Implementing a Collaborative Strategy

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This chapter shows how to use the collaborative strategy. The word collaboration may sound strange to people who are used to viewing negotiation as competitive. But bargaining does not have to be a win–lose proposition—the pie does not have to be fixed. In many cases, conflict and competitiveness between the parties lead them to believe that there are only limited resources to be divided between the parties. It is often possible to find solutions to problems that will satisfy all parties by changing or growing the pie instead of fighting over it. The pie analogy, however, leads us to the principal challenge of a collaborative strategy: the parties must somehow learn how to work together. Collaboration, which is an open, sharing, creative process, does not come naturally when you are in a conflict situation or do not trust the other party. Collaboration is therefore difficult for many negotiators to master.

Some negotiators think they are collaborating when in fact all they have done is wrap their competitive strategy in a friendly package. Thus they put on the “image” of collaboration, only to move in for a competitive “grab” near the end of the negotiation. This is not collaboration—it is competitiveness in a collaborative disguise. True collaboration requires the parties to move beyond their initial concerns and positions and go on a joint quest for new, creative ways to maximize their individual and joint outcomes. Before we examine how the collaboration strategy works, let’s see how a demonstration case can be adapted to this strategy. Here are Felice and Sara again this time taking a cooperative, win–win approach to setting up a partnership to develop their interior decorating business:

"The bottom line is, we need $50,000 in cash, right now, if we want to do this right. I know you have the money—why are you hesitating to use it when we obviously need it?"

"But Sara," Felice objected, "what’s the rush? This is a big decision for me. What if things don’t work out? I’d be taking all the financial risks and suffering most of the losses. Whatever happened to getting a bank loan?"

"Well, I tried a few banks, but I didn’t have any luck—my credit history isn’t so great." Sara paused to offer some homemade cookies to Felice. "I’m sorry I’m being so pushy, I know this is something that you need to think through, and I’m not helping. It’s just that I’ve already had some important contacts, and found promising offices for rent; I’m afraid if we don’t get started soon, we’ll never get going."

Felice thought for a minute as she ate the cookie. "I understand your impatience, I’m impatient, too. I’m excited about working together and I don’t want to waste more time. Maybe we’re going about this in the wrong way. Let’s just take a few minutes to go over our situation. We want to start an interior decorating business together. You have a lot of

experience, but no money to invest, and I have no experience but possibly a lot of money to invest. However, I’m reluctant to sink all my savings into something that may not work out, partly because I’d lose everything I have, but mostly because I’m afraid of ruining our friendship if it doesn’t work out. I could probably get a bank loan, but then I’d still be responsible for all the finances, so it seems to me that we should consider bringing in a third party in some capacity.”

“Hey—that’s not a bad idea. But we would need someone who’d only help us financially—we still need to have control of the business,” Sara absently picked crumbs off her sweater. “You know, that reminds me—an old friend of my dad is an architect in a very respected firm. I wonder if we could hook up with them somehow, maybe exchange the rent for an office in their building with a percentage of our business. They could refer customers to us, and eventually we could do the same for them. It’s a beautiful old business—you’ll love it. It would be a terrific showplace for our work. Do you think I should call him?”

“Well, let’s think for a minute,” said Felice, “What percentage would we offer them? How about 20 percent? That gives them enough to feel it’s worthwhile without taking away our control. Then I could invest $20,000 in the business to get us started and we’ll each keep 40 percent of the ownership.”

“That sounds great! Let me try it—I’ll call my dad right now and get the architect’s phone number.”

When Sara and Felice proposed the deal to the architect, he was very enthusiastic about their work and the potential for the fit with his business. He offered them office space in his building, and they moved into an office the following week. Within a month, they had landed several jobs that generated a cash flow and helped to establish their reputation as creative, reliable decorators. Over time, the business flourished. They eventually bought the 20 percent back from the architect (with a handsome profit), and their friendship remains strong.

Characteristics of the Collaborative Strategy

In the collaborative strategy both the relationship and the outcome are important to both parties. The two parties usually have long-term goals that they are willing to work for together. Both parties are committed to working toward a mutually acceptable agreement that preserves or strengthens the relationship. Because each party values the relationship, they will attempt to find a mutually satisfying solution for both parties. Working together effectively in a collaborative negotiation process can itself enhance the quality of the relationship. This approach is very different from the competitive strategy, where both sides want to win so badly that they pursue their goal at all costs and ignore all the factors that might allow a collaborative process.

