of employers, challenging both the welfare system and the 35-hour work week policy.

One can question some parts of the argument that Jefferys makes. Notably, in a book with such well-grounded theory, the state is itself strangely under-theorized. The account of state action is narrowly political, so that it becomes difficult to explain why state reform projects in the period after 1981 often failed and produced unintended consequences—occasionally, indeed, consequences diametrically opposite those intended. It is striking in this regard that trade union decline continued despite wide-ranging Socialist reform efforts. The strike wave of December 1995 is also a thin reed on which to hang an argument about the continued vitality of class ideology and mobilizational capacity; the strikes were mostly limited to the public sector, and similar welfare reforms passed with only limited contestation in 2003.

But *Liberté, Égalité, and Fraternité at Work* provides a powerful and compelling account of postwar French industrial relations that offers important insights even if one is unconvinced of the role it accords ideology or its optimism about the survival of a significant oppositional current within the French working class. Jefferys manages to take the state, employers, and work-

ers equally seriously, and in so doing, he has produced an original and convincing interpretation of French industrial relations. It will be impossible to examine French industrial relations again without reference to this book.

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Emerging Systems for Managing Workplace Conflict: Lessons from American Corporations for Managers and Dispute Resolution Professionals. By David B. Lipsky, Ronald L. Seeber, and Richard D. Fincher. San Francisco: Jossey-Bass, 2003. xxiii, 406 pp. ISBN 0-787964344, \$49.00 (cloth).

This is the most important book yet published to address the evolution of private justice systems for managing workplace disputes—a cutting-edge development of significance to the fields of industrial and labor relations, personnel and human resource management, and conflict resolution. Until now, no single scholarly volume has provided a comprehensive introduction to the field of employment dispute resolution and integrated conflict management systems. David Lipsky, Ronald Seeber, and Richard Fincher provide one that is both a conceptual and practical resource, of great benefit to scholars and practitioners alike.

There have been other efforts to chronicle the emergence of employment dispute resolution as distinguished from more traditional employee voice systems. In *Getting Disputes Resolved: Designing Systems to Cut the Costs of Conflict* (1986), William Ury, Jeanne Brett, and Stephen Goldberg extrapolated from classic experiments with grievance mediation in the unionized coal industry to found a new field of dispute system design for both union and non-union workplaces. Building on experience in the field and inspired by organizational development, practitioners from the public sector (Cathy Costantino and Christina Merchant, *Designing Conflict Management Systems*, 1996) and the private sector (Karl A. Slaikeu and Ralph H. Hasson, *Controlling the Costs of Conflict: How to Design a System for Your Organization*, 1998) proposed models for working with organizations to design and implement conflict management systems. John Dunlop and Arnold Zack (*Mediation and Arbitra-*

tion of Employment Disputes, 1997) described the rise of mediation and arbitration of non-union employment disputes. From this early work, the concept of an integrated conflict management system emerged: a system that provides multiple points of entry to a variety of conflict resolution methods for a broad class of disputants with a broad range of complaints about the organization, a system usually supervised by an ombudsperson or administrator outside the usual management hierarchy with a direct link to upper management.

Previous work was largely directed to an audience of policy-makers and practitioners, because the field's growth and evolution outpaced scholarship. Adrienne Eaton and Jeffrey Keefe's *Employment Dispute Resolution and Worker Rights in a Changing Workplace* (1999) provided a survey of scholarship relevant to employment dispute resolution, including non-union grievance procedures and voice systems. However, the volume under review is the first to synthesize scholarship and field experience in a way that may foster thoughtful future research on integrated conflict management systems. Its most significant contribution is a model to predict the adoption of conflict management strategies.

The authors first review the history of employment dispute resolution (EDR) and changing theories of justice and the social contract to explain growing acceptance of EDR techniques in the workplace. They report the results of their unique 1997 national survey on the Fortune 1000's use of various forms of alternative dispute resolution (mediation, ombudsperson, fact-finding, peer review, arbitration, mini-trials, mediation/arbitration, and in-house grievance procedures). Drawing on on-site interviews with a sample of the respondents, they develop a framework for analyzing organizational conflict management choices. They identify two categories of independent variables—environmental factors and organizational motivations—that together influence an organization's choice of conflict management strategy. This choice may take three forms: to contend, to settle disputes, or to prevent conflict. The environmental factors are market competition, government regulation, litigation trends, legal and tort reform, statutory and court mandates, and unionization; the organizational motivations are organizational culture, management commitment, the champion's role, the organization's exposure profile, and a precipitating event. Drawing numerous examples and illustrations from interviews with counsel

and managers, the authors provide a richly textured account of how these factors affect conflict management strategies.

