

Welcome

Welcome to the "Introduction to ADR" lesson.

Just as in life, disagreements, which can lead to disputes, can develop at any time during the life of a contract, from pre-award through closeout. Alternative Disputes Resolution (ADR) is a tool for resolving contract disputes, without litigation.

Upon completion of this lesson, you should be able to:

- Identify some factors contributing to contract disputes.
- Describe how competition can contribute to contract disputes.



Contract Problems: How Did We Get Here?

Contract problems can arise for a number of reasons over a variety of issues, including:

- Amount or quality of the work to be performed
- Time to perform the work
- Price to be paid
- Party responsible for problems that occur



Invoice Detail				Invoice	
Invoice Number: 12345				Invoice Date: 10/26/2021	
Invoice To: ABC Corp				Invoice From: XYZ Inc	
Invoice Description: Project Alpha - Phase 1				Invoice Amount: \$10,000.00	
Amount Due					

Long Description

Collage of four pictures: a business man holding a report, two business men talking, a calendar, and an invoice

Contract Problems: How Did We Get Here?, Cont.

In addition, contract problems are exacerbated by a variety of conditions, including:

- Expectations
- Business goals and commitments
- Communication style
- Personal style

Click each business person to learn more.



Long Description

Two business people across from one another at a desk. Person behind the desk represents a Government Contracting Officer; the other person represents a Contractor.


Competitiveness is Part of the American Culture

One source of disagreements results from competition. There are many people who love competition. Even when we are having fun playing sports or other recreational activities, we start to identify with the winning team. And when "our" team loses, we may become upset and defensive.

Our passion for winning can also carry over into our work. We become determined to be "right", to be the best, to "win"!

Read the quote to the right. Whether you agree or disagree with David Sarnoff's quote, it is evident that contractors and Government employees carry the human desire of competitiveness and the need to win when working for the Government.

There is competition throughout the Federal Government, such as the competition between different programs for funding and the competition between contractors for Government contracts.

A graphic of a rolled-up scroll with a light beige, textured surface. The scroll is partially unrolled, showing a quote in a dark, serif font. The edges of the scroll are slightly frayed and uneven.

"Competition brings out
the best in products and
the worst in people."

- David Sarnoff

Long Description

Scroll with text that reads, "Competition brings out the best in products and the worst in people." - David Sarnoff

Where We Compete

Although most of us would probably say we are not competitive, in fact, we compete all the time, in very different ways.

Select each photo to learn about some of those different ways by which we compete.



Popup Text

Everyday Competition

In everyday life, we compete to:

- Win at games (everything from cards to scrabble to sports)
- Get the best parking space
- Have the best looking lawn
- Finish first

Workplace Competition

In the workplace, we compete for:

- Job positions
- Work assignments
- Contracts
- Funding
- Resources

Long Description

Two graphics side-by-side. Left graphic is a photograph of a person playing cards. The right is a photograph of person at desk working on paperwork.

Competitiveness Meter

The next five pages are designed to test your knowledge of competitive behavior. The questions provide real-life situations that require you to determine if they are examples of **noncompetitive**, **moderately competitive**, or **highly competitive** behaviors.



COMPETITIVENESS METER

Knowledge Review

Scenario:

You are standing in a line in a retail store. You notice that a cashier is going to open another register. At about the same time, other customers in line notice the same thing. The race is on to see who can get there first.

Which of the following is the best example of noncompetitive behavior?

- ☐ Push past as many people as possible to get there first.
- ☒ Move along with the others and take your place behind the people who got there first.
- ☐ Let everyone else get in front of you in the new line.



Check Answer

The best example of noncompetitive behavior is to move along with the others and take your place behind the people who got there first.

Knowledge Review

Scenario:

For the third year in a row, your child has asked for your help in building a car to enter in a soapbox derby. For the last two years, Johnny's car has beaten your child's car by about two seconds.

Which of the following is the best example of moderately competitive behavior?

- ☐ This year you vow to win even if you have to hire a professional to build the car.
- ☒ This year, you learn how to make the car faster and then hope for the best.
- ☐ You encourage your child to focus on the enjoyment of building the car and not to even think about the race at all.