In addition, in the collaborative model, intangibles are important and accounted for. These include such items as each party’s reputation, pride, principles, and sense of fairness. Because these concerns are important, the negotiations must stay on a rational, reasonable, and fair level. If the parties get angry at each other, the collaborative atmosphere will degenerate into a competitive one. Allow for plenty of venting time if you or the other party begins to get irritated, and be sure to listen to complaints about your behavior with an open mind to avoid conflicts that can derail collaboration. There must be
a great deal of trust, cooperation, openess, and communication between the parties to engage in effective problem solving.

Finally, the parties must be willing to make concessions to accomplish their goals. These concessions should be repaid with creative win–win solutions, but they represent a risk for each party that the other party must be careful not to abuse.

In the collaborative strategy, the constituency (if there is one) plays a very different role from that which it plays in competitive negotiations. Generally, the members of the constituency are supportive and will promote the relationship between the two parties.

The collaborative strategy relies on deadlines that are mutually determined and observed. They are not used for manipulation, as we found in the competitive strategy. Information flows freely and is not used to control the situation or guarded to maintain power. The objective is to find the best solution for both sides. Similarities between the two parties, not differences, are emphasized.

There are four major steps in carrying out a collaborative strategy: (1) identify the problem; (2) understand the problem; (3) generate alternative solutions; and (4) select a solution. We will examine each in detail.

Steps in the Collaborative Strategy

Identify the Problem

This may sound like a simple step, but in the collaborative model both sides are involved equally in the process, and both need to agree on what the problem is. When you were gathering information you focused on your point of view, but for the collaborative strategy to work, you will need to work closely with the other party to find a common view of the problem.1

When defining the problem, try to use neutral language and to keep it impersonal. For example, you might say “We are not able to get our work out on time” rather than “You are preventing us from doing our work and getting it out on time.” It is important to define the obstacles to your goals without attacking other people.

Try to define the problem as a common goal. For example, in the Sara and Felice situation, they might say, “Our goal is to find a way to start our business without Felice having to assume too much financial risk.” Keep the goal definition as simple as possible. Try not to load the situation with peripheral issues that are not really related to the central concern. Stick with the primary issues.

Each party needs to be assertive, but cooperative at the same time: You need to be clear about what you want to achieve, yet not at the expense of dominating the other side. Because the relationship is important, you need to see the problem from the other party’s perspective—“to walk a mile in the other person’s shoes” as much as possible. Understanding and empathy go a long way to finding the common issues.2

Watch out for a tendency to define solutions before you have fully defined the problem. In fact, you should avoid discussing solutions until you have thoroughly defined and understood the problem(s). And remember, the more creative the problem
definition, the more likely you are to discover a new, beneficial win-win solution. Throw caution to the wind, brainstorm wildly, and hope for a creative insight that will make it fun and easy to solve the problem.

Understand the Problem

In this step, you try to get behind the issues to the underlying needs and interests. As noted earlier, an interest is a broader perspective that each side has, which is usually "behind" their position. In our example, Felice’s position is that she does not want to provide full financial backing for the new business; her interest is to minimize her financial risk while also helping to get the business started and into a profitable mode. You need to learn not only about the needs and interests of each party, but also about their fears and concerns. Felice’s fear is that she will lose a large amount of her investment (and her savings) if the business goes bad. The reason for getting behind the positions is that they tend to be fixed and rigid; modifying them requires the parties to make concessions either toward or away from the target point. In contrast, interests define what the parties care about more broadly, and there are often multiple "roads to Rome," or several ways to resolve the conflict between these competing interests. In addition, a focus on interests tends to take some of the personal dimension out of the negotiation and shifts it to the underlying concerns. Since there is bound to be a difference in thinking styles, people will approach even similar issues in different ways. Positions offer only one way to think about an issue; interests offer multiple ways to think about it. Thus you can find out "where they are coming from" more effectively by discussing interests than by stating positions.

Interests may reflect current or longer-term concerns. And parties are likely to have multiple interests. It is also important to realize that each party may have different interests. By using "why" questions, you can dig deeper into the reasons for each party’s position. An interest is the why of a position.

