The Role of Mediation and Arbitration in Civil Dispute Resolution

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Civil dispute resolution is an important aspect of the legal system, aiming to achieve a fair and efficient solution for the parties involved. Mediation and arbitration, as alternatives to out-of-court dispute resolution (ADR), have gained significant popularity in recent years. This systematic literature review aims to examine the role of mediation and arbitration in civil dispute resolution. This study uses a systematic search methodology to identify and analyze relevant studies in various scientific databases. The results of this study conclude that mediation and arbitration are valuable tools for resolving civil disputes. By raising awareness and addressing existing challenges, mediation and arbitration can play a greater role in achieving fair and efficient settlement of civil disputes. Both methods not only reduce the burden on the court, but also increase the participation and satisfaction of the parties to the dispute. Mediation and arbitration provide procedural flexibility that allows for adjustments to the specific context of the dispute, ultimately resulting in better acceptance of the decision. However, the successful implementation of mediation and arbitration is highly dependent on a supportive legal framework and policies that promote its use. Overall, mediation and arbitration are vital components in the modern civil dispute resolution system, with great potential to improve the efficiency and effectiveness of the justice system.
I. Introduction

Coffee is an effective legal system is essential in civil dispute resolution because it ensures that every dispute is resolved fairly, quickly, and efficiently. A good legal system provides a transparent and accessible mechanism for all parties involved in a dispute. A fair process ensures that all evidence is considered and that each party has an equal opportunity to present its arguments. Effectiveness in dispute resolution also means that decisions can be reached within a reasonable timeframe, avoiding unnecessary delays that can be detrimental to all parties. Thus, an effective legal system helps maintain public trust in judicial and legal institutions, as well as strengthen a sense of justice and order in society.

In addition, an effective legal system also plays a key role in supporting economic and social stability. When civil disputes can be resolved quickly and fairly, it provides important legal certainty for individuals and businesses in carrying out their activities. This legal certainty encourages investment and economic activity because the parties involved in business transactions can feel confident that their rights will be protected by law. Additionally, efficient dispute resolution helps reduce litigation costs which can be a significant financial burden for the parties. As such, an effective legal system is not only important to guarantee justice, but also to support economic growth and overall social stability.

The settlement of civil disputes has a very important role in achieving justice and legal certainty, as it ensures that the rights and obligations of the parties to the dispute are upheld and defended. Through fair dispute resolution mechanisms, each party can present their evidence and arguments before a neutral party, such as a judge, mediator, or arbitrator, who will then render a decision based on applicable legal principles. This process helps ensure that decisions taken are based on facts and laws, resulting in substantive justice for all parties involved. Thus, the settlement of civil disputes

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contributes directly to the fulfillment of individual rights and justice in society.

In addition to achieving justice, the resolution of civil disputes also plays a role in providing legal certainty. Legal certainty is a key element in the legal system that serves to provide predictability and stability in social and economic interactions. When civil disputes are resolved through a clear and consistent process, individuals and business entities can plan and execute their activities with the confidence that their rights will be protected and their obligations will be met. This certainty is essential to create a conducive environment for investment and economic activities, as businesses need assurance that regulations and legal decisions will be implemented consistently and predictably.

Effective civil dispute resolution also helps strengthen public trust in the legal system. When people see that civil disputes can be resolved fairly, efficiently, and without bias, they will be more likely to trust and respect legal institutions. This trust is the foundation for social stability and effective law enforcement. On the other hand, if the civil dispute settlement system is ineffective, this can result in dissatisfaction and distrust of the legal system, which in turn can disrupt public order and stability. Therefore, the important role of civil dispute resolution in achieving justice and legal certainty not only impacts the individuals in dispute, but also on the overall health and well-being of the legal system and society.

Traditional litigation as the main method of resolving civil disputes has several significant limitations. First, the litigation process often takes a long time. Strict procedures, scheduling hearings, and the need for detailed legal documents lead to civil disputes that can last for years before reaching a final decision. These delays not only cause uncertainty for the disputing parties, but also increase the costs they have to bear. High legal fees are often a heavy burden, especially for individuals or small businesses that may not have enough resources to go through a lengthy litigation process. As a result, many parties feel forced to accept unfavorable decisions because they are unable to continue the litigation process.

