**13654 Yousaf Wazir**

**Note: Attempt all questions. Copied answer will not be considered for checking/marking**

Q1. What is Problem Solving? Explain five steps used in Problem Solving. /10

Problem solving consists of using generic or [ad hoc](https://en.wikipedia.org/wiki/Ad_hoc) methods in an orderly manner to find solutions to problems. Some of the problem-solving techniques developed and used in [philosophy](https://en.wikipedia.org/wiki/Philosophy), [artificial intelligence](https://en.wikipedia.org/wiki/Artificial_intelligence), [computer science](https://en.wikipedia.org/wiki/Computer_science), [engineering](https://en.wikipedia.org/wiki/Engineering), [mathematics](https://en.wikipedia.org/wiki/Mathematics), or [medicine](https://en.wikipedia.org/wiki/Medicine) are related to mental problem-solving techniques studied in [psychology](https://en.wikipedia.org/wiki/Psychology).

Problem-solving strategies are the steps that one would use to find the problems that are in the way to getting to one's own goal. Some refer to this as the "problem-solving cycle".[[26]](https://en.wikipedia.org/wiki/Problem_solving#cite_note-Bransford1993-26) In this cycle one will recognize the problem, define the problem, develop a strategy to fix the problem, organize the knowledge of the problem cycle, figure out the resources at the user's disposal, monitor one's progress, and evaluate the solution for accuracy. The reason it is called a cycle is that once one is completed with a problem another will usually pop up.

Insight is the sudden solution to a long-vexing problem, a sudden recognition of a new idea, or a sudden understanding of a complex situation, an Aha! moment. Solutions found through insight are often more accurate than those found through step-by-step analysis. To solve more problems at a faster rate, insight is necessary for selecting productive moves at different stages of the problem-solving cycle. This problem-solving strategy pertains specifically to problems referred to as insight problem. Unlike Newell and Simon's formal definition of move problems, there has not been a generally agreed upon definition of an insight problem (Ash, Jee, and Wiley, 2012;[[27]](https://en.wikipedia.org/wiki/Problem_solving#cite_note-27) Chronicle, MacGregor, and Ormerod, 2004;[[28]](https://en.wikipedia.org/wiki/Problem_solving#cite_note-28) Chu and MacGregor, 2011).[[29]](https://en.wikipedia.org/wiki/Problem_solving#cite_note-29)

Blanchard-Fields[[30]](https://en.wikipedia.org/wiki/Problem_solving#cite_note-Blanchard-Fields-30) looks at problem solving from one of two facets. The first looking at those problems that only have one solution (like mathematical problems, or fact-based questions) which are grounded in psychometric intelligence. The other is socioemotional in nature and have answers that change constantly (like what's your favorite color or what you should get someone for Christmas).

The following techniques are usually called *problem-solving strategies*[[31]](https://en.wikipedia.org/wiki/Problem_solving#cite_note-31)

* [Abstraction](https://en.wikipedia.org/wiki/Abstraction): solving the problem in a model of the system before applying it to the real system
* [Analogy](https://en.wikipedia.org/wiki/Analogy): using a solution that solves an analogous problem
* [Brainstorming](https://en.wikipedia.org/wiki/Brainstorming): (especially among groups of people) suggesting a large number of solutions or ideas and combining and developing them until an optimum solution is found
* [Divide and conquer](https://en.wikipedia.org/wiki/Divide_and_conquer_algorithm): breaking down a large, complex problem into smaller, solvable problems
* [Hypothesis testing](https://en.wikipedia.org/wiki/Hypothesis_testing): assuming a possible explanation to the problem and trying to prove (or, in some contexts, disprove) the assumption
* [Lateral thinking](https://en.wikipedia.org/wiki/Lateral_thinking): approaching solutions indirectly and creatively
* [Means-ends analysis](https://en.wikipedia.org/wiki/Means-ends_analysis): choosing an action at each step to move closer to the goal
* [Method of focal objects](https://en.wikipedia.org/wiki/Method_of_focal_objects): synthesizing seemingly non-matching characteristics of different objects into something new
* [Morphological analysis](https://en.wikipedia.org/wiki/Morphological_analysis_%28problem-solving%29): assessing the output and interactions of an entire system
* [Proof](https://en.wikipedia.org/wiki/Proof_%28truth%29): try to prove that the problem cannot be solved. The point where the proof fails will be the starting point for solving it
* [Reduction](https://en.wikipedia.org/wiki/Reduction_%28complexity%29): transforming the problem into another problem for which solutions exist
* [Research](https://en.wikipedia.org/wiki/Research): employing existing ideas or adapting existing solutions to similar problems
* [Root cause analysis:](https://en.wikipedia.org/wiki/Root_cause_analysis) identifying the cause of a problem
* [Trial-and-error](https://en.wikipedia.org/wiki/Trial-and-error): testing possible solutions until the right one is found

n order to effectively manage and run a successful organization, leadership must guide their employees and develop problem-solving techniques. Finding a suitable solution for issues can be accomplished by following the basic four-step problem-solving process and methodology outlined below.

|  |  |
| --- | --- |
| Step | Characteristics |
| 1. Define the problem | * Differentiate fact from opinion
* Specify underlying causes
* Consult each faction involved for information
* State the problem specifically
* Identify what standard or expectation is violated
* Determine in which process the problem lies
* Avoid trying to solve the problem without data
 |
| 2. Generate alternative solutions | * Postpone evaluating alternatives initially
* Include all involved individuals in the generating of alternatives
* Specify alternatives consistent with organizational goals
* Specify short- and long-term alternatives
* Brainstorm on others' ideas
* Seek alternatives that may solve the problem
 |
| 3. Evaluate and select an alternative | * Evaluate alternatives relative to a target standard
* Evaluate all alternatives without bias
* Evaluate alternatives relative to established goals
* Evaluate both proven and possible outcomes
* State the selected alternative explicitly
 |
| 4. Implement and follow up on the solution | * Plan and implement a pilot test of the chosen alternative
* Gather feedback from all affected parties
* Seek acceptance or consensus by all those affected
* Establish ongoing measures and monitoring
* Evaluate long-term results based on final solution
 |

1. Define the problem

Diagnose the situation so that your focus is on the problem, not just its symptoms. Helpful problem-solving techniques include using [flowcharts](https://asq.org/quality-resources/flowchart) to identify the expected steps of a process and [cause-and-effect diagrams](https://asq.org/quality-resources/fishbone) to define and analyze [root causes](https://asq.org/quality-resources/root-cause-analysis).

