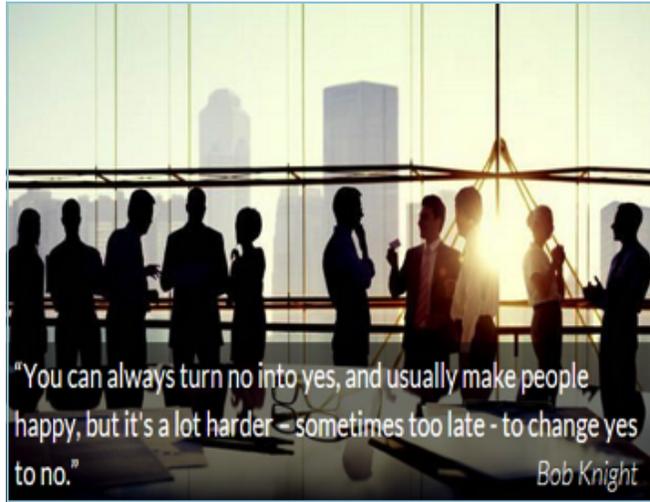


MEDIATION TODAY



The new economic environment created a reality rich in conflict inside and outside the organization. This context positions alternative dispute resolution mechanism as a success pillar for: conflict management, dispute management and building smart internal and external grids to integrate forces and develop sustainable competitive advantages objectives. Increase awareness of the Egyptian business community leaders of the most updated conflict management resolution mechanism in the international arena; increase awareness of the “Mediation” as the most important conflict management and problem solving tool in today international business environment; educate our business community why, when and how to mediate in Egypt; most importantly our project aims at building the bridges to close the gaps in practice of conflict management between the international environment and the local Egyptian market. This newsletter addresses professional from non-profit, for-

profit and governmental institution alike. Every quarter PEARL/LEGALIA/IDSC will launch a new number to keep you closer and updated in mediation today.

Why manage your internal and external organizational and business conflicts?

- There is no doubt that managing your organizational conflict will help improve your quality and productivity, as well as improve your stakeholder satisfaction. It creates a collaborative work environment and minimizes work place violence. Helps improve employees general and mental health, by which we mean less sick days and lower employer health assurance cost. All the above increases employee retention and job satisfaction; decreased costs for passive/aggressive behaviors at the work place. In addition to its positive impact in improving the organizational image and market reputation. Most important in today's business environment this should enable organization to maintain and enhance inter organizational business relationship. (Brubaker et al, 2014)
- Collaborative processes to resolve conflict in the workplace have supported organization in North America over the last thirty years. Mediation processes made the earliest inroads in organizations joined most recently by conflict coaching to assist organizations in manage internal and external conflict.

In this Issue we focus on introducing our reader to: What is mediation? Why mediation and collaborative conflict management is important for your business? What is the mediation process? And then we zone into mediation today

in Egypt.

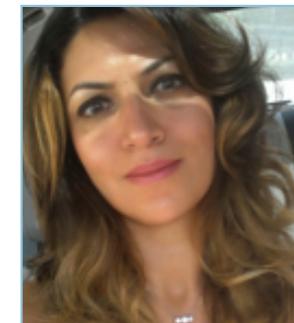
Next issues will focus on other complimentary topics to help our reader build an understanding of mediation and its value.

What is Mediation?

The following section is based on the work of “Office of the United Nations Ombudsman and Mediation” (reference below)

Mediation is a voluntary process conducted confidentially in which a trained neutral person, known as a mediator, assists parties in working towards a negotiated agreement of a dispute or difference, with the parties themselves remaining in control of the decision to settle and the terms of any resolution. The goal of mediation is for parties to speak with each other in an open and honest manner to try and reach a resolution that is acceptable to all parties in dispute. The mediator uses techniques to facilitate a conversation between the parties in a safe and constructive environment.

The mediator will not tell the parties what to do. Any agreement that is reached is determined solely by the parties.



Dr Cherine Soliman
Mediation Today Founder
and Chief Editor

cherine.soliman@pearlntec.com
01000936636
www.pearlntec.com

What workplace disputes can be referred to mediation?

Most workplace disputes can be referred for mediation provided that the parties are willing to engage with the process. Mediation can be used prior to, concurrently, or after a workplace procedure, such as a grievance or disciplinary.

