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Submission date: 03-May-2021 06:45AM (UTC-0500)

Submission ID: 1576700153

File name: Conflict_management_case_study_paper.edited.docx (21.53K)

Word count: 1650

Character count: 9290

Conflict Management

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Conflict Management

The scrutiny of famous historic negotiations is important in the advancement of project management abilities. These historical negotiations offer valuable insights and resources from which individuals can learn strategies, ethical considerations, and values to guide principles for improving business processes. In addition to that, via the study of negotiations that have previously occurred, salient and critical aspects of business strategies that lead to disputes can be dealt with at the initial stage (Lipsky et al., 2020). That way, human resource managers and other stakeholders are assured that the risks and threats from lawsuits and complaints arising from unreasonable and disreputable practices are minimized, if not completely eradicated (Lipsky et al., 2020). This paper aims to analyze the conflict involving the United Parcel Services (UPS) strike of 1996.

The Conflict

The United Parcel Services (UPS) is a parcel delivery company founded in 1907. Presently, the company has advanced to become one of the biggest global logistical and package delivery services and expert transportation providers. Furthermore, the company's major strategy was to hire majorly part-time employees, which was attractive to youthful job seekers. A majority of young people were offered employment during off-time shifts, where they earned wages and benefits negotiated by their union. However, the part-time employees at UPS had very minimal chances of advancing in their job categories regardless of the period one worked for the company because the employees were categorized as short-term contract labor who cannot advance in their roles.

By 1996, the company had 182,000 part-time employees working 26-28 hours per week, with a majority having been with UPS for more than five years, earning part-time compensation

rates (Santos, 2018). However, the employees were unionized under the Teamster Union, who handled negotiations on their behalf. The union scrutinized the part-time workers at UPS and resolved to launch an offensive strike against the employer. While engaging in industrial action, the part-time employees banked on the support of the public for their cause. The negotiating team from the union researched the statutory rights of UPS workers, together with the contents of the Teamster-UPS contract. Again, they scrutinized the proportions and ratios relating to short-term contract employees contrasted with full-time workers, as well as inconsistencies in remuneration, retirement benefits, and inadequate prospects for permanent employment.

The Teamster union adopted a campaign strategy that underscored the disparities in financial situations between permanent employees and contracted workers. The union managed to depict how UPS exploited its part-time workforce to limit operational costs and employer requirements as commanded by the federal statutes in maintaining regular workers. Furthermore, the Teamster Union and part-time UPS employees commenced a strike that garnered support from the public and other international union bodies. Emails were sent out to workers about the planned industrial action, thus enabling the UPS employees to comprehend why the union called for a halt in UPS operations. This move enabled the employees to save their money for the short-term job loss in preparation for the industrial action. Furthermore, the International Labor Union set aside some resources to boost the UPS labor force industrial action account if it was exhausted in case the negotiations were protracted.

At the negotiation table, the union came up with different demands, key among them was the appointment of the part-time workers on full-time employment, with retirement benefits, harmonization of salaries of part-time employees with their full-time colleagues, the guarantee of job security against outsourcing, and improvement of the working environment. As a sign of

preparedness, the union overruled UPS's concessionary proposal of outsourcing big-rig driver vacancies. This move meant restricting job openings available for the progression of full-time drivers. The union defeated this proposal by citing its contract with the employer that contained provisions that sub-contracting can only be allowed if the union agrees. The union's actions were successful because, towards late 1996, only forty-thousand of the hundred and eighty-two thousand part-time workers worked under part-time contracts. In no time, the union and UPS arrived at an amicable solution to the industrial action.

The key solution was that more than ten-thousand part-time workers were to be converted into full-time employees. In addition to that, the ten thousand vacancies available to non-union members were allocated to the unionized members. Also, the union members became worthy of performing tasks utilizing technological tools. The part-time salary rates were increased from \$8.00 to \$8.50 while offering salary increments that would combine \$4.10 hourly throughout the five-year contract the union had with UPS. Additionally, the company replaced the older fleet with power-steering ones that also had ventilators. Mandatory overtime work was prohibited while paternity and maternity leaves were expanded under the Family and Medical Leave Act. Lastly, punitive actions targeting personnel involved in injury cases while working were also prohibited.