The sections below help explain key problem-solving steps. These steps support the involvement of interested parties, the use of factual information, comparison of expectations to reality, and a focus on root causes of a problem. You should begin by:

* Reviewing and documenting how processes currently work (i.e., who does what, with what information, using what tools, communicating with what organizations and individuals, in what time frame, using what format).
* Evaluating the possible impact of new tools and revised policies in the development of your "what should be" model.

2. Generate alternative solutions

Postpone the selection of one solution until several problem-solving alternatives have been proposed. Considering multiple alternatives can significantly enhance the value of your ideal solution. Once you have decided on the "what should be" model, this target standard becomes the basis for developing a road map for investigating alternatives. [Brainstorming](https://asq.org/quality-resources/brainstorming) and team problem-solving techniques are both useful tools in this stage of problem solving.

Many alternative solutions to the problem should be generated before final evaluation. A common mistake in problem solving is that alternatives are evaluated as they are proposed, so the first acceptable solution is chosen, even if it’s not the best fit. If we focus on trying to get the results we want, we miss the potential for learning something new that will allow for real improvement in the problem-solving process.

3. Evaluate and select an alternative

Skilled problem solvers use a series of considerations when selecting the best alternative. They consider the extent to which:

* A particular alternative will solve the problem without causing other unanticipated problems.
* All the individuals involved will accept the alternative.
* Implementation of the alternative is likely.
* The alternative fits within the organizational constraints.

4. Implement and follow up on the solution

Leaders may be called upon to direct others to implement the solution, "sell" the solution, or facilitate the implementation with the help of others. Involving others in the implementation is an effective way to gain buy-in and support and minimize resistance to subsequent changes.

Regardless of how the solution is rolled out, feedback channels should be built into the implementation. This allows for continuous monitoring and testing of actual events against expectations. Problem solving, and the techniques used to gain clarity, are most effective if the solution remains in place and is updated to respond to future changes.

Q2. Write short notes on the following. 5+5

 a. Qualities of Leader

What Great Leaders Have In Common

I could spend forever discussing what does and doesn’t make up a great leader and why that matters for business success, but for now I want to focus on the biggest commonalities among great leaders. More specifically – what qualities must a leader possess to be great?

The first ones that immediately come to my own mind are transparency, empathy, and open-mindedness, mainly because they happen to be a few of the cornerstones of [kununu’s own values](https://www.kununu.com/us/team). These qualities have not only driven our company’s success as a global brand over the past decade, but also our individual leaders’ abilities to continuously inspire us as a team.

To go beyond my own bubble though and get deeper into this topic, I researched a handful of CEOs and business leaders to tell me in their own words and experiences (in about 3 sentences or less) what they consider to be **the top quality of a great leader**. Below is what I found out.

1. Resilience

“People are afraid, and when people are afraid, when their pie is shrinking, they look for somebody to hate. They look for somebody to blame. And a real leader speaks to anxiety and to fear and allays those fears, assuages anxiety.”

 “There’s so much change afoot in the workplace today and when change occurs, individuals who have resilience generally are also resourceful and agile. They have the ability to take on change and adapt to what’s happening around them and to them as the workplace changes. Individuals who have resilience/grit are able to take good risks and are open to change.”

2. Transparency

“To be a good leader, you have to be a good communicator. As a leader, you have to communicate your intent every chance you get, and if you fail to do that, you will pay the consequences.”

 “Great leaders have the uncanny ability of not letting rumors spread by being open and transparent and embracing solutions not problems. If an employee is frustrated with customer, they make you put that negative energy into coming up with a solution. If coworkers have a rift, rather than nurturing the gossip the leader makes you get over it and fix the issue.”

“Great leaders know that one of the quickest ways to [get employee feedback](http://www.kununu.us/) and earn the trust of your employees is by being transparent. I’m a firm believer of open information sharing and as a CEO you must lead by example. It lets your staff find applicable solutions and it builds solid relationships that increase the overall motivation.”

 “Being transparent is the most important trait of an effective leader. Especially when it comes to working with millennials and the younger workforce, it is important for them to understand the big picture. That is, you shouldn’t just ask (or tell) them to do something without explaining how this task or function integrates within the larger business initiative. When they are able to see the connection, they often feel much more empowered and motivated to do a better job.”

3. Emotional Intelligence (EQ)

“There’s two parts of leadership. You’ve got to be a good leader – you’ve got to be somebody that people want to emulate and care about the other people. But the other guys that you have have to accept their leadership. They have to respond to it. That’s the chemistry that you never know how that is going to happen.”

 “I’m often asked if this is a quality that can be taught and the answer is Yes, and like any new or underdeveloped habit, it takes consistent practice.. The challenge with this leadership trait is the WHAT to practice isn’t as straightforward as with other competencies. I’m a fan of simple and practical, so I created the ABCs of The Better Boss Project(tm) to help leaders show up in a more connected, empathetic, and judgment-free way: ASK curious questions, BE human, CHECK assumptions.”

“Good leaders improve their emotional intelligence by making a concerted effort to understand the reasons behind an employee’s behavior. It could be a lack of trust, a bad past experience or a fear behind a bad decision. When you understand this, it’s easier to react with dignity to any type of situation.”

