

Workplace mediation procedures: A case-study of transition economies

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Abstract: - The purpose of the research is to determine how much informed are the employees about the content and working methods in mediation, and to identify the reasons to introduce mediation in business environment. At the beginning of the research, we considered the theoretical back-ground in foreign and national references. Respondents completed a survey questionnaire. The-se data indicate that employees accept mediation and mediatory approaches that managers can use in their work. Mediatory method of working is very useful for organisation, because it implies fewer conflicts, which reflects in better interpersonal relationships and, consequently, in better business performance that leads the enterprise to excellence. Mediation or the mediatory way of communication among individuals and groups, or between an individual and a group, positively influences the entire society. In this way, the responsibility is transferred to the individual, which makes him or her feel more included, and, consequently, more co-responsible and interested in greater empathy towards the people and environment. Our research indicates essential elements that are useful for individuals, and shows the way to more successful leadership.

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Key words:- business mediation, mediatory communication, commitment of employees, excellence, interpersonal relations, transitional enterprises.

1 Introduction

Conflict situations are often large consumers of our energy. Such consumption is unnecessary, and thus it is very important to be aware that there are also other ways and possibilities to be used. Last but not the least, this is definitely mediation and the mediatory

way of solving such situations. Managers' awareness about the existence of such a possibility is very important for its implementation in the business model (Insam et al. 2016, 233). This factor is particularly important for enterprises in the process of transition, i.e. transitional economies (Zupan et al.

2017, pp. 63, 85). These definitely include a considerable number of European Union member-states (da Cunha et al. 2017, pp. 1–31, Silajdzic, and Mehic 2017, pp. 155–169).

A variety of individuals' opinions enriches the creation in a particular enterprise and the entire society. At the same time, this is often the reason for conflicts, which we should be able to solve in a manner to give a new impetus to each individual: with synergy, the sum of which exceeds the actual situation. The only way is just to step over the barrier (Lincoln 2017, pp. 25–45). Of course, the choice is ours, but we must be aware that there is no success if we are not ready to cope with challenges (Svejnar 2002, pp. 3–28). When the management accepts a challenge, where a variety of individuals' opinions is the only direction to the achievement of goals, the success is guaranteed (Winters 2016, p. 179). We just need to be able to listen to each other and reconcile the objectives. People are relatively compassionate to each other (Trompenaars, Hampden-Turner 2011, p. 25). Some individuals are born with this ability, and others must learn such *modus vivendi*. They must learn to listen and, at the same time, to hear their interlocutors. It is the beginning of human transformation (Mack 1999, p. 15). Only at one's "renaissance" we can recognise the needs of others, we can hear them, see them, feel, smell and experience them. This is also the basis of mediation development; in the first place, it is the perception of interlocutor with all senses, and then the entire environment (Conti et al. 2013, p. 362–368) around us. Mediation is the recognition of others, accepting their opinion, their actions (Cella and Fallowfield 2008, pp. 167–180). In addition, it is good to know that people, indeed, are good, but only our point of view makes them different. We must be aware of the fact that we can accept others as they are, since we cannot change them. However, we can change ourselves, and it is just with awareness that we are able to accept others. The above-mentioned applies to business environment as well (Bühning-Uhle, Kirchhoff and Scherer, G. 2006, p. 10). We must simply believe in mediation, including the mediation in business environment. It is especially important that management believes in it (Lande 2000, p. 137). The goal of the research is to determine to what extent are employees informed about mediation, i.e. to what extent it is familiar to them. We have been interested in their mediatory way of solving conflict situations. We have researched the potential wish of employees to have the mediation within their company in the form of mediation office (Strémy and Vráblová 2017, p. 311–319, da Silva and Abrantes 2017, p. 1335–1349). Establishing such office would

imply an increased possibility for a quick beginning of solving disagreements. It often means that we can solve them as quickly as possible, even in the initial phase, and therefore prevent them to proliferate. Thus, we could have the mediation at hand, and it can be performed directly in the enterprise, whenever it is needed.