The Type of Negotiation

The type of negotiation the Teamster Union and UPS officials engaged in is called distributive negotiations. In Distributive negotiations, each party considers the other entity as an adversary and this is well reflected in the demands on the negotiating table (Abigail et al., 2018). Furthermore, in such a negotiation, every party tries very hard to put its best foot forward and grab a significant chunk of the available resources. Along with that, the negotiating teams must

comprehend the competitive positions of their adversaries because it helps them in debating on who should get what. In essence, distributive negotiation involves acting offensively. In this approach, the Teamster Union viewed UPS as an adversary and tried to put the facts on the negotiating table based on the contract they had with the company. For instance, when the Teamster Union rejected the proposal regarding the outsourcing of big-rig drivers, the move was informed by their understanding of the intricate details of their five-year contract with the employer.

In addition to that, distributive negotiation involves a win-lose situation, where one party gains an advantage while the opposing party loses (Abigail et al., 2018). In UPS versus the part-time workers, the union helped its members, who are the part-time workers at UPS, win based on the solutions arrived at as highlighted previously. The loser here was the employer who was forced to comply with the demands of the part-time employees who were significantly absorbed permanently. Another characteristic of distributive negotiation, as suggested by Abigail et al. (2018), is that the negotiator is keen on their interests. In this regard, the Teamster Union was concerned with the interest of its members working for UPS. That is why it advised its members via email to start saving money that they would use if the negotiation process were protracted.

Besides, the union refused to bow to the proposals made by the UPS negotiators in the best interest of the temporary workers who were taking part in the industrial action. Also, the distributive approach is a negotiating strategy used by a party with a solid advantage over another entity (Abigail et al., 2018). In the case of UPS, the worker had an advantage over the employer in various ways. For instance, the union was prepared for the negotiations. It had come up with a list of demands in advance, and the employers knew nothing about these demands until

the negotiations began. In addition to that, the workers, via their union, were aware of the employment contract details against issues like subcontracting work.

Critiquing the Negotiations

The UPS union affiliates investigated the legislative rights of part-time workers together with the details of Teamster Union agreement. The discrepancies in remuneration as well as work conditions became apparent through this research, giving the union and its members an upper hand in the negotiations. The employer ought to have known more about these statutory obligations before engaging the union in discussions because it seems the employer was ill-prepared for the negotiations. Furthermore, in this negotiation, the employees were better prepared than their employer. The employees engaged the services of a third party at the negotiating table. Kaplow (2016) argues that third parties can be lawyers or industry experts who understand labor relations independent thinkers who look at the facts presented. The employees had the services of their union heads hence giving them an advantage over the employer. In addition, UPS as a company failed in public relations once the workers gained public support in their industrial action. The Teamster union did its homework perfectly and they managed a win-lose situation at the negotiating table, with the loser being UPS company, who accepted the employee's demands. Had the company been more resourceful in preparing for negotiations, maybe the outcome would have favored UPS.

To sum it up, every negotiation must involve adequate preparation. When two opposing teams meet for negotiations, the adequately prepared party is likely to come out the winner. Additionally, employers have a duty to their employees as prescribed under statutory laws. Failure to abide by the statutory laws will attract unnecessary fines and lawsuits detrimental to a company's image. However, the most important lesson that is derived from the UPS case is that

conflict resolution is a process that involves intricate preparation. Where a party cannot adequately represent themselves, they can engage the services of a third party who they consider an expert in labor relations. Also, from this case, crucial lessons on conflict resolution strategies can be derived. Strategies that can assist businesses deal with disputes before they escalate to extreme levels.

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