4. Passion

“If a leader doesn’t convey passion and intensity then there will be no passion and intensity within the organization and they’ll start to fall down and get depressed.”

 “Engagement is the secret sauce to people based businesses. With engagement you gain huge amounts of discretionary work effort/product which goes well above and beyond what is merely required for any given role. Like it or not, the CEO is the Cultural icon of the company and passion for the work, passion for the product, passion for the goals, passion for the successes and passion for the inevitable twist and turns is the key to widespread engagement. And the opposite is even more true – the lack of passion leads to tragic disengagement.”

5. Empathy

“Today, no leader can afford to be indifferent to the challenge of engaging employees in the work of creating the future. Engagement may have been optional in the past, but it’s pretty much the whole game today.”

 “Empathy not only allows great leaders to understand their employees and their customers better, but it also is known to enhance prosocial (aka helping) behaviors. Because of this, empathy enables leaders to address issues faster and with more precision, and it makes them more flexible to respond to an ever-changing business environment. “

 “You need to have the ability to relate to your employees and be able to put yourself in the soul of your people. Without the empathetic trait, it’s very hard to rally your troupes around your vision.”

 “While we often are focused on profitability and growth, and rightfully so, there are times that we need to remember that our teams are people often have things going on outside of work. By having empathy and understanding what else is happening in their lives, we can better lead them through the good and bad times.”

6. Empowerment

“My job as a leader is to make sure everybody in the company has great opportunities, and that they feel they’re having a meaningful impact and are contributing to the good of society. As a world, we’re doing a better job of that. My goal is for Google to lead, not follow that.”

 “A leader should empower their subordinates by delegating tasks appropriately, providing proper guidance and limits, and supporting the decisions of the subordinates. When the subordinate leaders are empowered, their intelligence and talents can be unleashed to help the organization grow. When they are stifled, only the minimum gets accomplished because few are motivated to help an organization that is overbearing.”

7. Open-minded

“Leaders cannot work in a vacuum. They may take on larger, seemingly more important roles in an organization, but this does not exclude them from asking for and using feedback. In fact, a leader arguably needs feedback more so than anyone else. It’s what helps a leader respond appropriately to events in pursuit of successful outcomes.”

 “The ability to not be closed off to new ideas or challenges to established norms is what sets apart an open-minded leader. A person who can look at the best lessons of the past and current while being open to the ideas of the future has the best opportunity to create success in themselves, their business and employees. Being able to change with the times, flexible when needed and decisive when required is a rare thing today.”

 “Great leaders are inquisitive and use strong, open-ended questions to learn about their staff, identify opportunities and threats to their business, and challenge their top employees to take risks, think critically, and increase engagement. Of course it probably also goes without saying that asking a great question isn’t enough… great leaders also know how to listen and leverage the answers they receive to make good decisions.”

8. Patience

“Patience and perseverance have a magical effect before which difficulties disappear and obstacles vanish.”

 “Patience is a defining characteristic of great leaders and successful business founders. Patiently wait for the right opportunity and don’t swing at every pitch. More so, understanding that success doesn’t happen overnight, and obsessing over the process- not the result- will cultivate a culture of patience and ensure long-term success.”

9. Diplomacy

“I think a leader has many roles to play. So, you know, one role is that of incubating talent; the other is that of being a strategist. It’s a very interesting job I’ve got.”

 “One of the most important jobs a leader has is ensuring that everybody is absolutely on the same page, and that the team works together towards a common goal despite any cultural or political differences.”

10. Initiative for action

“It is, after all, the responsibility of the expert to operate the familiar and that of the leader to transcend it.”

 “No task is beneath you (even menial tasks). Just because you are a high up executive does not mean that you are above cleaning the extra dishes in the sink, or clearing off the table after lunch. Take the initiative to do small tasks around the office– lead by example.”

11. Humility

“Some persons are always ready to level those above them down to themselves, while they are never willing to level those below them up to their own position. But he that is under the influence of true humility will avoid both these extremes. On the the one hand, he will be willing that all should rise just so far as their diligence and worth of character entitle them to; and on the other hand, he will be willing that his superiors should be known and acknowledged in their place, and have rendered to them all the honors that are their due.”

 “An organization’s ability to learn, and translate that learning into action rapidly, is the ultimate competitive advantage.”

“A great leader has to be able to say, I’m sorry. If you want your organization to be constantly innovating and improving, your team members must be reflective and self-aware. You need them to know when they’ve made mistakes and correct them so they can get better. This is only a realistic expectation if the leader of the organization is willing to do the same thing. A good leader will say, I made a mistake, I’m sorry, and here’s what I’m doing to get better. If the leader can do this, it will set the right tone for the rest of the organization.”

12. Influence

“Leadership is not about titles, positions or flowcharts. It is about one life influencing another.”

 “The ability to lead through influence, rather than authority, is the most important quality of a great leader. Influence requires strong coaching, emotional intelligence, effective communication, negotiation and consensus building skills. Leaders who employ these skills to influence teams and stakeholders produce greater employee and customer engagement, increased collaboration and innovation, and ultimately drive greater excellence for the organizations they lead compared to those who attempt to use their position and authority to demand it.”

13. Purpose

“A leader is the one who can outline the broad vision and the direction, and say here’s where we are going to go, here’s why we need to go there, and here’s how we are going to get there. A manager is the one who actually gets up under the hood and tunes the carburetor.”

 “They have to have in their mind a clear reason the company exists beyond profit and be able to articulate that clearly and consistently to all audiences – internal and external. Doing so will motivate staff, attract customers and create differentiation and separation from competitors. And it will drive both the external brand and internal culture to create a healthier and more valuable enterprise.”

14. Vision

“Good business leaders create a vision, articulate the vision, passionately own the vision, and relentlessly drive it to completion.”