2 Theoretical background

Conflicts are a part of everyday life, also in business environments. These are stories about suppressed, omitted and marginalised questions that define the nucleus and that form values and convictions (Cloke and Goldsmith 2011, p. 155). A successful manager is aware of this, and accepts that responsibility. A successful manager is the one who can be a mediator anytime and anywhere. The mediator encourages and coaches to make individuals replace the described manner of conversing with a more contemplated one, and to make them think about potential wishes of interlocutors and how they can make a step forward together (Crawley and Graham 2011, p. 98). At the same time, the manager should be able to identify all five types of persons, and thereby to identify characteristics of a particular type, as well as the resulting character, which includes one's reaction in a particular situation (Prabowo 2015, pp. 37–47):

- V = visual,
- A = auditory,
- K = kinaesthetic,
- O = olfactory (sense of smell), and
- G = gustatory (sense of taste).

Sometimes, even the view from another perspective can solve the problem, as Novak argues (1997, pp. 30–35). Recognising and accepting otherness is definitely the gainful approach, which leads to the successfulness of the individual and, consequently, of an organisation. In short, in this way, we can perhaps discover how to "live with 'no'", even if we cannot "reach 'yes'" (Baruch Bush and Folger 2004, p. 223).

We often ask ourselves what a true leader should be like, and what the leadership that brings results is like. Maybe the correct answer is "original" leadership (Goleman, Boyatzis and McKee 2011, pp. 42–53), which implies that managers are able to inspire good sensations among people they lead. It happens when a leader creates a resonance – a wave of positive energy that brings out the best in people. Therefore, the basic role of leadership is basically

affective, and this is the conclusion of studies of numerous authors (Caruso, Mayer and Salovey 2002, pp. 55–74; Ayoko and Callan 2010, pp. 220–235; Jin 2010, pp. 159–181; Beatty 2005, pp. 122–144; Kim and Jung 2010, pp. 336–347). O'Connor and Seymour (2011, p. 16) resumed their rich knowledge about this topic in the following way:

-you should have the ability to be orientated toward the goal; you should know what you want, and, in every situation, you should be clear about what your goal is;

-at the same time, you must be able to perceive emotional sharpness; you must pay attention and open all your senses to perceive what you get; and

-you must be able to be flexible, so that you can change what you do until you get what you want.

The above-mentioned applies to each individual literally at any moment. However, it must be especially applicable to managers, as only in such case they can lead their employees well (Kanisauskas 2016, p. 40, Alina 2016, pp. 103–107). By accepting their employees in this way, they can increase their commitment to work, and, from that point on, there is only one direction – the successfulness of an organisation and its consequent excellence (Guschina, Titova, and Frolova 2016, p. 166). These are the characteristics of managers who also use mediatory approach elements in their work (Hayes 2013, p. 55; MacKinnon, Coxe and Baraldi 2012, pp. 1–14; Chen and Chang 2013, pp. 489–500; Moore 2014, p. 33).

Above-mentioned conclusions indicate that more attention should be paid to the studies in the field of business mediation, and we try to include them as much as possible in our business systems as well. This encouraged our research with the purpose to determine acquaintance of employees with the mediation and mediatory approaches. Above all, the basic goal of our research is to identify the difference between the business system already supported in this way by their managers, and other business systems, in which managers do not identify such *modus operandi* as a priority type of leadership that brings the excellence of an organisation.

3 Method

3.1 Participants

An online survey was computed within two different organisations (Hospital, Airport) in Slovenia, where they employ mediators. These organisations employ and train their staff to be able to mediate internal

disputes between their employees and management. A link to online questionnaire was sent to 1150 employees, from which 143 surveys were returned, implying 12 % response rate. Interviews were conducted between August and October 2016.

3.1 Instruments

In the survey, employees were asked to indicate whether they had had experience with mediation procedure, what were the pros and cons of mediation, what were the different types of mediation, what were the causes, what was the core process of mediation, and what were the expected results and demographic information of the participants. The reliability of the measurement scale was tested using Cronbach α coefficient. The measurement scale is reliable at level 0.841.

