

**HANDLING NEGOTIATION DEADLOCKS
IN SRI LANKAN CONSTRUCTION INDUSTRY**

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Degree of Master of Science

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Thesis/Dissertation submitted in partial fulfillment of the requirements for the degree
Master of Science in Construction Law and Dispute Resolution

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DEDICATION

*Dedicated to ever loving
Hemali & Hansamali...*

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ABSTRACT

Negotiation is identified as first to be used among alternative dispute resolution mechanisms to resolve construction disputes. Further negotiation is identified as most preferred by construction parties. However, it is found parties continuously fail in achieving settlement through negotiation. In every negotiation deadlocks occur where both parties stand still on their stance which stuck negotiations from moving forward. Deadlocks are inevitable but can handle effectively. Existing knowledge identified several techniques used worldwide in handling negotiation deadlocks. This research is targeted to find the applicability of identified negotiation deadlock handling techniques in the Sri Lankan construction industry.

A questionnaire survey was carried out among fifty (50) experts in the construction industry. Questionnaire was based on thirty-three (33) identified deadlock handling techniques and respondents were asked to mark their responses on a Likert scale which contained five options. Feedback of the survey was analysed using Relative Importance Index (RII) and found that all the identified techniques are applicable to the Sri Lankan construction industry and found that the industry well recognized them. Further, producing additional information to negotiation table is the key deadlocks handling mechanism using rate negotiation in variation management in construction projects.

Key words: Negotiation; Variation; Handling deadlocks; Construction projects;
Sri Lanka

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LIST OF ABBREVIATIONS

ADR	-	Alternative Dispute Resolution
FIDIC	-	Federation Internationale Des Ingenieurs Cons
ICTAD	-	Institute for Construction Training and Development
RII	-	Relative Importance Index
UNCITRAL	-	United Nations Commission on International Trade Law