“Great leaders are able to help their team members understand the big picture so they can connect their success back to the success of the business. The vision should be big enough to inspire and broad enough to be inclusive. Doing so allows everyone in the organization to understand the importance of the role they play in bringing that vision to reality.”

15. Trust

“You can get knocked down, and it hurts and it leaves scars. But if you’re a leader, the people you’ve counted on will help you up. And if you’re a leader, the people who count on you need you on your feet.”

 “A CEO can’t do it all – in order for the company to be successful, a CEO must delegate. With that delegation must come a trust that the employee, at whatever level, will achieve success. A great leader has the ability to trust in the potential of his or her employees and the ability to achieve success through others.”

16. Integrity

“No man will make a great leader who wants to do it all himself or get all the credit for doing it.”

 “An great leader is someone who does the right thing, even when it’s unpopular or extremely tough to do so. You have to find something to care deeply about in your business and in each individual that touches your business. Do what you love in the service of people who love what you do.”

 “Integrity matters in three ways: leaders with great integrity foster critical trust amongst colleagues and direct deports, and demonstrate a commitment to moral and ethical behaviors. Leaders who do NOT value integrity will not gain the trust and buy-in of their teams and colleagues, which will negatively impact engagement and performance. And leading with integrity doesn’t mean never making mistakes, but recognizing and owning them, which leads to continual self-development, and demonstrates humility to others “

17. Problem Solving

“The bottom line is that if you become a master at handling problems and overcoming obstacles, what can stop you from success? The answer is nothing! And if nothing can stop you, you become unstoppable!”

 “One leadership quality of a great leader is the ability to solve problems. Leaders face challenges all of the time so they must be able to assess the challenge, find possible solutions (and consequences associated with those solutions), and select the best possible solution.”

18. Perspective

“The manager has a short-range view, the leader has a long-range perspective.”

 “What separates great leaders from the rest of the crowd is their ability to see the bigger picture instead of becoming lost in the details. The best leaders understand how each member of their team works to contribute to the overall goals of their business, and ensures that everybody understands which tasks they’re responsible for. By keeping the end objective in sight, they can push their company towards their long-term goals, rather than becoming stuck at the short-term goals.”

19. Listening

“Being a good listener is absolutely critical to being a good leader; you have to listen to the people who are on the front line.”

 “For great leaders, the secret to success is attentive listening to the people your work with. Great leaders listen and respond to employee suggestions for continuous improvement and use those ideas to grow the business.  They also openly listen and respond to messages coming from other metrics like employee turnover, as well as do proactive listening through organizational surveys and a liberal open door policy.“

 “Effective leaders take the time to listen deeply to every person related to the business, group or organization. Often overlooked, creating and modeling a culture of listening in one’s company is the key to connecting with customers and employees, making each person feel valued as a person as well as a member of the team. I’ve seen listening grow businesses, make money, and build relationships and it’s the key ingredient to being an effective leader.”

 “A leader needs to listen to what customers want and also to feedback from staff and clients. Sometimes, we do not hear what we would like to hear, but actively listening to comments will allow an effective leader to make changes, which in turn earns respect.”

20. Ownership / Accountability

“When a team, and especially a leader, takes ownership of its problems, the problem gets solved. It is true on the battlefield, it is true in business, and it is true in life.”

 “Leaders who take ownership and are accountable for their work can quickly implement any successes, as well as learn from any failures. Beyond making or saving a company hundreds of thousands, these leaders also typically develop their employees to do the same.”

21. Motivation

“To be a leader, you have to make people want to follow you, and nobody wants to follow someone who doesn’t know where he is going.”

 “Great leaders are motivators. This leadership quality can be spotted as early on as the job interview, where indicators of these qualities include asking great questions and showing a positive, can-do attitude. They demonstrate a willingness to roll up their sleeves and get things done and understand the importance of working with others as well as working hard on their own. They genuinely want to be engaged and involved in a business’s growth and have a great attitude and approach to helping the business grow and expand in the long run.”

 “The ability to praise is one of the most underrated leadership qualities out there. Recognition and appreciation serve to not only motivate and boost employee morale but also make employees continue to strive to impress you. It creates a mutual respect; I work for them just as much as they work for me.”

 b. Negotiation Skills

Negotiation is a method by which people settle differences. It is a process by which compromise or agreement is reached while avoiding argument and dispute.

In any disagreement, individuals understandably aim to achieve the best possible outcome for their position (or perhaps an organisation they represent). However, the principles of fairness, seeking mutual benefit and maintaining a relationship are the keys to a successful outcome.

Specific forms of negotiation are used in many situations: international affairs, the legal system, government, industrial disputes or domestic relationships as examples. However, general negotiation skills can be learned and applied in a wide range of activities. Negotiation skills can be of great benefit in resolving any differences that arise between you and others.

Stages of Negotiation

In order to achieve a desirable outcome, it may be useful to follow a structured approach to negotiation. For example, in a work situation a meeting may need to be arranged in which all parties involved can come together.

The process of negotiation includes the following stages:

1. Preparation
2. Discussion
3. Clarification of goals
4. Negotiate towards a Win-Win outcome
5. Agreement
6. Implementation of a course of action

1. Preparation

Before any negotiation takes place, a decision needs to be taken as to when and where a meeting will take place to discuss the problem and who will attend.  Setting a limited time-scale can also be helpful to prevent the disagreement continuing.

This stage involves ensuring all the pertinent facts of the situation are known in order to clarify your own position.  In the work example above, this would include knowing the ‘rules’ of your organisation, to whom help is given, when help is not felt appropriate and the grounds for such refusals.  Your organisation may well have policies to which you can refer in preparation for the negotiation.

Undertaking preparation before discussing the disagreement will help to avoid further conflict and unnecessarily wasting time during the meeting.