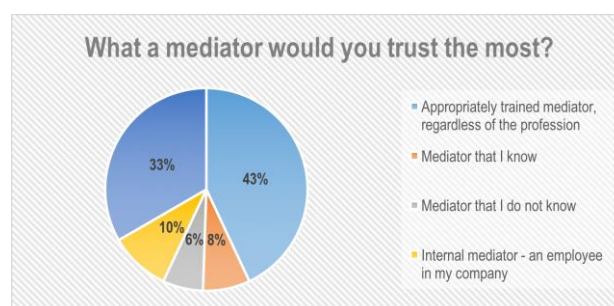
4 Results

According to the demographic data, our sample constitutes the majority of women (67 %), 6.3 % were 30 years old or less, 36.2 % were of age 40 or less, 35.1 % were less than 50 years old and 19.1% were older than 51. The majority of the respondents were highly educated (66.1 %), 15.0 % were managers.

The results on the mediation showed that 15.5 % of respondents already had had experience with the mediation, or as the litigant (28.6 %), observant (42.9 %) or other (28.6 %).

From Figure 1 we can see that, in general, employees will trust an appropriately trained mediator the most, regardless of his or her profession (42.6 %), followed by an external mediator – an employee in the Mediation Institute (33.0 %).

Fig 1. A trustworthy mediator

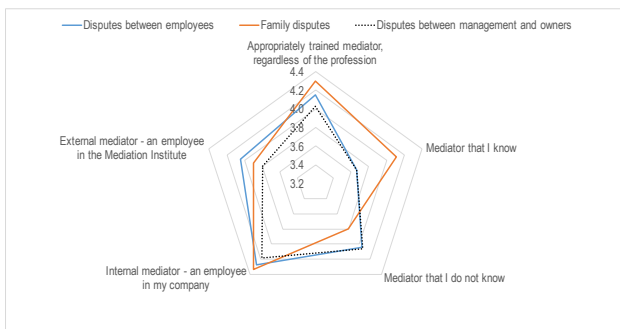


Using exploratory factor analysis, we could establish the presence of three distinct types of disputes, where mediation is a good alternative. We named these types as disputes between employees (23.2 % of the total variance explained), family disputes (18.6 %) and disputes between the management and owners (16.9 %). The correlation (Pearson correlation coefficient) between the factors

is between 0.4 and 0.65, and it is statistically significant.

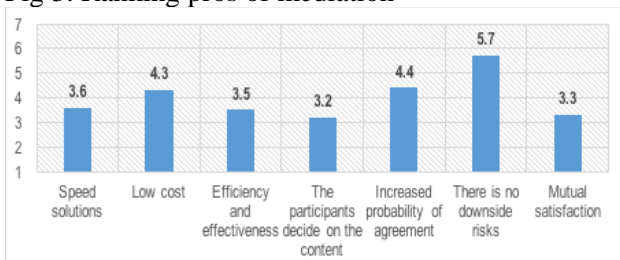
Furthermore, we were interested in whether there had been some types of disputes where a specific mediator was more trustworthy. From the Figure 2 we can see that there are slight differences between what kinds of mediators people trust for specific types of disputes; however, the differences are not statistically significant at the 0.05 level. Trustworthy mediators for family disputes are mediators that we personally know and probably trust their decisions; of course, they must be appropriately trained. On the other hand, when disputes happen at the work place, people prefer to rely on mediators that they do not know or an external mediator (from the Mediation institute).

