

Healthy business relationships and dispute resolution

Running a business is demanding, and the pressures can affect relationships. Maintaining strong, respectful commercial relationships by focusing on clear communication, good faith engagement, and early action when there are problems, can help create a business environment that supports resilience and long-term success.

Strong relationships: the foundation of success

Healthy relationships with suppliers, customers, and partners underpin business success. They thrive on clarity, trust, and communication. Start by setting clear expectations in writing—contracts or agreements should outline roles, responsibilities, and dispute resolution processes (including what happens if the relationship ends). Regular communication matters; don't wait for problems to arise before talking. If circumstances change, be upfront and transparent.

Engage in good faith. Approach negotiations with a mindset of shared success rather than short-term wins. Relationships work best when both parties understand their obligations and share a commitment to fairness and collaboration. Open communication, mutual respect, and alignment on goals reduce misunderstandings and build resilience in the relationship.

Managing change and expectations

Change is inevitable—whether it's new technology, market shifts, or operational adjustments. Poorly managed change erodes trust and leads to disputes. Communicate early and often. Explain why changes matter, outline benefits and risks, and provide reasonable notice. Transparency and consultation are critical. When people feel informed and respected, they are more likely to engage and adapt positively.

Avoiding and resolving disputes

Disputes are common but can be managed constructively. Prevention starts with clear agreements and open communication. If an issue arises, review the facts and your contracts. Direct engagement—calm, professional, and solution-focused—often resolves problems quickly. If talking doesn't work, follow up in writing and keep records of all interactions.

When you need extra help, ASBFEO offers a free [Dispute Support Tool](#) and access to case-managed support. Alternative Dispute Resolution (ADR) options like mediation and conciliation provide faster, more affordable solutions than court and help to preserve relationships.

Constructive engagement tips

When meeting to resolve an issue, preparation matters. Understand your goals and the other party's perspective. Listen actively and keep the conversation respectful. Summarise what's agreed and confirm next steps in writing. These practices build trust and reduce the risk of future conflict.

Looking after your mental health

Support is available. [ASBFEO's mental health page](#) provide a checklist of simple steps to help you manage stressors of running a business. It also provides links to resources, services and programs like NewAccess for Small Business Owners, offering free one-on-one coaching through Beyond Blue.

These resources, services and programs are tailored for business owners and delivered by people who understand the pressures you face.

Constructive engagement tips

- **Mental health:** [ASBFEO mental health information](#) and [NewAccess for Small Business Owners](#)
- **Financial wellbeing:** [ASBFEO Financial Wellbeing Resources](#)
- **Dispute resolution:** [Dispute Support Tool](#)
- **Business.gov.au:** [Prevent, manage and resolve disputes](#)