Interests may be substantive, as with concerns for prices, rates, and availability of resources. Interests may have to do with the process, as in how we will conduct the actual negotiation. This concern may, in turn, be based on how the process has been completed in the past, or on how we want to change and improve it for the future. Concerns may also center around sustaining and enjoying the relationship. Or a party may have a strong interest in principles. They may be concerned about what is fair or ethical, right or acceptable. For example, Felice and Sara have a number of interests at stake in addition to the substantive interest of their specific solution to funding their new business. Because they are starting a business in which they will work together actively, they are trying to get off on the right foot in the way they solve and deal with joint problems. Thus they want to establish a good problem-solving process, they want to preserve—and even enhance—their relationship with one another, and they probably care a great deal about principles, such as the precedent created by both the outcome and the process of this negotiation or the perceived fairness of their agreement. Felice and Sara have a lot riding on this deliberation, and it is most important that they work it out in a way that creates a good outcome and strengthens their working relationship.
Remember that even if you define interests carefully, they can change. Since the negotiation process is an evolving one, you may need to stop from time to time to reconsider interests. If the conversation begins to change in tone or the focus seems to shift, this may be a signal that interests have changed. Since the collaborative strategy is one of openness, the parties with changing interests should be encouraged to share their shifts in needs. The other party may facilitate this by being willing to expand resources, extend the time frame, or change the details of the negotiation to accommodate the changed interests (we say more about some of these tactics in the next section). As Sara and Felice's business took off and prospered, their interests changed. As the business was successful, Felice was less worried that her financial investment would be seriously at risk. As the new decorating contracts were assured, she became more confident and trusted Sara more, and the two were eventually able to buy the 20 percent investment back from the architect. Both the changed nature of the business and the trust level between Sara and Felice had a lot to do with changing the interests of these two negotiators.

Generate Alternative Solutions
Once you have defined the issues to the satisfaction of both parties, you can begin to look for solutions. Notice that this is plural: solutions. You want to find a group of possible solutions, then select from among them the best solution for both parties.

There are two major ways to go about finding solutions. One is to redefine the problem so you can find win-win alternatives for what at first may have seemed to be a win–lose problem. The second is to take the problem at hand and generate a long list of options for solving it.

Redefining the Problem
To illustrate the different approaches, we will use an example suggested by Dean Pruitt, about a husband and wife who are trying to decide where to spend a two-week vacation. He wants to go to the mountains for hiking, fishing, and some rest; she wants to go to the beach for sun, swimming, and nightlife. They have decided that spending one week in each place will not really be adequate for either person, because too much time is spent in packing, unpacking, and traveling between the two locations.

- **Expand the pie**: If the problem is based on scarce resources, the object would be to find a way to expand or reallocate the resources so that each party could obtain their desired end. Knowing the underlying interests can help in this endeavor. For example, the parties could take a four-week vacation and spend two weeks in each place. While this would require more time and money, each person would get a two-week vacation in the chosen spot.

- **Logroll**: If there are two issues in a negotiation and each party has a different priority for them, then one may be able to be traded off for the other. For example, if Problems A and B are common to both parties, but Party 1 cares most about Problem A and Party 2 cares most about Problem B, then a solution that solves both problems can provide each party with a happy resolution. “You get this and I get that.” If there are multiple issues, it may take some trial and error to find what
packages will satisfy each party. In our example, if the husband really wants to stay in an informal rustic mountain cabin, and the wife really wants to stay in a fancy hotel, then another resolution is for them to go to the mountains but stay in a fancy hotel (or an informal beach house at the shore).

- **Offer nonspecific compensation:** Another method is for one party to “pay off” the other for giving in on an issue. The “payoff” may not be monetary, and it may not even be related to the negotiation. The party paying off needs to know what it will take to keep the other party so happy that they won’t care about the outcome of this negotiation. In a house sale negotiation, for example, the seller might include all window coverings (curtains, drapes, blinds) as part of the deal. The buyer may be so delighted that he decides not to ask for any other price break. In our vacation example, the wife might buy the husband a set of golf clubs, which will make him so happy that he will go anywhere she wants to go (since there are golf courses everywhere).