Fig 2. Trustworthy mediators for specific types of disputes



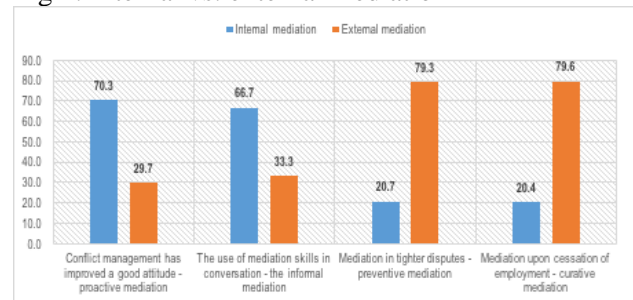
When we asked respondents to rank the pros of mediation (Fig 3), we got an interesting result. People value mediation mostly because there are no downside risks (M=5.7); moreover, there is an increased probability of agreement (M=4.4), much cheaper than court procedures (M=4.3); it is also a much quicker way than to solve disagreements than a court procedure (M=3.6). Elements such as efficiency and effectiveness of the procedure (M=3.5), mutual satisfaction (M=3.3) and free content decision (M=3.2) are less important.

Fig 3. Ranking pros of mediation



Generally, people prefer internal mediation in cases of proactive mediation (conflict management results in good attitude) or informal mediation (the use of mediation skills in a conversation). External mediation is preferable in cases of preventive mediation (mediation in tighter disputes) and curative mediation (mediation upon the cessation of employment).

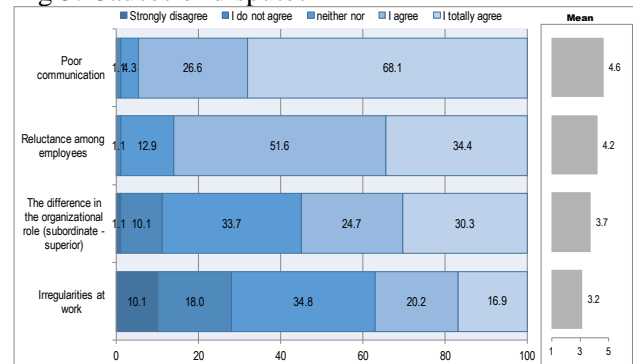
Fig 4. Internal vs. external mediation



According to employees, conflicts among employees are common: once a week (44.1 %) or very often – once every day (31.2 %). Disputes happen mostly among subordinates and superiors (68.1 %), among colleagues (60.6 %), between departments (39.4 %), within the management (10.6 %), or even between owners (1.1%).

The most frequent cause of dispute among employees is poor communication (M=4.6), followed by reluctance among employees (M=4.2), role differences (M=3.7) and irregularities (M=3.2).

Fig 5. Causes of disputes



When a dispute accrues, employees in 63.2 % cases do not act, 20.0 % of employees call upon a reunion to discuss the issue, 9.5 % leave the company, 5.3 % use court proceedings, and only 1.1 % use mediation.

5 Discussion

Our research analysis has shown that 15% of employees cooperated at the mediation. Almost

half of them were a party in a conflict. Most of respondents agree with the statement that mediation is suitable also for the conflicts concerning the relations in work environment. The most common opinion is that conflicts between subordinates and superiors are the most frequent. The majority of respondents believe that mediation office in business environment improves conflict management; it can enhance the relations that are already good, and it enables the use of mediation abilities in a conversation. However, they prefer to entrust the mediation of more intensive conflicts and mediation upon cessation of employment to an external mediator.

Results indicate employees' attitude to conflicts that is worrying, as they prefer not to do anything than to take any action. Such a decision definitely affects the commitment of employees; or, to be more accurate, it causes their indifference at the workplace. Even more worrying is the information that one tenth of employees leave the enterprise. It is a significant loss for the enterprise, as newly employed personnel must be taught and instructed about the way of work in the enterprise, and this causes high costs for the enterprise. In our opinion, the reason for this can also be the lack of information about options available to them. One of them is definitely to establish a mediation office within the enterprise, and such an option can provide a quick and efficient solution. It would be cost-free, with the exception of the time the mediator and mediation parties spend in the process. In our opinion, the time spent in this way is not wasted. It is valuable, and it helps taking more efficient actions in the future, i.e. prevent future conflicts or limit them as much as possible. Employees supported the idea about establishing a mediation office in the enterprise, by saying that they would entrust it to a competent mediator, regardless of his or her profession. It is also good to know that employees are aware of the complete absence of risk in the mediation process, as well as of the fact that mediation is the quickest and the cheapest conflict solution. However, the essence of mediation is the cooperation of participants in seeking a solution, which means that participants or parties in

mediation are afterwards much more committed to respect the solution they proposed and accepted themselves.

