

Enterprise agreement negotiation critique critical thinking sample

[Business](#), [Management](#)



The business environment is characterized with various complex business activities and processes that result to conflicts. For example, the most prevalent conflict concept in most of the organization around the globe is the conflict between an organization and the unions of workers. This is based on various employees' conditions and terms such the enumerations among other factors. However, there are various other conflicts that arise from the business activities and processes like competing firms that lead to the formation of cartels, conflicts on prices with suppliers, among others (Deutsch Coleman & Marcus 2011, p. 26). Resolution of conflicts involves a complex process that involves cooperative process also referred to as integrative process and the competitive bargaining.

The basic aim of any conflicting party is to resolve the conflict and the parties entering into the negotiation either employs distributive or integrative bargaining approaches to resolve conflicts. An integrative process is a cooperative process that results in a win-win solution for the negotiating parties. It results to the development of trust, which in turn leads to a mutually beneficial resolution. On the other hand, competitive bargaining also referred to as distributive bargaining results in a win-lose outcome, and tends to increase the animosity between the bargaining parties (Nyerges Couclelis & McMaster 2011, p. 19). This case will evaluate and critically analyze the adoption both distributive and integrative process through which a union and the management reached a resolution on various issues affecting the employees.

The issues in dispute between the union and management were wage increase, where the management initially stated that it could offer only a 2

percent increase in the wages, which was dependent on the performance. The other issue under discussion was performance management, where the organization stated that it could offer only 2% for satisfactory performance and 5% for performance beyond expectations. The issue of duration of agreement was another issue under discussion was the duration of agreement, which the management stated that it would be no more than 2 years. Finally paid parental leave was the final issue under dispute between the management and the union, where the management proposed that it could offer only difference between the PPL and employee's real wages (Ahmar 2009, p. 26). In addition, it stated that paid parental leave would be given only to permanent employees and part time employees, who had worked for not less than three years.

The management and the union employed both distributive bargaining, as well as integrative bargaining in approaching different issues under dispute. For example, on the issues of wage increase, performance management and duration of agreement, management expresses direct and competitive approach (Melchin & Picard 2009, p. 56). For example, it justifies the issue of wage increases with the wage increases of the competitors and adjustments with the rate of inflation. On the other hand, the union also makes similar approaches by stating that wage increase should be 3%, and should not be based on performance of the employees. The management made a distributive approach on the issue of duration by stating that it would take no more than 2 years. However, the union took an integrative approach by proposing 3 years showing that they were ready to change their proposal. In the initial proposal, the management also employed integrative approach

in addressing the issue of paid parental leave by proposing payment of their employees the difference between PPL and the employees' real wage. On the same issue, the union employed a competitive approach by stating that the management should grant paid parental leave funded by the organization (Hansen 2012, p. 78). This would be applicable for permanent employees and employees who had worked for the organization for more than 2 years. The point of the dispute was the duration, amount and employees' duration as employees in the organization.

In the second response of management to the union response, the management adopted a more cooperative approach towards resolving the issue of wage increase. For example, it states that the wages could be reviewed only to 3% if the union could justify the 3%. In addition, it softens on the issue of performance management as it would lead to positive results to the organization (Bercovitch Dean & Jackson 2009, p. 76). However, the increase would be based on various factors stated by the management such as market factor, employee experience among others.

There are various potentially conflicting repercussions, which arise from application of both distributive and integrative bargaining in resolving conflicts. This is due to the fact that tactics used in distributive bargaining are distinct from those used in integrative bargaining. The organization can be said to be employing an interest based bargaining, through the mixing of both integrative and competitive bargaining (Raines 2012, p. 58). The management can be seen to moving from a distributive approach towards a more integrative bargaining, by adopting intra-organization bargaining tactics with the union. Management and the union also adopted the

interdependence model in the process of negotiations and bargaining. The proposals made by both the union and the management present a transformation of the disputes through argumentation where the management presented its proposals and the union also argued its proposals. In an interdependence model, the parties in the negotiations adopt both integrative and distributive bargaining, where the parties adopt dynamic moves and tactics with the aim of reaching an agreement (Raines, 2012, p. 48).