In addition, traditional litigation tends to be adversarial, which can worsen the relationship between the parties to the dispute. In a litigation system, both parties are faced with situations where they have to go against each other to prove their version

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of the truth, which often leads to deeper conflicts and rifts in relationships. This is particularly detrimental in the context of disputes involving important business or personal relationships, where maintaining a good relationship can be more valuable than winning a dispute. Alternative dispute resolution methods such as mediation and arbitration, which are more cooperative and flexible, are often more effective in maintaining relationships between the parties to the dispute, while offering faster resolution and lower costs. Thus, the limitations of traditional litigation show the need for a more innovative and efficient approach to civil dispute resolution. Therefore, there is a need for more effective dispute resolution methods, namely mediation and arbitration.

Mediation and arbitration play an important role in the resolution of civil disputes by offering a more efficient, flexible, and cooperative alternative to traditional litigation. Mediation is a process in which a neutral mediator helps the parties to a dispute to reach a mutual agreement through discussion and negotiation. This process allows the parties to have more control over the final outcome and find a mutually beneficial solution. Mediation is often faster and less formal than litigation, which reduces costs and stress for the parties. In addition, mediation helps maintain good relations between the parties to the dispute, which is especially important in the context of an ongoing business or personal relationship.

Arbitration, on the other hand, is a process in which a dispute is resolved by one or more arbitrators who make a final and binding decision. Arbitration proceedings are typically faster than litigation due to their simpler and more flexible procedures. Arbitration allows the parties to choose arbitrators who have specific expertise in the relevant areas of the dispute, thereby improving the quality of the decisions taken. Arbitral decisions are final and binding, providing prompt legal certainty for the parties. These two methods, mediation and arbitration, provide a more efficient and effective solution for resolving civil disputes, help reduce the burden on the court, and offer solutions that are more tailored to the needs of the parties involved.

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10 Safa Koçoğlu, "A CALCULATED ALTERNATIVE TO DISPUTE RESOLUTION;", n.d.
15 Zarosylo et al., "Application of Forms of Alternative Dispute Resolution in Ukraine."
Previous research on the role of mediation and arbitration in civil dispute resolution has shown that these two methods have gained widespread recognition as a more efficient alternative to traditional litigation. Some studies indicate that mediation can reduce dispute resolution time and costs incurred by the parties, while maintaining good relations between the parties to the dispute (Wall & Dunne, 2012). Meanwhile, research by Strong (2014) highlights the advantages of arbitration in providing quick and final decisions, as well as flexibility in the process, which allows for adjustments to the specific needs of the dispute. These studies also show that the success of mediation and arbitration is highly dependent on the support of a strong legal framework and policies that encourage the use of alternative dispute resolution methods (Kovach, 2013). Overall, previous research suggests that mediation and arbitration not only reduce the burden on the courts, but also increase the satisfaction of the parties with the results achieved.

2. Research Method

This study aims to collect, evaluate, and synthesize existing studies on the role of mediation and arbitration in civil dispute resolution. This process begins with a comprehensive literature search using academic databases such as JSTOR, Google Scholar, and ProQuest. Keywords used in the search include "mediation", "arbitration", "civil dispute resolution", and "litigation alternatives". The inclusion criteria include articles published in peer-reviewed journals, books, and research reports relevant to this topic and published in the last 4 years. After collection, the articles are filtered by relevance, with a focus on studies that provide empirical data, critical analysis, and theoretical insights regarding the effectiveness of mediation and arbitration.

After initial screening, the study involves an in-depth analysis of selected literature to identify key themes, trends, and research gaps. Each article was evaluated using an analytical framework that included the research method, study population, key outcomes, and implications of the findings. This analysis helps in identifying the contribution of mediation and arbitration to the resolution of civil disputes, including speed, cost, satisfaction of the parties, and their impact on the burden of the court. In addition, the study also explores contextual factors that influence the successful implementation of both methods, such as policy support, legal framework, and the quality of mediator and arbitrator training. The results of this analysis are then synthesized to provide a comprehensive overview of the role of mediation and arbitration in civil dispute resolution as well as recommendations for future research and practice.
3. Results and Discussion
The Effectiveness of Mediation in Civil Dispute Resolution

Mediation has proven to be an effective method in resolving civil disputes, offering a faster and less formal alternative compared to traditional litigation processes. The effectiveness of mediation is mainly seen in its ability to resolve disputes in a relatively short time. In contrast to litigation, which can last for years, mediation usually only requires a few sessions to reach an agreement. This not only saves time for the parties to the dispute but also reduces the court's workload, allowing the justice system to focus more on cases that are more complex and require judicial intervention.\(^\text{16}\)