2. Discussion

During this stage, individuals or members of each side put forward the case as they see it, i.e. their understanding of the situation.

Key skills during this stage include [questioning](https://www.skillsyouneed.com/ips/questioning.html), [listening](https://www.skillsyouneed.com/ips/listening-skills.html) and [clarifying](https://www.skillsyouneed.com/ips/clarification.html).

Sometimes it is helpful to take notes during the discussion stage to record all points put forward in case there is need for further clarification.  It is extremely important to listen, as when disagreement takes place it is easy to make the mistake of saying too much and listening too little.  Each side should have an equal opportunity to present their case.

3. Clarifying Goals

From the discussion, the goals, interests and viewpoints of both sides of the disagreement need to be clarified.

It is helpful to list these factors in order of priority.  Through this clarification it is often possible to identify or establish some common ground. Clarification is an essential part of the negotiation process, without it misunderstandings are likely to occur which may cause problems and barriers to reaching a beneficial outcome.

4. Negotiate Towards a Win-Win Outcome

This stage focuses on what is termed a 'win-win' outcome where both sides feel they have gained something positive through the process of negotiation and both sides feel their point of view has been taken into consideration.

A win-win outcome is usually the best result. Although this may not always be possible, through negotiation, it should be the ultimate goal.

Suggestions of alternative strategies and compromises need to be considered at this point.  Compromises are often positive alternatives which can often achieve greater benefit for all concerned compared to holding to the original positions.

5. Agreement

Agreement can be achieved once understanding of both sides’ viewpoints and interests have been considered.

It is essential to for everybody involved to keep an open mind in order to achieve an acceptable solution.  Any agreement needs to be made perfectly clear so that both sides know what has been decided.

6. Implementing a Course of Action

From the agreement, a course of action has to be implemented to carry through the decision.

See our pages: [Strategic Thinking](https://www.skillsyouneed.com/lead/strategic-thinking.html) and [Action Planning](https://www.skillsyouneed.com/lead/action-planning.html) for more information.

Failure to Agree

If the process of negotiation breaks down and agreement cannot be reached, then re-scheduling a further meeting is called for.  This avoids all parties becoming embroiled in heated discussion or argument, which not only wastes time but can also damage future relationships.

At the subsequent meeting, the stages of negotiation should be repeated.  Any new ideas or interests should be taken into account and the situation looked at afresh.  At this stage it may also be helpful to look at other alternative solutions and/or bring in another person to mediate.

Informal Negotiation

There are times when there is a need to negotiate more informally.  At such times, when a difference of opinion arises, it might not be possible or appropriate to go through the stages set out above in a formal manner.

Nevertheless, remembering the key points in the stages of formal negotiation may be very helpful in a variety of informal situations.

In any negotiation, the following three elements are important and likely to affect the ultimate outcome of the negotiation:

1. Attitudes
2. Knowledge
3. Interpersonal Skills

Attitudes

All negotiation is strongly influenced by underlying attitudes to the process itself, for example attitudes to the issues and personalities involved in the particular case or attitudes linked to personal needs for recognition.

Always be aware that:

* Negotiation is not an arena for the realisation of individual achievements.
* There can be resentment of the need to negotiate by those in authority.
* Certain features of negotiation may influence a person’s behaviour, for example some people may become defensive.

Knowledge

The more knowledge you possess of the issues in question, the greater your participation in the process of negotiation.  In other words, good preparation is essential.

Do your homework and gather as much information about the issues as you can.

Furthermore, the way issues are negotiated must be understood as negotiating will require different methods in different situations.

Q3. Sales and customer service employees can experience conflict with customers on a fairly regular basis, depending on the industry. A common conflict experienced by salespeople is a dissatisfied customer who feels personally defrauded by an individual salesperson. As a manager, how can you help your team address conflict better? /15

Conflict is pretty much inevitable when you work with others.

People have different viewpoints and, under the right set of circumstances, those differences escalate to conflict. How you handle that conflict determines whether it works to the team's advantage, or contributes to its demise.

You can choose to ignore it, complain about it, blame someone for it, or try to deal with it through hints and suggestions; or you can be direct, clarify what is going on, and attempt to reach a resolution through common techniques like negotiation or compromise. It's clear that conflict has to be dealt with, but the question is how: it has to be dealt with constructively and with a plan, otherwise it's too easy to get pulled into the argument and create an even larger mess.

Conflict isn't necessarily a bad thing, though. Healthy and constructive conflict is a component of high-functioning teams. Conflict arises from differences between people; the same differences that often make diverse teams more effective than those made up of people with similar experience. When people with varying viewpoints, experiences, skills, and opinions are tasked with a project or challenge, the combined effort can far surpass what any group of similar individuals could achieve. Team members must be open to these differences and not let them rise into full-blown disputes.

Understanding and appreciating the various viewpoints involved in conflict are key factors in its resolution. These are key skills for all team members to develop. The important thing is to maintain a healthy balance of constructive difference of opinion, and avoid negative conflict that's destructive and disruptive.

Getting to, and maintaining, that balance requires well-developed team skills, particularly the ability to resolve conflict when it does happen, and the ability to keep it healthy and avoid conflict in the day-to-day course of team working. Let's look at conflict resolution first, then at preventing it.

**Resolving Conflict**

When a team oversteps the mark of healthy difference of opinion, resolving conflict requires respect and patience. The human experience of conflict involves our emotions, perceptions, and actions; we experience it on all three levels, and we need to address all three levels to resolve it. We must replace the negative experiences with positive ones.