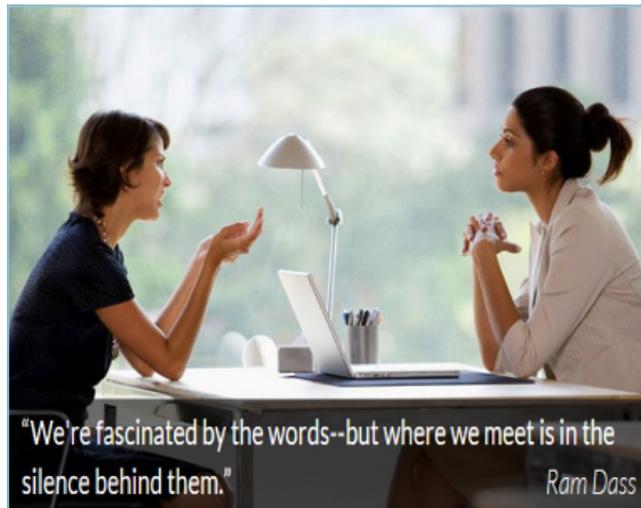
Business Mediation Examples

- Partnership conflicts
- Family conflict within a family business
- Inter-department disputes
- Work place issues between employees
- Management and employee conflicts
- Third party conflicts

Mediation process:

What does the mediation process offers that is particularly in the advantage of the organizations of today:

- Helps people in a dispute or conflict to communicate with one another;
- Assists the parties involved in understanding each other;
- Encourages the parties involved to try and find common ground;
- Acknowledges and respects that each person will have their own point of view;
- Focuses on the underlying or real interests of the parties;
- Focuses on both the future and the past;
- Helps the parties to find creative solutions;
- Places the responsibility on the parties to decide the outcome;
- Assists the parties to reach agreements that satisfy everyone's needs.



Benefits of Mediation:

It is only fair at this point as a business man to need a clear elaboration on what are the particular advantages of mediation. What makes mediation the dominant collaborative form of conflict management in the business world today? (Brubaker et al, 2014; Coltri, 2010)

Range of conflict or disputes

- Many kinds of conflicts can be resolved successfully through mediation;

Success rate

- Organizations that use mediation achieve settlement rates of over 70% and participants give satisfaction ratings of over 85% even if settlement is not achieved.

Quick

- Mediation can be arranged quickly and if the parties are available, the formal mediation process usually lasts for one or two days only;

Informal

- The purpose of mediation is to resolve cases between

management and employees and between colleagues of equal or similar rank in an informal setting;

Time efficient

- Mediation reduces the amount of time management needs to spend dealing with conflict or disputes in the workplace;

Stress reducing

- Mediation cuts down on employee stress and improves workplace environment for all colleagues associated with the parties;

Harmonizing

- Mediation can help to maintain harmonious or to repair dysfunctional office and working relationships;

Empowering

- Mediation gives parties control over the process and the outcome;

Wide ranging settlements

- A wide variety of settlement options can be achieved in mediation over and above monetary settlements.

The above is not a comprehensive introduction to Mediation, but it is a simple foundation of mediation knowledge that we plan to keep enriching through our next publications.

Mediation has a strong presence on the international level. As Egypt based business people, it is fair to say you should be wondering where is Mediation in Egypt? Does it exist? Does have an impact? Where to go if I wish to mediate in Egypt?

We will answer to these questions starting this issues. But it is one of the set of questions that we plan to keep you posted with its regards with every new number out.

In this issues Dr Eman Mansour, Director for Investors' Dispute Settlement Centre, has written the following article "Success Stories" of Mediation in Egypt.

MEDIATION IN EGYPT



A Story of Success

By: **Dr. Eman Mansour.**

Director for Investors' Dispute Settlement Centre

The concept of "challenging disputes", which occupies a large space in our everyday life, spoils it as well. Although personal disagreements break our piece of mind and disturb our living conditions, yet business and finance disputes cost tremendous financial losses to all parties. Accordingly, at the beginning of each business day of a company, ongoing financial loss-avalanche aggravates.

One of "The Center" past experiences was a specific dispute between a company and one of its major joint stock companies.

This dispute was concerning the management approach,

the plaintiff company board representation, the conflict of jurisdiction and the resolutions on investment and company future.

As a result of that ongoing daily disagreement with its overlapping items, instead of increasing investments, the company power and the labor force as well as the board were all consumed/ exhausted through managing disputes process. At that point the company paused for a while. It began to look for a way out of those nonstop disagreements. Finally with neither anger nor violence, it discussed its priorities and management approach.

These stop- disputes moments enabled the parties to recognize the dissident opinions. It also allowed them to know the causes of the disagreement. Actually we inaccurately walk blind folded because of the heated outrage towards the other partner. Therefore we become blind without any clear vision.