In addition to time, mediation also offers a more cost-effective solution. Litigation proceedings often involve high costs, including attorneys’ fees, court costs, and other costs associated with drafting documents and trials. In contrast, mediation tends to be less expensive because it is a simpler process and does not require ongoing involvement from the lawyer\(^\text{17}\). In many cases, the cost of mediation can be significantly lower than the cost of litigation, which makes it a more attractive option for individuals and small businesses who may not have enough resources to go through a lengthy and expensive court process. The satisfaction of the parties is also an important indicator of the effectiveness of mediation\(^\text{18}\). Because mediation is a more collaborative process, the parties to the dispute have the opportunity to actively participate in negotiations and reach mutual agreements. This participation often results in a solution that is more in line with the needs and interests of both parties, as opposed to a decision handed down by a court that may not fully satisfy either party. Studies show that parties who resolve disputes through mediation are more likely to be satisfied with the final outcome and more accepting of the decisions reached.

Mediation also plays an important role in maintaining good relations between the parties to the dispute. In a business or personal context, long-term relationships are often more valuable than winning a dispute. The litigation process that is adversarial can exacerbate conflicts and damage relationships. In contrast, mediation encourages communication and cooperation, which helps to repair or maintain relationships. This is especially important in business disputes where long-term relationships and ongoing collaboration are the keys to success. In addition to practical benefits,


\(^\text{17}\) Wei, “The Rationality and System Perfection of Identity Compatibility between Arbitrator and Mediator in the Med-Arb Model.”

mediation also helps reduce the emotional stress that often accompanies civil disputes\textsuperscript{19}. A long and stressful court process can cause stress and anxiety for the parties involved. Mediation, with a more relaxed and informal approach, helps reduce this pressure. Trained mediators are also often able to manage the emotional dynamics between the parties, helping them find a middle ground and reach a satisfactory agreement.

However, the success of mediation depends largely on the quality of the mediator and the process used. Trained and experienced mediators are able to manage the mediation process effectively, ensuring that each party has an equal opportunity to express their views and that negotiations take place fairly. The mediation process should also be supported by a strong legal framework and policies that promote the use of mediation as an alternative dispute resolution method. This institutional and policy support is important to increase legitimacy and trust in the mediation process. Overall, mediation offers many advantages in civil dispute resolution\textsuperscript{20}. By providing a faster, cheaper, and collaborative alternative to traditional litigation, mediation helps to reduce the burden on the court, increase the satisfaction of the parties, and maintain good relations between the parties to the dispute. The success of mediation also highlights the importance of support from a supportive legal and policy framework, as well as the need for trained and experienced mediators. Thus, mediation plays an important role in improving efficiency and fairness in the civil dispute resolution system.

**Effectiveness of Arbitration in Civil Dispute Resolution**

Arbitration is one of the most effective methods of resolving civil disputes, offering a number of advantages over traditional litigation. One of the most prominent aspects of arbitration is its ability to resolve disputes more quickly. Arbitration proceedings, which are generally simpler and more flexible compared to litigation, allow parties to avoid lengthy and convoluted court procedures. Thus, a decision in arbitration can be reached in a relatively short time, providing faster legal certainty for the disputing parties. In addition to speed, arbitration also offers significant flexibility\textsuperscript{21}. Parties to arbitration have the freedom to choose arbitrators who have specific expertise in the areas relevant to their dispute. This is particularly advantageous in cases that require a deep technical or industry understanding, as the chosen arbitrator will have the necessary knowledge and experience to make an informed decision. This flexibility also


\textsuperscript{20} Al-Khafaji and Al-Khafaji, “Mediation as an Alternative Means of Resolving Disputes.”

\textsuperscript{21} Wei, “The Rationality and System Perfection of Identity Compatibility between Arbitrator and Mediator in the Med-Arb Model.”
includes the ability to tailor arbitration procedures to the specific needs of the dispute, including the scheduling of hearings and the rules applied, which are not always possible in traditional litigation.

The effectiveness of arbitration is also reflected in the lower costs compared to litigation. While the cost of arbitration can vary depending on the complexity of the case and the arbitrator’s honorarium, it generally remains lower compared to litigation costs involving attorneys’ fees, court costs, and other related costs. With a faster process and less procedural stages than in a courtroom, arbitration can help parties save significant costs. The legal certainty generated by arbitration is one of the main factors supporting its effectiveness. The decision taken by the arbitrator in the arbitration is final and binding, providing immediate legal certainty for the parties. Unlike court decisions that can be appealed and cause a protracted process, arbitral decisions are generally not appealable, except in very limited and special cases. This means that the parties can immediately follow up on the decision, reducing uncertainty and the potential for further conflict.