The three-stage process below is a form of mediation process, which helps team members to do this:

**Step 1: Prepare for Resolution**

* **Acknowledge the conflict** – The conflict has to be acknowledged before it can be managed and resolved. The tendency is for people to ignore the first signs of conflict, perhaps as it seems trivial, or is difficult to differentiate from the normal, healthy debate that teams can thrive on. If you are concerned about the conflict in your team, discuss it with other members. Once the team recognizes the issue, it can start the process of resolution.
* **Discuss the impact** – As a team, discuss the impact the conflict is having on team dynamics and performance.
* **Agree to a cooperative process** – Everyone involved must agree to cooperate in to resolve the conflict. This means putting the team first, and may involve setting aside your opinion or ideas for the time being. If someone wants to win more than he or she wants to resolve the conflict, you may find yourself at a stalemate.
* **Agree to communicate** – The most important thing throughout the resolution process is for everyone to keep communications open. The people involved need to talk about the issue and discuss their strong feelings. [**Active listening**](https://www.mindtools.com/CommSkll/ActiveListening.htm)  is essential here, because to move on you need to really understand where the other person is coming from.

**Step 2: Understand the Situation**

Once the team is ready to resolve the conflict, the next stage is to understand the situation, and each team member's point of view. Take time to make sure that each person's position is heard and understood. Remember that strong emotions are at work here so you have to get through the emotion and reveal the true nature of the conflict. Do the following:

* **Clarify positions** – Whatever the conflict or disagreement, it's important to clarify people's positions. Whether there are obvious factions within the team who support a particular option, approach or idea, or each team member holds their own unique view, each position needs to be clearly identified and articulated by those involved.

This step alone can go a long way to resolve the conflict, as it helps the team see the facts more objectively and with less emotion.

Sally and Tom believe the best way to market the new product is through a TV campaign. Mary and Beth are adamant that internet advertising is the way to go; whilst Josh supports a store-led campaign.

* **List facts, assumptions and beliefs underlying each position** – What does each group or person believe? What do they value? What information are they using as a basis for these beliefs? What decision-making criteria and processes have they employed?

Sally and Tom believe that TV advertising is best because it has worked very well in the past. They are motivated by the saying, "If it ain't broke, don't fix it."

Mary and Beth are very tuned-in to the latest in technology and believe that to stay ahead in the market, the company has to continue to try new things. They seek challenges and find change exhilarating and motivating. Josh believes a store-lead campaign is the most cost-effective. He's cautious, and feels this is the best way to test the market at launch, before committing the marketing spend.

* **Analyze in smaller groups** – Break the team into smaller groups, separating people who are in alliance. In these smaller groups, analyze and dissect each position, and the associated facts, assumptions and beliefs.

Which facts and assumptions are true? Which are the more important to the outcome? Is there additional, objective information that needs to be brought into the discussion to clarify points of uncertainty or contention? Is additional analysis or evaluation required?

**Tip:**

Consider using formal evaluation and decision-making processes where appropriate. Techniques such as [**Quantitative Pros and Cons**](https://www.mindtools.com/pages/article/newTED_05.htm) , [**Force Field Analysis**](https://www.mindtools.com/pages/article/newTED_06.htm) , [**Paired Comparison Analysis**](https://www.mindtools.com/pages/article/newTED_02.htm) , and [**Cost/Benefit Analysis**](https://www.mindtools.com/pages/article/newTED_08.htm)  are among those that could help.

If such techniques have not been used already, they may help make a much more objective decision or evaluation. Gain agreement within the team about which techniques to use, and how to go about the further analysis and evaluation.

By considering the facts, assumptions, beliefs and decision making that lead to other people's positions, the group will gain a better understanding of those positions. Not only can this reveal new areas of agreement, it can also reveal new ideas and solutions that make the best of each position and perspective.

Take care to remain open, rather than criticize or judge the perceptions and assumptions of other people. Listen to all solutions and ideas presented by the various sides of the conflict. Everyone needs to feel heard and acknowledged if a workable solution is to be reached.

* **Convene back as a team** – After the group dialogue, each side is likely to be much closer to reaching agreement. The process of uncovering facts and assumptions allows people to step away from their emotional attachments and see the issue more objectively. When you separate alliances, the fire of conflict can burn out quickly, and it is much easier to see the issue and facts laid bare.

**Step 3: Reach Agreement**

Now that all parties understand the others' positions, the team must decide what decision or course of action to take. With the facts and assumptions considered, it's easier to see the best of action and [**reach agreement**](https://www.mindtools.com/pages/article/newTED_86.htm) .

In our example, the team agrees that TV advertising is the best approach. It has had undeniably great results in the past and there is no data to show that will change. The message of the advertising will promote the website and direct consumers there. This meets Mary and Beth's concern about using the website for promotions: they assumed that TV advertising would disregard it.

If further analysis and evaluation is required, agree what needs to be done, by when and by whom, and so plan to reach agreement within a particular timescale. If appropriate, define which decision making and evaluation tools are to be employed.

If such additional work is required, the agreement at this stage is to the approach itself: Make sure the team is committed to work with the outcome of the proposed analysis and evaluation.

**Tip:**

If the team is still not able to reach agreement, you may need to use a techniques like [**Win-Win Negotiation**](https://www.mindtools.com/CommSkll/NegotiationSkills.htm) , the [**Modified Borda Count**](https://www.mindtools.com/pages/article/newTED_98.htm) , or [**Multi-Voting**](https://www.mindtools.com/pages/article/newTMM_97.htm)  to find a solution that everyone is happy to move the team ahead.

When conflict is resolved take time to celebrate and acknowledge the contributions everyone made toward reaching a solution. This can build team cohesion and confidence in their problem solving skills, and can help avert further conflict.

This three-step process can help solve team conflict efficiently and effectively. The basis of the approach is gaining understanding of the different perspectives and using that understanding to expand your own thoughts and beliefs about the issue.