These stop-disputes moments also allowed concentration to find a way out, which was applying to the Investor Dispute Settlement Center. Going through an innovative experiment, which was the arbitration. At the very beginning it looked weird, but sitting with the arbitrator enabled all parties to identify the disagreement items. Moreover it afforded a proper vision for the status quo, specifically the current situation of the project. Furthermore it helped in finding peaceful solutions for the conflict.

The arbitrator made the parties realize that neither of them is completely wrong or completely right.

The parties were able, through this vision, to propose several solutions to save the company during a few arbitration sessions. They agreed to disassociate the joint stock company from the parent company.

After few hours of negotiations, they aimed at pricing to finalize the disassociation process. They reached a fair price. Consequently, the shares were offered in the Stock Market. Therefore this amicably put an end to that disagreement,

resulting in saving the company investments which exceed millions, and settling for a better investment vision to manage the company.

To that end the parties believe that heading arbitration was worthy despite its recentness.

Thus, The Center has made numerous achievements during the last three years either on training level or on legislation level or through settlement process as well. The center has achieved settlements that exceed (600 million pounds) in 2013. Settlement requests for (35 companies) were applied to The Center in 2014, and the sums that have been released were (2 billion and seven hundred seventy million pounds).

ANNOUNCEMENTS:

Free Training: Stay tuned to the web site of all the participant companies for a very soon announcement for a series of "Mediation Awareness Training Session" for the business community, that will take place for 4 hours once a month of a period of one year, to help business leaders understand and practice collaborative conflict management at their respective organizations.

REFERENCES:

- 1.Laurie S. Coltri, 2010, Alternative Dispute Resolution, Second Edition, Prentice Hall,
- 2.Office of the United Nations Ombudsman and Mediation: <http://www.un.org/en/ombudsman/medservices.shtml>
- 3.David Brubaker et al, 2014, Conflict Resolution in the Workplace: what will the future bring, Conflict Resolution Quarterly, Vol 31, no 4
- 4.Blades, J. 1984 "Mediation: An Old Art Revisited." Mediation Quarterly

TODAY IN EGYPT: PEARL NTEC, LEGALIA AND THE INVESTOR' DISPUTE SETTLEMENT CENTER (IDSC):

In the current international global economy the organizations are experiencing an increase in conflict in the workplace. The conflict resulting from the global economic environment impacts not only international companies but also local domestic firms. While we acknowledge the positive role of conflict in the organization as the catalyst for change and innovation, it is undeniable that conflict is and can also be extremely costly, both in financial and human terms. PEARL, LEGALIA and the Investor' Dispute Settlement Center are offering "Mediation Services" as an approach to collaborative process in resolving destructive workplace conflict in the Egyptian market.

COMPANIES AND ENTITIES ALLIED:

"PEARL CONFLICT MANAGEMENT AND TRANSFORMATION CONSULTING FIRM":

Pearl's conflict management consulting services provide end-to-end conflict management strategies for all stakeholders across your organization. Comprehensive dispute resolution processes, procedures and techniques help you to focus on your business' bottom line instead of costly litigation and grievances, and can be tailored to your organization's specific needs.

www.pearlntec.com

"LEGALIA" IS A CORPORATE LEGAL FIRM WITH A DIFFERENCE.

We combine strong experience in private practice with deep knowledge of in-house business needs, making us the first "one stop legal shop" in the Middle East. We provide

solutions for end-to-end corporate, M&A, capital market and other commercial transactions through supporting long-term strategic planning that both prevents and solves disputes for the clients we serve.

"THE INVESTOR' DISPUTE SETTLEMENT" CENTER (IDSC):

The Investors Dispute Settlement Center offers mediation services for the settlement for commercial differences that may arise between partners or companies of whatever legal form.

IDSC was established in 2009 in furtherance of the investor-oriented services provided by the General Authority for investment and Free Zone (GAFI).

To ensure the exchange of international best practices and regional experiences IDSC cooperates with mediation centers operation in several countries such as England, Italy and France. IDSC also joined the federation of Mediterranean Private Mediation Center, which includes private mediation centers in Lebanon and Morocco.



Dr Cherine Soliman

*Mediation Today Founder and Chief Editor
PEARL NTEC Founder and CEO*

Experienced Negotiation, Mediation Specialist and Consultant, MBA, MSc and PhD in Negotiation from Nantes University, France, 8 years experience in the consulting industry, 15 years lecturer in different universities in different countries, 5 years working experience in the United Nations, experience in cross culture management, author of a number of international publications.



Mr Hamdy Mostafa

*Founder and CEO Legalia
hamdy.mostafa@legaliacorp.com*

Mediation Today Contributor: Expert in corporate, commercial and civil law issues. He is also experienced in the fields of handling civil and commercial disputes and acted for a number of International Clients before local courts and in International Arbitrations