- **Cut costs:** In this method, one party accomplishes specific objectives and the other’s costs are minimized by going along with the agreement. This differs from nonspecific compensation because in this method the other party can minimize costs and “suffering,” whereas in the other method, the costs and suffering do not go away, but the party is somehow compensated for them. This method requires a clear understanding of the other party’s needs and preferences, along with their costs. In our vacation example, the wife says to the husband, “What can I do to make going to the beach as painless as possible for you?” He tells her that he wants to stay in a beach house away from the big hotels, get some rest, and be near a golf course and near several places where he can go fishing. They both go down to their favorite travel agent and find a location that offers all these things.

- **Bridge:** In bridging, the parties invent new options that meet each other’s needs. Again, both parties must be very familiar with the other party’s interests and needs. When two business partners (Sara and Felice) bring in a third partner who can offer resources neither of them wanted to contribute, this is an effective example of bridging. In our vacation example, the husband and wife go to a travel agent and find a place that offers hiking, fishing, beaches, swimming, golf, privacy, and nightlife. They book a two-week vacation for Hawaii and have a wonderful time!

**Generating a List of Solutions** The second approach to inventing solutions is to take the problem as defined and try to generate a list of possible solutions. The key to finding answers in this approach is to generate as many solutions as possible without evaluating them. The solutions should be general rather than party-specific—they should not favor one party over the other. At a later stage, each solution can then be evaluated to determine whether it adequately meets the needs and interests of both parties.

What is interesting in this process is that both parties engage in trying to solve the other party’s problem as much as they do their own. It is a cooperative endeavor. And, as you have probably heard many times before, two heads are better than one.
If you get to this stage, but the issues still seem murky, you may need to go back to the problem definition and rework that step. It should be easy to generate solutions if the problem is clearly stated in a way that does not bias solutions toward one party or the other. Otherwise, if you are comfortable with the definition of the problem, forge ahead.

There are a number of ways to generate ideas for solutions. Remember that you are only generating solutions in this step, not evaluating them or deciding whether to use them—yet. That will happen in the next step.

- **Brainstorming**: This common method for generating ideas usually works best in several small groups rather than one large one, depending on the number of people involved. Write down as many ideas as possible, without judging them. It is best to write or post the ideas on a flip chart, chalkboard, or similar display device, so that everyone can see them and keep track of what has been done. The key ground rule is that ideas must not be evaluated as they are suggested. Don't let anyone say, “Oh, that’s a dumb idea!” or “That won’t work!” Keep ideas flowing, keep focused on the problem and how to solve it, without associating people with the problem or the solutions.

  It often happens that people quickly think of a few possibilities, and then run out of ideas. At this point, it is easy to think you are done because you have a few solutions. Don’t stop here—stick at it for a while longer. Otherwise you may miss some really good ideas, particularly creative ones that no one has considered before. Ask outsiders for ideas, too. Sometimes they bring a fresh approach to the problem.

- **Piggybacking** can be used in conjunction with brainstorming. This technique is simply to build on someone else’s idea to produce yet another idea. It’s often done by working in a sequence order; one person starts with a brainstormed idea, then the next person has to “piggyback” until possible variations on the idea are exhausted.

- **Nominal groups**: In this method, each negotiator works with a small group—perhaps his or her constituency—and makes a list of possible solutions. These are discussed within the group, then considered, one at a time, by the group as a whole. They can be ranked in terms of preferences or likely effectiveness. The drawback of this method is that anyone not present at the session will miss offering input or helping to shape the solution.

- **Surveys**: Another useful method is to distribute a questionnaire stating the problem and asking respondents to list possible solutions. In this case, each person works alone on the survey, so people miss out on the synergy of working together. However, the advantage is that a number of people who have good ideas, but are normally reticent about getting into a group’s conversation, can offer their thoughts and ideas without being attacked or critiqued. Another advantage is that this draws in the ideas of people who may not be able to attend the negotiation or formally participate in it.