**Preventing Conflict**

As well as being able to handle conflict when it arises, teams need to develop ways of preventing conflict from becoming damaging. Team members can learn skills and behavior to help this. Here are some of the key ones to work on:

* Dealing with conflict immediately – avoid the temptation to ignore it.
* Being open – if people have issues, they need to be expressed immediately and not allowed to fester.
* Practicing clear communication – articulate thoughts and ideas clearly.
* Practicing active listening – paraphrasing, clarifying, questioning.
* Practicing identifying assumptions – asking yourself "why" on a regular basis.
* Not letting conflict get personal – stick to facts and issues, not personalities.
* Focusing on actionable solutions – don't belabor what can't be changed.
* Encouraging different points of view – insist on honest dialogue and expressing feelings.
* Not looking for blame – encourage ownership of the problem and solution.
* Demonstrating respect – if the situation escalates, take a break and wait for emotions to subside.
* Keeping team issues within the team – talking outside allows conflict to build and fester, without being dealt with directly.

Q4. An accountant can’t do their job without all the numbers. If an employee is constantly late with their reports, it affects the accountant’s ability to finish up and make deadlines.

How can you solve this problem? /15

First, any rules established by the company should be reasonable, and workers should be consulted before the rules are adopted. The rules--and consequences for breaking them--should be known and well-understood by all workers. They should be impartially enforced, with any punitive actions understood by employees beforehand. You should be flexible in the enforcement of certain rules, taking into account extenuating circumstances when applicable. Communications channels should also remain open so that employees feel free to question rules they feel are unreasonable.

If a circumstance arises in which an employee warrants punishment, you should develop an employee warning system which should be implemented in a predictable and logical sequence, and should be easily adaptable to varying circumstances. For example, you might devise a system by which the employee is gently reminded of company policy on a certain issue the first time such a warning is warranted. The second time, a sterner warning is given, often in the form of a written reprimand outlining past performance and the prior warning(s) given; a probationary--and final--warning can be issued the third time, with a thorough accounting of employee performance and a clear understanding that violating the probation will result in dismissal. All such warnings must be done in private so as not to embarrass the employee, with counseling offered on improving performance. The warnings should also be recorded in the employee's personnel file, as mentioned in more detail below. Also, warnings must carry weight behind them or they won't be taken seriously; if a probationary warning is given, there should be systematic follow-through the next time serious disciplinary action is needed. Probationary periods should have an established time limit. The probationary warning should make clear what you expect in the way of performance improvement and over what time frame.

Terminating an employee in haste or on the basis of fuzzy evidence can cause more problems in the long run than the ones you think you're solving. In these cases, it's better to try to turn the employee around than go through the painful firing-hiring process--unless the person has committed acts that are clear grounds for immediate termination, such as impropriety, gross incompetence or theft.

First, ask yourself who is really at fault in the situation. Perhaps the employee has had little or no control over his or her performance. Often in small companies, job assignments are poorly defined. This is one of the reasons writing down a job description when you are hiring is so important. Yet it is a sad fact that lack of adequate support and communication are often the real reasons behind poor results from an employee.

If the employee is actually at fault, a performance review can allow the person a fair chance to change. Remind the employee what is expected of them and that continued failure to perform will lead to dismissal. You must lay your cards on the table and establish goals from him or her to achieve.

You should get an agreement on these goals and deadlines in writing and have the employee sign the form, so you have complete documentation on file. This written process forces you to analyze exactly what poor performance means to you. Misunderstandings about job duties will be brought out in the interview, as well as personal problems that are affecting performance. Sometimes these problems are temporary and can be worked around.

The most important reason for fully documenting performance reviews is to protect yourself in the event that the employee must be fired later. You will have clear and objective information on which to base your decision. The employee can't say he or she wasn't warned or given a chance, and you will have vital written evidence for use in supporting your case.

In fact, we recommend a performance-review policy for even the smallest of companies with only one or two employees. Basic to this procedure is a personnel file for each new employee hired. Into the file go the job description, job application (signed), resume, if any, and regular performance reviews.

Every six months, reviews or efficiency reports should be conducted for each employee after an initial probationary period. Review should be more frequent during the probationary period, perhaps monthly. Write a dated memo for the person's file whenever performance problems arise between reviews. Disputes among employees, missed assignments and the like should be documented in writing. This not only helps you do a better evaluation, but serves as evidence if you need to produce later.

If your employee doesn't make a comeback in performance after being put on notice, you must replace that person. The best way to approach this situation is quickly, without procrastinating. Use compassion and sensitivity when dealing with this task, avoid lecturing and, above all, do not resort to a shouting match. Limit yourself to facts supported by written documentation. Some labor attorneys counsel that a witness should be present at a firing for better protection in the event controversy arises later.

In recent years, labor boards and courts have sided with terminated employees more and more by awarding punitive damages or requiring payment of compensation in cases where termination grounds were unclear. The number of terminated employees who seek judicial relief is clearly on the rise, due in part to the impact of well-publicized sums of money awarded, job reinstatements with retroactive pay, etc.

Written evidence is the only material acceptable to labor boards and the courts. You can't afford to rely on your memory. A hazy recall of the facts or reasons for dismissal will tip the scales toward the employee in almost any case where cause for termination is questionable. It's worth your time to seek the help of a competent attorney familiar with labor laws in your state. He or she will help you understand the steps you should take to protect yourself from the nightmare that a botched firing can cause.

There are other legal and operational problems you should take into account before you fire a person. Many growing companies have employment contracts with key executives, and these should be carefully checked for terms. Union employees will have collective bargaining agreements that must also be considered.

If the employee is an officer or director of the corporation, no matter how small your corporation is, firing that employee does not terminate his or her appointment as an officer or director. Get a resignation or vote as required by the corporate bylaws, recording any such actions in resolutions as required by the corporation commission(s) in your state. Remember that the applicable law is based on the jurisdiction in which your business is incorporated, not where you're located.

If you've given the person signature power at the bank, withdraw it immediately. Anyone with the power to write checks against your account may be tempted to do so. Likewise, don't forget to take back any keys, credit cards, samples or other company property in his or her possession. The best way to keep track of this is a checklist of items given to the employee (and signed for) to be kept in his or her personnel file.

