

How Beliefs and Intentions Can Lead to Conflicts in Your Business

Conflicts and misunderstandings often lead to bad feelings and can lead to lawsuits. Lawyers devote much of their energies crafting ways for their clients to avoid misunderstandings and conflicts. This is especially true in the drafting of contracts. Lawyers prepare agreements spelling out the duties and responsibilities of each party, and often include provisions on how the parties are going to resolve any disputes should they arise. The purpose of this legal framework is to create an environment where the understandings and expectations of the parties are clearly spelled out so that there is no surprises. Surprises can lead to conflicts and litigation. Conflicts take an emotional, mental and physical toll on the parties involved and costs money. Conflicts affect office morale and the smooth running of the business.

Whenever lawyers are brought in to prepare an agreement or to unravel a dispute, one of the first things that they want to know is “what are the intentions of the parties?” Are the intentions of all the parties aligned with one another or is there a possible conflict. Are all the parties to the contract in agreement as to what has to be done, when and how they are going to be done, and who is responsible for each step? Was there a meeting of the minds? When people ask “what is your intention for entering this agreement,” what they are really asking is “why did you agree to this agreement in the first place and what were you expecting to get out of it?” People can run into trouble when they fail to see how their beliefs can affect the manifestation of their intentions.

For example: You have a small business that supplies computers, equipment, networking and IT support to clients throughout your metropolitan area. You have been approached by a nationally well known

company to provide the same products and services to their offices throughout the United States. On the plus side, this contract will increase your sales by a factor of four, it would be a feather in your cap to have such a prestigious client, and it would be a sign that you have made it into the big leagues. On the minus side, you will have to triple the size of your technical staff (increasing your labor and training costs), establish regional support offices, increase your debt to pay for your expansion as well as to pay your vendors for the equipment purchases. Do you take the contract or do you pass?

If you decided to take the business, the contract spells out the terms and conditions of the parties. You fully intend to perform and comply with all the terms of the contract, just like the national company. However, what was your intention or motivation for entering into the contract in the first place? Was it based on the belief that you can do anything? Or was it based on the belief that you will now be good enough because you have a national service contract with a prestigious company? Do you have any concerns that this new client will come to represent 80% of your business, or the fact that all your costs and expenses will be going up?

If you are not able to see how your beliefs influenced you in entering into the contract, you will not be able to see and navigate the potential conflicts that will arise as a direct consequence of your choices and actions.

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