Prioritize the Options and Reduce the List  Once you have a list of possible solutions, you can reduce it by rating the ideas. In communicating your priorities and preferences to the other party, it’s important to maintain an attitude of “firm flexibility.” Be firm about achieving your interests, while remaining flexible about how those interests
might be achieved. There are a number of tactics to keep the discussion collaborative while being clear and consistent about your preferences:

- Remember that you are only prioritizing the list, not yet deciding on the actual solution.
- Be assertive in defending and establishing your basic interests, but do not demand a particular solution.
- Signal to the other party your flexibility and willingness to hear the other party’s interests by practicing your listening skills.
- Indicate your willingness to modify a position or have your interests met in an alternative way. Perhaps you will be able to trade one point for another. This will demonstrate your openness to suggestions and willingness to work together.
- Show ability and willingness to problem solve. Skill in problem solving is valuable here, especially if you get stuck on a particular point and need to find some way to resolve it to everyone’s satisfaction. If you can settle this issue, it will help when you get to the next step and are actually deciding on the solution. You will have set the stage for collaboration.
- Keep lines of communication open. If tempers flare, take a break, and talk about it if need be. Also talk with the other party about how you can continue to work on the problem without getting angry or losing control. Make sure both parties feel that they are being heard. Stress discussion away from personalities, and concentrate on the issues: “Separate the people from the problem.”

- Underline what is most important to you by saying, “This is what I need to accomplish,” or “As long as I can accomplish , I’ll be very happy.” Resist the temptation to give in just to get a resolution. Giving in is an accommodating strategy that will not result in the best outcome for both parties.
- Reevaluate any points on which you disagree. Be sure that both sides agree on the adjusted prioritized list so that you will both feel comfortable as you move to the final step.
- Eliminate competitive tactics by identifying them and either confronting them or renegotiating the process. If the discussion becomes competitive, point out that this is happening. Then try to resolve the problem before the entire negotiation becomes competitive.

Select a Solution

Using your prioritized list of potential solutions from the previous step, narrow the range of possibilities by focusing on the positive suggestions that people seemed to favor most. For example, one way to prioritize is to logroll (package each person’s first choice together). If parties have the same first choice, but very different preferences for it, try to invent a way for both sides to “win” on this issue.

Try to change any negative ideas into positive ones, or else eliminate them from the list. Stating alternatives as positives keeps the negotiation upbeat and on a positive note. Avoid attributing negative ideas to any particular person or side.
Evaluate the solutions on the basis of quality and acceptability. Consider the opinions of both parties. Do not require people to justify their preferences. People often do not know why they have a preference; they just do.

When you are preparing to select a solution, if you foresee any potential problems with this process, you may want to establish objective criteria for evaluation before you start the selection process. In other words, before you move toward picking among prioritized options, work against a set of objective facts, figures, data, and criteria that were developed independently of the options. There are numerous examples. In our example between Felice and Sara, they might go to a small business assistance agency, such as a local bank or small business development group, to find out how other business partnerships have dealt with this situation. If a car owner and a garage mechanic are having a dispute about how much it should cost to repair a starter motor, there are books available that indicate the “standard” cost for parts and labor for this repair. Finally, if a group of people is trying to pick a job candidate from among a group who applied for the job, their work will be considerably facilitated if they spend time developing criteria by which to evaluate the applicants before they actually look at résumés and interview people. If you can’t find objective criteria, another technique is to have a third party help you.

If necessary, use subgroups. These are helpful if the problem is complex or if the outcome will affect a large group. It may be more efficient to use several small groups than to use one large one. Be sure the subgroups contain representatives from each party.

Fairness and Other Intangibles

Intangibles are often operating in the decisions. For example, gaining recognition or looking strong to a constituency may be important factors in the selection of solutions. Acknowledge the importance of intangibles by building them into the decisions. For example, if the other party needs to maintain esteem with a constituency, they may be willing to settle on a lesser point that still allows them to appear in a favorable light. In fact, it will help them greatly if you work with them to determine how to make them look strong and capable to the constituency.

Fairness is usually one of the most important intangibles. In a win–win negotiation, both parties want to achieve a fair outcome, rather than maximize their outcome—which they might push for in a competitive negotiation. There are a number of ways to decide what is fair, but three common criteria often apply:

- An outcome that gives each side equal outcomes. Thus it is not surprising that one of the most common ways to solve negotiation problems—particularly win–lose, competitive ones—is for the parties to agree to “divide it down the middle.”

- An outcome that gives each side more or less based on equity (what it has earned or deserves, based on the time or energy committed). In this case, the side that puts in more should get out more. Equity is usually based on the ratio of outcome to input, so that the person who works harder, suffers more, and so on deserves a proportionally larger share of the results.