Part II provides the nuts-and-bolts information needed to consider, design, implement, and evaluate an integrated conflict management system. It opens with a thorough review of the components of *internal programs*, that is, programs providing a variety of processes for addressing employment conflict within the organization with the help of ombudspersons, peer mediators, resolution facilitators, hotlines, and peer panels. It moves next to *external systems*, that is, those that culminate in the use of a third party neutral who is not a fellow employee. The neutral may be a mediator without power to decide the dispute, a fact-finder, or an arbitrator with power to issue an advisory or a binding award. The authors quote and discuss language from a wide variety of company summary plan descriptions, creating a compendium of samples for practitioners considering a plan's design. They also provide wise, systematic guidance for companies designing and implementing plans, together with summaries of best practices and ethical guidelines shaped by ongoing controversies over mandatory, adhesive arbitration, that is, binding arbitration imposed unilaterally as a condition of new or continued employment. They include an outstanding primer on how to evaluate these programs in the field.

Any book has its limitations. In this case, the chief limitation is the point of view. As indicated by the subtitle, "Lessons from American Corporations for Managers and Dispute Resolution Professionals," the book's perspective on private sector workplace conflict management systems is distinctly top-down, rather than bottom-up. The authors' research flows largely from surveys of and interviews or consulting work with elite stakeholders from Fortune 1000 companies—lawyers from the general counsel's office, chief executive or chief operating officers, and senior management—and one problem is that conflict management systems may not look the same in the trenches as they appear from above. The authors acknowledge this problem in their concluding chapters (pp. 302–3), but earlier in the volume they do not allude to it.

For example, the authors contend that internal systems attempt to instill ownership in the creation of the solution in the employee, while external systems take ownership away and give it to an outside neutral (p. 183). Internal mediators, they say, may have significantly greater credibility with the disputing parties than do

external mediators, even though the latter may have more subject matter expertise (p. 177). However, later in the volume they quote the U.S. Postal Service's dispute resolution counsel describing disputant surveys that revealed higher success rates, higher satisfaction rates, and stronger perceptions of neutrality for outside mediators than for internal, employee-mediators (p. 247). Managers would like to believe employees find peers more credible mediators, but some research suggests, on the contrary, that employees are skeptical of the impartiality of peers, who typically are subject to control by upper management. These effects may be a function of the overall conflict management system's design. A true integrated conflict management system has both internal and external components, and the way employees view such a system may differ significantly from the way they view either an internal or external system standing alone. As the authors recognize, very few organizations have achieved such a system.

Moreover, the peer mediator who is the union president probably differs from the peer mediator in a non-union firm. The authors have substantially advanced our understanding of the functioning and design of workplace justice systems, but as with all good research, one outcome is a new consciousness of all the research questions that are as yet insufficiently explored. Chief among these is a more systematic inquiry into how workplace conflict management systems vary between union and non-union environments. Public, private, and non-profit employers are taking widely divergent paths toward the common end of improving how they manage conflict. For the most part, the public sector is more heavily unionized and has experimented with voluntary, interest-based processes such as mediation, early neutral assessment, and ombudsperson programs. The authors focus primarily on the private sector, which has placed more emphasis on quasi-adjudicatory rights-based processes, such as non-union employment arbitration. Clearly, an employer could not unilaterally impose a pre-dispute binding arbitration clause on employees represented by a union. The authors' conclusion that external systems take responsibility out of the disputants' hands is certainly true of arbitration systems. It is, however, less true of external mediation using facilitative rather than evaluative models.

The authors point to the decline of private sector unionism, evidence that some companies are adopting these systems for union avoidance, adoption of high performance work sys-

tems, and changes in the social contract from collective rights to statutory individual rights as partial explanations for the rise in workplace conflict management systems. They identify unionization as an environmental factor that helps shape the organization's conflict management strategy. However, unionization is a factor that may be different both in kind and in weight from many of the others in their model; it is unique in that it forces upper management to share control over dispute system design. Thus, it systematically incorporates the voice from the trenches. Employee focus groups probably provide very different input from unions, and they lack veto power over design choices. One can reasonably anticipate that systems in union and non-union firms will differ.

Although such questions have yet to be researched, conceptualizing them will be easier with this work as a foundation. The future is unclear for institutionalization of integrated conflict management systems in the workplace. However, the trend toward privatizing systems of justice for employment disputes has achieved critical mass. Lipsky, Seeber, and Fincher have made a major contribution to the field in *Emerging Systems for Managing Workplace Conflict*.

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The Future of the American Labor Movement.
By Hoyt Wheeler. New York: Cambridge
University Press, 2002. 276 pp. ISBN 0-521-
81533-9, \$65.00 (cloth); 0-521-89354-2,
\$23.00 (paper).

What do unions do? This question once meant, "How do unions affect important outcomes, such as wages, worker rights, and economic performance?" As union power in most countries has declined, sterile box-and-arrow causal schemes have given way to more urgent lines of questioning about the daily behavior and concrete experiences of labor activists. Scholars are increasingly asking how workers' organizations and their allies can reverse union decline through new strategic choices and new patterns of behavior. The recent wave of literature on union revitalization has begun to iden-