

6.2.E: Assessment Questions

1. A process in which a third party selected by the disputants helps the parties to voluntarily resolve their disagreement is known as:
 - a. Mediation.
 - b. Discovery.
 - c. Arbitration.
 - d. Settlement.

Answer

a

2. What's the first step in Alternative Dispute Resolution?
 - a. Conciliation.
 - b. Mediation.
 - c. Negotiation.
 - d. Arbitration.
3. What's the definition of negotiation?

Answer

The process by which parties with nonidentical preferences allocate resources through interpersonal activity and joint decision making.

4. How does the process of negotiation work?
5. Explain the Thomas-Kilmann Conflict Mode Instrument.

Answer

The Thomas-Kilmann Conflict Mode Instrument (TKI) is a questionnaire that provides a systematic framework for categorizing five broad negotiation styles. It is closely associated with work done by conflict resolution experts Dean Pruitt and Jeffrey Rubin. These styles are often considered in terms of the level of self-interest, instead of how other negotiators feel. These five general negotiation styles include:

Forcing. If a party has high concern for itself, and low concern for the other party, it may adopt a competitive approach that only takes into account the outcomes it desires. This negotiation style is most prone to zero-sum thinking. For example, a car dealership that tries to give each customer as little as possible for his or her trade-in vehicle would be applying a forcing negotiation approach. While the party using the forcing approach is only considering its own selfinterests, this negotiating style often undermines the party's long-term success. For example, in the car dealership example, if a customer feels she has not received a fair trade-in value after the sale, she may leave negative reviews and will not refer her friends and family to that dealership and will not return to it when the time comes to buy another car. Collaborating.

Collaborating. If a party has high concern and care for both itself and the other party, it will often employ a collaborative negotiation that seeks to maximum the gain for both. In this negotiating style, parties recognize that acting in their mutual interests may create greater value and synergies.

Compromising. A compromising approach to negotiation will take place when parties share some concerns for both themselves and the other party. While it is not always possible to collaborate, parties can often find certain points that are more important to one versus the other, and in that way, find ways to isolate what is most important to each party.

6. A person trained in conflict resolution is considered:
 - a. An arbitrator.
 - b. A mediator.
 - c. A negotiator.
 - d. A judge.
7. Mediation focuses on:

- a. Solutions.
- b. Testimony.
- c. Expert witnesses.
- d. Discoveries.

Answer

a

- 8. Name the steps in Mediation.
- 9. What's the main benefit of e-mediation?

Answer

E-mediation can be useful in situations where the parties are geographically far apart, or the transaction in dispute took place online. Ebay uses e-mediation to handle the sheer volume of misunderstandings between parties. Research has shown that one of the benefits of e-mediation is that it allows people the time needed to “cool down” when they have to explain their feelings in an email, as opposed to speaking to others in person.

In addition to technological advancements, new findings in psychology are influencing how disputes are resolved, such as the rising interest in canine-assisted mediation (CAM), in which the presence of dogs is posited to have an impact on human emotional health. Since the presence of dogs has a positive impact on many of the neurophysiological stress markers in humans, researchers are beginning to explore the use of therapy animals to assist in dispute resolution.

- 10. Roger and Larry are having a dispute regarding their joint business. They want to have a binding resolution to their dispute, but they would prefer to have the dispute handled privately and by someone with special expertise. The best form of dispute resolution for their problem would be:
 - a. Arbitration.
 - b. Litigation.
 - c. Mediation.
 - d. Summary Jury Trial.
- 11. All of the following are methods to enforce an arbitrator's decision except:
 - a. Writs of Execution.
 - b. Garnishment.
 - c. Fines.
 - d. Liens.

Answer

c

- 12. Describe the typical steps in Arbitration.
- 13. Explain the differences between binding and non-binding arbitration.

Answer

In binding arbitration, the decision of the arbitrator is final, and except in rare circumstances, neither party can appeal the decision through the court system. In non-binding arbitration, the arbitrator's award can be thought of as a recommendation: it is only finalized if both parties agree that it is an acceptable solution.

- 14. All of the following are the most common applications of arbitration in the business context except:
 - a. Labor.
 - b. Business Transactions.
 - c. Property Disputes.
 - d. Torts.
- 15. The following are the type of awards that may be issue by an arbitrator:
 - a. Bare Bones.

- b. Reasoned.
- c. Both a and b.
- d. Neither a nor b.

Answer

c

Contributors and Attributions

- The OpenStax name, OpenStax logo, OpenStax book covers, OpenStax CNX name, and OpenStax CNX logo are not subject to the creative commons license and may not be reproduced without the prior and express written consent of Rice University. For questions regarding this license, please contact support@openstax.org. Download for free at <https://openstax.org/details/books/b...w-i-essentials>.

6.2.E: Assessment Questions is shared under a [CC BY 4.0](#) license and was authored, remixed, and/or curated by LibreTexts.

- **2.E: Assessment Questions** is licensed [CC BY-NC-SA 4.0](#). Original source: <https://openstax.org/details/books/principles-finance>.