- An outcome that gives each side more or less, depending on what it needs. In this case, if one side can create a legitimate claim that it needs or deserves a better outcome, there may be a good case to be made for dividing up the resources so that those with greater needs actually gain more.
We can see how the equity versus equality arguments can easily come into play in the discussions between Felice and Sara. Sara—having no money but great creative skills—could argue that they should split all profits from the business equally. In essence, she is arguing that creative contribution and financial contribution to the business should be weighted equally. In contrast, Felice—having few creative skills but a lot of money to put toward the venture—could argue that they should split profits in proportion to the amount of money contributed during the start-up. If the two of them stuck to these positions strongly, they could have an intractable dispute over how to value financial and creative contributions, which would be a major block in their discussions.

Emotional Escalation  If emotions surface, or if people get angry, take a break. Give people an opportunity to discuss the reasons for their dissatisfaction. Be sure everyone has cooled off before you start again, and try to keep personalities out of the deliberations. If taking a break does not work, seek out a third party to help you.

Other Suggestions for Keeping the Decision-Making Process on Track  You can use logrolling to make combination options. You can also take advantage of risk preferences, differences in expectations, and differences in time preferences. For example, one party may prefer an option with low risk, while the other party is willing to accept an option with a much higher risk; you may be able to combine these so that each party gets its preferred outcome. Likewise, some options may satisfy only short-term concerns, but may be more important to one party than longer-term issues. These, too, can be traded off.

It is very important not to rush the process of selecting solutions, appealing as it may be to do so. If you get to the bottom line too quickly, you may miss some good potential options, and you may fail to ensure that both sides participate equally. Collaborative efforts require the participation of both sides; they may also require time to mull over alternatives and think through all the consequences. Good collaborative negotiation requires time and cannot be rushed.

Remember that everything is tentative until the very end. During the solution-generating phase, some people may even object to writing anything down, as this may make them nervous. They may feel they are being railroaded into commitments they have not agreed to. Other than the “working documents” that you may create as you define the problem and invent options, you may want to begin to record decisions only when the group is close to consensus. That way, nothing is set in stone until the very end. This open, fluid approach makes it possible to share creative ideas and suggestions. The minute one party says, "But you said yesterday you'd be willing to..." the collaboration starts to unravel as participants begin to worry about being held accountable for "positions." This difficult and critical rule is violated too often as people revert instinctively to a competitive style without realizing the impact on idea generation and sharing.

Once the parties have agreed on solutions and prepared a document to outline the agreement, it should be passed around for everyone to read. Some people have suggested that this may even be an excellent way to manage the entire prioritization and decision-making process. Start with a tentative draft of what people agree to, then
continue to pass it around, sharpening language, clarifying words, and writing out agreements so that all agree with it and pledge to live by it. You may want to make a plan for implementing the agreement, and to set up a time frame in which the parties can try out the solution. This again allows for all to fully participate and to become committed to the plan.

How to Be Successful with Collaborative Negotiation

Researchers have identified several keys to successful collaboration. They are useful as a checklist for the strategic negotiator in planning and implementing a collaborative strategy.

Create Common Goals or Objectives

There may be three different ways the goals will be played out: All parties will share in the results equally; the parties will share a common end but receive different benefits; or the parties will have different goals, but share in a collective effort to accomplish them. In any of these cases, both parties believe that they can benefit by working together as opposed to working separately, and that the results will be better than they would be if each party worked separately.

Maintain Confidence in Your Own Ability to Solve Problems

This is more or less a matter of “If you think you can, you can.” As we mentioned earlier, it helps to have a strong knowledge of the problem area, but lack of knowledge can be overcome if the desire is there. Probably the most important element is to develop skills in negotiating collaboratively, since it is a less common form of negotiation. The more you do it, the better you will become at doing it.

Value the Other Party’s Opinion

Valuing the other party’s point of view is difficult if you have been accustomed in the past to focusing only on your own position and maintaining it. In the collaborative strategy, you value the other party’s position equally with your own. You need good listening skills and openness to hear the other party’s point of view.

Share the Motivation and Commitment to Working Together

In the collaborative strategy, you are not only committed to the idea of working together with the other party, you take actions to do so. You pursue both your own needs and those of the other party. This means each party must be explicit about their needs.

