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## Becoming "Dispute-Wise"

Recent research shows that tension within a business, professional or personal relationship can have a disproportionate impact on the people and businesses involved, affecting their productivity and effectiveness.

It is not easy to overcome inbuilt antagonism. Difficulties can arise whether you are managing up or managing down, dealing with customers or contractors, or in B2B situations. Positions can soon become polarised and little things can be perceived as deliberate attacks, or unhelpful obstruction.

Loss of trust is often said to be at the heart of disputes, as fear, egos, personalities, agendas, values and expectations get in the way of genuine understanding. This is not good for business.

It is said that over 20 per cent of senior management time is taken up engaging in or managing disagreements. Research into the cost of disputes in business has found that the financial costs for small companies averaged £75,000, with larger companies paying as much as £500,000 or more. The research also found that 75 per cent of CEOs were personally involved in the dispute, with 87 per cent saying that disputes took up too much management time.

In the US, many businesses have become "dispute-wise". They integrate contentious issues into the overall business planning process, seeking to reduce the uncertainty of ongoing disputes, whether litigious or not, and to work in an environment where senior management is focused on preserving relationships and resolving differences rather than on winning every point, or aggressively litigating.

The American Arbitration Association has found that the most "dispute wise" US companies are more likely to have stronger relationships with customers, suppliers, employees and partners and that their P/E ratios are on average 68 per cent higher than those of the least "dispute-wise" companies.

Now, how many "dispute-wise" companies do we have in Scotland?

*For further information, call 0131 221 2520 or visit [www.core-solutions.com](http://www.core-solutions.com)*