According to employees, a mediation office can help in case any conflict arises, but they are also aware of the fact that the mediatory way of communicating is most effective when it comes to manage conflicts in the initial phase. We agree with employees, since—as mediators ourselves—we are aware of the fact that good interpersonal relations in the working environment bring the greatest satisfaction. Satisfied employees are happy and therefore committed to work. Consequently, they are efficient, and this should be the greatest satisfaction for their superiors, including the entire managerial staff.

6 Conclusion

Research results indicate that employees are aware of advantages of mediation and the mediatory way of communication. Such modus operandi brings benefits in the everyday life of employees in every business system, and transitional enterprises' managerial staff should be especially aware of this. This approach enables conflict management at the very beginning, and over the time, they would be significantly limited. It also means improved relations at all employment levels of the business system. In other words, research results have indicated that more than 70% of employees face up to conflicts weekly. Employees are informed about basic mediation advantages, such as mediation parties' active participation in seeking the solution. Exactly that advantage brings employee satisfaction, and a satisfied employee contributes to the enterprise with a significantly better performance. Informed employees know that their co-workers, who are trained as internal mediators, regardless of their profession, can help them best. They also know that mediation is a quick and the cheapest solution, and, at the same time, there are no risks with possible negative consequences, as mediation parties are always included in the mediation on a voluntary basis and make agreements on the suggested

solution. Further, people approve of decisions taken by a common agreement, and therefore they are more prone to follow them and they are committed to their implementation. Research results should influence managers' decision on the introduction of mediation offices in their enterprises. According to these results, even one tenth of employees leave the enterprise due to unresolved conflicts. In the research sample, the profile of employees who are aware of their abilities and rights was largely present. This is educated personnel, and the enterprise can compensate for their loss only with high costs of training new employees for their positions. Besides high absence percentage because of sick-leaves, there is high fluctuation in organisations without such awareness, which reflects in high costs for the enterprise and, consequently, lower business performance. This also has negative consequences on the society as a whole, as illness of every individual has a negative impact on the effectiveness of the society and environment, too.

The scientific contribution of this paper is the presentation of the most recent and updated overview of conclusions about business mediation, our own quantitative research about influent factors concerning the possibility of mediation office introduction in enterprises in Slovenia, and appropriate and comprehensive presentation of mediation from the completely new point of view also in scientific literature worldwide.

We had certain limitations in the research, mostly because of the antagonism between some individuals regarding this type of a research. According to them, the introduction of mediation office implies a needless cost for enterprise. This is the reason why we should continue with research in this field and raise awareness among employees, and especially among managerial staff. The introduction of a mediation office is a great advantage exactly for an enterprise, because, in this way, it can avoid other substantially higher costs, if a conflict must be resolved in court. Furthermore, we could not contact the co-workers in person, but only over the intranet. Because of this, we could not reach

all employees, and this additionally limited our research scope. Another essential limitation was the fact that the research was conducted only in two large Slovenian enterprises engaged in the field of service activities.

We suggest more surveys like this to be conducted in the future, with the purpose of convincing the managers that the most efficient conflict management is business mediation, i.e. conflict management at its source. Such an approach is the quickest, cheapest and the most effective, as mediation parties, supported by a mediator, find the solution themselves. This is the best way for them to respect the agreed solution. According to employees, a mediation office can help in case any conflict arises, but they are also aware of the fact that the mediatory way of communicating is most effective when it comes to manage conflicts in the initial phase. We agree with employees, since we—as mediators ourselves—are also aware of the fact that good interpersonal relations in the working environment bring the greatest satisfaction of employees. This increases their performance, which contributes to the enterprise's excellence.

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