The interest based has been adopted in the negotiation process by the negotiating parties, where the management presents its interests such as costs and productivity. On the other hand, the union also had the interest of the workers to push for better terms of employment. Interest based has also been in action since the organization argues their options based on gathered information such as the packages offered by the market, inflation and cost factors affecting the organization. The management shares this information with the union to ensure that all factors are considered by both parties, in reaching an agreement. Both parties also generate different varying options with the aim of reaching an agreement to the disputes (Hwang 2012, p. 102). However, the options selected by both parties in the negotiating can be seen to be those that offer the highest mutual gains for both the union and management.

The management and the union also can be seen to employing a complicated mixed bargaining process, through a combination of complex tactics and moves. For example, on the issue of performance management where the management accepts bonus incentives to the employees, can be

termed as complicated move. In addition, the complexity of the moves can be seen when the management accepts the proposal of the union on duration of agreement being three years as long as the union could agree to reopen the discussion in case the inflation was to increase (Chinyio & Olomolaiye 2009, p. 63). The union accepts the terms of management on the duration of agreement if the inflation increased.

The process of negotiation between the management and the union was characterized with increased bargaining between the union and management, which ultimately led to a resolution on all the issues in dispute between the management and union. The negotiation process resulted in a mutually beneficial process for both the organization and the union, which was pushing for better terms and conditions of the workers. The organization was on the objective of ensuring that the developed terms could ensure stability of the organization, as well as ensure a satisfied and motivated workforce (McAllister-McQuaig, 2007). On the other hand, the union was on the objective of ensuring better conditions and employment terms for the employees. The whole process entailed an initial stage where the parties established the negotiating range, and the specifics of the negotiations were broken down. The union and the management also had a clear purpose of resolving the disputes stated in the conflict. Then there was the process of negotiations where integrative and competitive bargaining strategies were adopted. On the closure of the negotiations, both parties were able to resolve the disputes through a process that ensured mutually beneficial solution (Spangler 2003, p. 6).

In conclusion, the process of resolving conflicts involves a negotiation

process, which employs both distributive and integrative strategies. An integrative approach facilitates the development of trust between the conflicting parties, which in turn lead to a mutually beneficial solution. However, the distributive approaches also referred to as competitive create distrusts and pushes the negotiating parties further away from a solution. There are various models used in the negotiating process and especially used in this case such as interdependence approach and interest based approach among others. In this case, interdependence and the interest based approach have widely been used.

List of References

- Ahmar, M. 2009. Different Perceptions on Conflict Resolution: Need for an Alternate Approach. Karachi: University of Karachi. Program on Peace Studies and Conflict Resolution.
- Bercovitch, J., Dean, R., & Jackson, W. 2009. Conflict Resolution in the Twenty-first Century: Principles, Methods, and Approaches. Michigan : University of Michigan Press.
- Chinyio, E., & Olomolaiye, P. P. 2009. Construction Stakeholder Management. New York: John Wiley & Sons.
- Deutsch, M., Coleman, P. T., & Marcus, E. C. 2011. The Handbook of Conflict Resolution: Theory and Practice. New Jersey: John Wiley & Sons.
- Hansen, T. 2012. The Generalist Approach to Conflict Resolution: A Guidebook. Minnesota: Lexington Books.
- Hwang, K.-K. 2012. International and Cultural Psychology: Foundations of Chinese Psychology: Confucian Social Relations. Berlin: Springer.
- McAllister-McQuaig, A. 2007. Educator Attitudes about Conflict and
- <https://assignbuster.com/enterprise-agreement-negotiation-critique-critical-thinking-sample/>

Cooperative Learning: A Multivariate Analysis. Chicago: ProQuest.

Melchin, K. R., & Picard, C. A. 2009. Transforming Conflict through Insight. Toronto: University of Toronto Press.

Nyerges, T., Couclelis, H., & McMaster, R. 2011. The SAGE Handbook of GIS and Society. New Jersey: SAGE.

Raines, S. S. 2012. Conflict Management for Managers: Resolving Workplace, Client, and Policy Disputes. New York: John Wiley & Sons.

Raines, S. S. 2012. International and Cultural Psychology:. New York: John Wiley & Sons.

Spangler, B. 2003, July. Competitive and Cooperative Approaches to Conflict. Retrieved April 28, 2013, from Beyond Intractability: <http://www.beyondintractability.org/bi-essay/competitive-cooperative-frames>