Check Answer



COMPETITIVENESS METER

The example that best describes a moderately competitive behavior is this year, you learn how to make the car faster and then hope for the best.

Knowledge Review

Scenario:

Your child's school is having a fund raising competition. The top prize is a \$25.00 gift card. Your child asks for your help. Which of the following is the best example of highly competitive behavior?

- ☒ Hound everyone you know to buy the product your child is selling. Buy any additional product yourself to make sure your child wins.
- ☐ Pass the fund raising brochure around the office and hope that is enough to push your child's sales over the top to win.
- ☐ Show the fund raising brochure to a few people and tell your child to focus on how much the group is raising as a whole.

Check Answer



COMPETITIVENESS METER

Hounding everyone you know to buy the product your child is selling and buying any additional product yourself to make sure your child wins are the best examples of highly competitive behavior.

Knowledge Review

Scenario:

A local retail store is offering a token promotional gift to the first 50 customers who enter the store on Saturday morning. Which of the following is the best example of moderately competitive behavior?

- ☐ Sleep outside the store the night before to make sure you are first in line the next morning.
- ☒ If you were already planning to go to the store, go early and hope that you are one of the first 50 people to get there.
- ☐ Go to the store at your convenience if that was in your plans for the day and forget about the promotional gift.



Check Answer

The best example of moderately competitive behavior is if you were already planning to go to the store, go early and hope that you are one of the first 50 people to get there.

Knowledge Review

Scenario:

You are talking to a co-worker who brags that the farthest he has driven in one day is 700 miles. You have driven 850 miles in one day. Which of the following is the best example of non-competitive behavior?

- ☐ You immediately say, That's nothing! and top his story with yours.
- ☒ Compliment him on his accomplishment and say nothing of yours.
- ☐ Ask your co-worker where he was going, since that's more interesting than how far he drove in one day.



COMPETITIVENESS METER

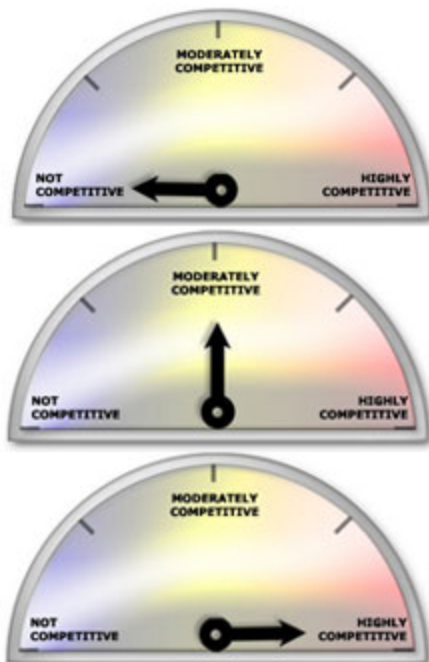
Check Answer

The best example of non-competitive behavior is to compliment him on his accomplishment and say nothing of yours.

The Results

Disputes arise, in part, due to our competitiveness. If we are highly competitive, we may be creating circumstances that are ripe for contracting disputes. If we have to "win", we may be creating circumstances that lead to litigation, as opposed to an amicable resolution.

We need to ensure that, during the process of resolving a dispute, our competitiveness is not hindering finding a solution that is satisfactory to all parties involved.



Long Description

Three images of competitiveness meters, first with needle pointing to Not Competitive, second with needle pointing to Moderately Competitive, and third with needle pointing to Highly Competitive.

Summary

This lesson discussed how contracting disputes are inevitable – no matter how carefully planned the project, competitiveness can contribute to the occurrence of disputes.

We identified ADR as one tool that can be used to resolve disputes without turning to litigation.

You should now be able to:

- Identify some factors contributing to contract disputes.
- Describe how competition can contribute to contract disputes.



Lesson Completion

You have completed the content for this lesson.

To continue, select another lesson from the Table of Contents on the left.

If you have closed or hidden the Table of Contents, click the Show TOC button at the top in the Atlas navigation bar.