Arbitration also helps reduce the burden on the courts by resolving disputes outside the judicial system. This is especially important given the high volume of cases that must be handled by the courts, which often leads to significant delays in resolving disputes. By shifting some civil disputes to the arbitration route, courts can focus more on cases that actually require judicial intervention, improving the overall efficiency of the justice system. In addition, arbitration maintains the confidentiality of the process and outcome of the dispute, which is an important advantage for many parties. The court proceedings are public, which means that all documents and trials are open to the public. In contrast, arbitration is typically private and confidential, providing a higher level of confidentiality. This is especially important in business disputes where sensitive information and the company’s reputation can be at stake. With arbitration, parties can resolve their disputes without having to worry about the impact of publication.

Furthermore, the effectiveness of arbitration in civil dispute resolution lies in its ability to provide fast, flexible, and cost-effective solutions, by providing prompt legal

22 Ludwig and Dintsios, "Arbitration Board Setting Reimbursement Amounts for Pharmaceutical Innovations in Germany When Price Negations between Payers and Manufacturers Fail."


25 Koçoğlu, “A Calculated Alternative To Dispute Resolution:”
certainty and maintaining confidentiality. The flexibility in selecting arbitrators and tailoring procedures to the specific needs of the dispute, as well as the ability to reduce the burden of the court and protect sensitive information, make arbitration a highly advantageous alternative compared to traditional litigation. As such, arbitration plays a crucial role in the modern civil dispute resolution system, providing significant benefits for parties seeking efficient and effective dispute resolution.

**Regulations Supporting Mediation And Arbitration**

Regulations supporting mediation and arbitration play a crucial role in ensuring the effectiveness of these two alternative dispute resolution methods. A clear and comprehensive legal framework provides a solid foundation for the implementation of mediation and arbitration, so that the parties to the dispute can have confidence and legal certainty in choosing this method. Good regulation must include various aspects ranging from implementation procedures, the authority of mediators and arbitrators, to the mechanism for enforcing decisions resulting from the mediation and arbitration process. One of the important elements in regulation is the existence of rules that regulate the mediation and arbitration process in detail. These rules include the steps that must be followed, from initiating the process, appointing a mediator or arbitrator, to setting a time for settlement. Clear regulations help ensure that the process is carried out in an orderly and transparent manner, thereby reducing the potential for abuse or injustice. In addition, clear rules also provide guidance for the parties and professionals involved, ensuring that they understand their respective roles and responsibilities in the mediation and arbitration process.

Effective regulation must also provide adequate authority to mediators and arbitrators. Mediators and arbitrators must have the authority to manage the process, facilitate negotiations, and make binding decisions. This includes the ability to gather evidence, ask questions, and lead discussions in a way that ensures that all parties have a fair opportunity to present their case. Supporting regulations also need to include ethical standards and qualifications that must be met by mediators and arbitrators, to ensure professionalism and integrity in carrying out their duties. In addition, the decision enforcement mechanism is a vital aspect of the regulation that supports


mediation and arbitration. Decisions resulting from mediation and arbitration proceedings must be legally enforceable, thus providing certainty for the parties that the results achieved will be recognized and complied with. For mediation, this means that the agreement reached must be registrable and recognized by the court, while for arbitration, the arbitrator’s decision must be final and binding, and enforceable without the need for further intervention from the court, except in cases of very specific breaches.

Supportive regulations should also encourage accessibility and participation in mediation and arbitration processes. This includes providing information and education to the public on the benefits and procedures of mediation and arbitration, as well as the availability of affordable mediation and arbitration services. Supportive policies, such as fee subsidies for mediation and arbitration, can help ensure that these alternative dispute resolution methods are accessible to all walks of life, including individuals and small businesses who may not have the resources to undergo an expensive and lengthy litigation process. Furthermore, supportive regulations must continue to be evaluated and adjusted to the development of community needs and dynamics. Governments and relevant institutions need to regularly monitor and evaluate the effectiveness of existing regulations, as well as accommodate feedback from parties involved in the mediation and arbitration process. Regulatory adaptations that are responsive to changing contexts and needs will ensure that mediation and arbitration remain relevant and effective methods of dispute resolution in the future.