Be careful about benefit plans, and be aware of their terms in the event of termination. The Employee Retirement Income Security Act protects the rights of terminated employees and requires strict compliance. There are penalties for failure to pay vested interest in profit-sharing plans, for example. Even health-insurance plans are covered under this act. If you fail to inform an employee of their rights under health plan, you can be held liable.

Resist the temptation to transfer the employee to another job in the company if it's done solely as a means of delaying the inevitable. Sometimes a person can be better suited for another job in the organization and you should consider this alternative. But in most small businesses, there's no useful place for the person to go.

Don't delay firing an employee out of kindness, and don't notify the person too far ahead of when the termination will be effective. An employee who has been notified of termination rarely has their mind on the job and can end up disrupting other employees.

An even worse mistake is allowing an employee on his way out to train his replacement, although that has been done in some instances. Train the replacement yourself so that the mistakes and attitudes of his predecessor are not continued. Another approach is to groom a replacement over time so that someone on staff is ready to step in.

A small-business owner who got into an argument over policy matters with his manager canned the subordinate on the spot. Within two weeks, the manager had formed his own company and attracted several major clients from his old firm as well as two key employees who felt the manager had gotten a raw deal.

Whether you call it terminated or axed, there's no easy way to fire someone who works for you. But if it's poorly handled, it can be a disaster. In addition to loss of business as in the case above, there are legal pitfalls as well. A lawsuit, win or lose, involves legal fees and the time lost defending yourself in court or before the Department of Labor.

While there is no one "right" way to handle a dismissal, there are certain steps can take to balance the rights and interests of the individual against the needs of your company. This is particularly vital in a small company where the severance of a key employee can be crippling.

Shock, anger and surprise are common reactions to getting fired, even among employees who know their performance has been slipping and have been warned in advance. The important thing to remember in dealing with such reactions is that a person who wasn't right for you can be right for someone else.

There are several ways you can make an exit easier on the departing employee. Timely payment of all money due the person is important and will keep you from running afoul of the applicable state laws covering employment.

Some companies let a departing key employee use an office and secretarial help for free or at modest cost while he or she looks for other employment. Allowing the terminated person to submit a letter of resignation is another means of removing the stigma of being fired and makes it easier to find other work.

A letter of recommendation that does not exaggerate abilities or cover any problems may be appropriate, as may pointing the person in the direction of job opportunities that you may know about. In some cases, companies have found it worthwhile to pay for the services of an outplacement firm that helps key individuals pick up the pieces and find another job. This is done, of course, out of enlightened self-interest on the part of companies who can easily be exposed to litigation by a disgruntled ex-executive.

In the final analysis, a firing can be best for all parties concerned if it's handled properly. When problems do occur, it's often because business owners weren't aware of the potential pitfalls and did not plan for them in advance. It's clear there are no easy ways to fire someone and no simple guidelines to follow. But a business owner who is compassionate and sensitive can avoid nightmarish legal and operational problems that result when a firing is viewed simply as giving person walking papers at a moment's notice.

An at-will employee may be terminated by an employer at any time with or without cause and with or without advance notice, as long as the reason for the termination is not prohibited by law. For example, federal laws prohibit discrimination in employment based on certain protected classifications, including race, color, sex (including pregnancy), religion, national origin, age (40 or over) and disability. Therefore, an employer is prohibited from terminating an employee if the basis of that termination is his or her membership in any of these protected classifications.

If an individual believes he has been discriminated against with respect to an employment decision, he must file a complaint with the Equal Employment Opportunity Commission (EEOC) or the state counterpart thereof before he can file a lawsuit alleging that an employer violated those laws.

While there is no absolute way to prevent a terminated employee from filing an EEOC charge, there are steps you can take to minimize the chances that such a complaint will be filed. Moreover, there are steps an employer can take to put itself in a better position to respond to the EEOC, if and when a charge is filed.

With respect to attempting to resolve a dispute with an employee regarding termination of employment--including any potential discrimination claims--employers sometimes offer severance packages. These packages provide some form of consideration (typically, payment of a particular amount) in exchange for a release by the employee, requiring the employee to agree to release and waive any and all claims arising out of the employment relationship between the employee and the employer. Note, however, that even if the employee signs the release and accepts the consideration, the United States Supreme Court has held that this does not absolutely preclude the employee from filing a charge with the EEOC, although it does prevent him from recovering any monetary damages. However, the EEOC is not bound by the release, and thus, under these circumstances, the EEOC can take action upon the charge, assuming it believed that a discriminatory act had occurred.

If an employer offers a severance package to an employee who is over age 40, and the employee is asked to sign a release, specific requirements must be met in order to comply with the Older Worker's Benefit Protection Act (OWBPA), which amended the Age Discrimination in Employment Act of 1967 (ADEA), in order for the employee's waiver of rights to be valid. Among other requirements, the release must include a 21-day review period as well as a seven-day revocation period; the language of the release must be understandable to the average protected employee; and the employee must be advised in writing that she has the right to consult an attorney prior to signing the release. (Please note that this article is not intended to address all the requirements under the OWBPA. Employers should speak to their local counsel for guidance when these specific issues arise.)

Whether or not a severance agreement is offered and/or signed, there are other ways you can put yourself in a better position to defend an EEOC charge, which we mentioned earlier in this article: Communicating with employees when performance and/or work-related issues arise; documenting all important communication and relevant workplace events as they occur; having witnesses present when communication is oral; and having employees sign all written communication about the issues. Additionally, an employer should enforce its policies and procedures uniformly and consistently.

None of these suggestions guarantee that an employee will not file an EEOC charge or guarantee a successful defense or favorable outcome if an EEOC charge is filed. But if done correctly, they do provide important protection to the employer.

**Good Luck!!**