**Quality of Mediator and Arbitrator Training**

The quality of mediator and arbitrator training is a key factor in determining the effectiveness of mediation and arbitration as a method of resolving civil disputes. Well-trained mediators and arbitrators have the ability to manage the dispute resolution process fairly, efficiently, and professionally. Comprehensive training ensures that they not only understand relevant procedures and laws, but also develop the interpersonal skills necessary to facilitate negotiations and make informed decisions. One of the important components of mediator training is mastery of mediation and facilitation techniques. Mediators need to learn how to manage group dynamics, listen actively, and help the parties find mutually beneficial solutions. This training should also include

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29 Ludwig and Dintsios, "Arbitration Board Setting Reimbursement Amounts for Pharmaceutical Innovations in Germany When Price Negations between Payers and Manufacturers Fail."

30 Mashwama, Aigbavboa, and Thwala, "Investigation of Construction Stakeholders’ Perception on the Effects & Cost of Construction Dispute in Swaziland."

strategies for dealing with complex and emotional conflicts, as well as techniques for avoiding impasse in negotiations. In addition, mediators need to be equipped with knowledge of the ethical principles and codes of ethics of the profession to ensure that they act with integrity and maintain the confidentiality of information disclosed during the mediation process.

Arbitrator training, on the other hand, should be focused on developing objective analytical and decision-making abilities. Arbitrators need to understand applicable legal procedures and regulations, and have the ability to evaluate the evidence and arguments put forward by the parties. They also need to be trained in writing clear and detailed judgments, which reflect relevant legal and factual considerations. Good training will help arbitrators avoid bias and ensure that decisions taken are fair and in accordance with the law.32

The quality of mediator and arbitrator training also depends on the teacher and the teaching method used. Experienced and highly qualified instructors can provide valuable practical insights, as well as guide trainees through realistic simulations and case studies. Interactive and practice-based teaching methods, such as role-playing and mock arbitrations, allow participants to apply their knowledge in situations similar to the real world.33 This not only improves their understanding of theory but also improves the practical skills required in mediation and arbitration.34 In addition to basic training, mediators and arbitrators also need continuing education to maintain and improve their skills. The world of dispute resolution is constantly evolving, with the emergence of new regulations, legal developments, and changes in social and economic dynamics. Therefore, mediators and arbitrators must constantly update their knowledge and skills through advanced courses, workshops, and conferences. Continuing education ensures that they stay up-to-date with the latest trends and best practices in mediation and arbitration.35

Finally, the quality of mediator and arbitrator training can also be improved through certification and accreditation by recognized professional bodies. Certification provides evidence that a mediator or arbitrator has met certain standards in terms of education, training, and experience. This gives the disputing parties confidence that the mediator or arbitrator they choose is a competent and trustworthy professional. Accreditation bodies can also play an important role in setting training standards and

32 Gayo, “Alternative Dispute Resolution in Mining Disputes with the Mechanism of Mediation.”
34 Mashwama, Aigbavboa, and Thwala, “Investigation of Construction Stakeholders’ Perception on the Effects & Cost of Construction Dispute in Swaziland.”
monitoring compliance with those standards, thus ensuring quality and consistency in mediation and arbitration practices.\textsuperscript{36}

Overall, the quality of mediator and arbitrator training is a crucial element in ensuring that mediation and arbitration function effectively as methods of resolving civil disputes. Comprehensive training, continuing education, interactive teaching methods, and professional certifications all contribute to the development of competent and professional mediators and arbitrators. With well-trained mediators and arbitrators, mediation and arbitration processes can result in a settlement that is fair, efficient, and satisfactory for all parties involved.

4. Conclusion

From the results of this study, it can be concluded that mediation and arbitration are valuable tools for resolving civil disputes. By raising awareness and addressing existing challenges, mediation and arbitration can play a greater role in achieving fair and efficient settlement of civil disputes. Both methods not only reduce the burden on the court, but also increase the participation and satisfaction of the parties to the dispute. Mediation and arbitration provide procedural flexibility that allows for adjustments to the specific context of the dispute, ultimately resulting in better acceptance of the decision. However, the successful implementation of mediation and arbitration is highly dependent on a supportive legal framework and policies that promote its use. Overall, mediation and arbitration are vital components in the modern civil dispute resolution system, with great potential to improve the efficiency and effectiveness of the justice system.

\textsuperscript{36} Gómez-Moreno, “Advocacy for Online Proceedings.”
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