In collaborative negotiation, the parties strive to identify their similarities to each other and to downplay their differences. The differences are not ignored, they are simply recognized and accepted for what they are.

The parties are aware that they share a common fate, particularly if they expect to work together after this negotiation has been completed. They know they can gain more if they work jointly than if they work separately. To do this, they focus on outputs and results.
Motivated, committed parties will control their behavior in a number of ways. Individuals will avoid being competitive, combative, evasive, defensive, or stubborn. They will work at being open and trusting, flexible, and willing to share information and not hoard it for their own use.

**A Cautionary Note**  Believe it or not, there is such a thing as too much collaboration! The two parties must not be so committed to each other that they do not look out for their own needs. If they begin to subordinate their needs to the other party, they will be moving toward the accommodating or lose–win strategies and will lose out on the benefits that the collaborative strategy can offer.

**Trust**
Because trust creates more trust—which is necessary to begin and sustain cooperation—it is important to make the opening moves in collaborative negotiation in a way that engenders trust. Opening conversations may occur even before the formal negotiations begin, when the parties are just becoming acquainted. If one party finds a reason to mistrust the other party at this time, this may stifle any future efforts at collaboration.

If the parties are new to each other, or if they have been combative or competitive in the past, they will have to build trust. Each party will approach the negotiation with expectations based on the research they did on each other or on past history. Generally, we trust others if they appear to be similar to us, if they have a positive attitude toward us, or if they appear cooperative and trusting. We also tend to trust them if they are dependent on us. Likewise, making concessions appears to be a trusting gesture, so we are likely to respond in kind.

In contrast, it is easy to engender mistrust. This often begins either with a competitive, hostile action, or with an indication that one does not trust the other. Once mistrust gets started, it is very easy to build and escalate, and very difficult to change over to collaboration. Trust escalation and deescalation have often been compared with the children’s game “Chutes and Ladders.” In this analogy, it is easy to move down the “chute” of mistrust, rapidly sliding to the bottom, but much more difficult to climb back up the “ladder” that will restore and sustain good trust between parties.

**Clear, Accurate Communication**
Communicating effectively is the bedrock of negotiation, no matter what form the bargaining strategy takes. In the collaborative strategy, precise and accurate communication is of the utmost importance. It is crucial to listen well so that you know what the other party wants and why they want it. This requires more than just superficial listening.

It is through communication that one party shares information with the other party. This communication must be delivered in the most concrete of terms so there is no confusion or misinterpretation. Feedback and frequent questions can clarify the message if necessary.

Some of the communication in negotiation may be formal, based on procedural or other rules such as rules of order. Sometimes communication will be informal, as during breaks and after sessions. Or perhaps the entire undertaking will be informal, depending on the personal characteristics and styles of the participants.
Obstacles to Achieving Good Collaboration

Collaborative negotiation is a lot of work. But the rewards can be great. Sometimes, however, no matter how much you want to succeed, obstacles may prevent you from moving ahead with a collaborative strategy. One (or both) of the parties

- May not be able to do the required work.
- May have a win–lose attitude.
- May not be able to see the potential for collaboration.
- May be motivated to only achieve their own goals.
- May not be capable of establishing or maintaining productive working relationships.
- May be inhibited by biases.
- May have a constituency that is pressing for competitive behavior or quick outcomes.

Further, the situation may contain elements that require a mix of strategies. Then you need to separate the issues into the component parts and deal with each separately. Sometimes you may feel that you do not have the time or energy to push forward with a collaborative strategy, especially if you encounter one or more of the preceding situations.

What If There Is a Breakdown?

If there is a conflict, try to move the discussion to a neutral point, and summarize where you are. If there is a total breakdown in communication, and you just cannot get the negotiation back on track, you may need to resort to conflict resolution strategies or to third-party intervention. And also note that you and the other party can, at any point, reach a mutual agreement to abandon your collaboration and adopt another negotiating style. For instance, you might try collaborating, decide you don’t like working together, and decide that you will “agree to disagree” and revert to a conventional competitive strategy—or toward a more expedient and simple outcome through compromising. Remember, however, that you will give up the relationship benefits, so do not advocate the competitive strategy unless you decide your initial estimation of relationship importance was too high. Also, since you will have shared much information through your collaboration attempt, it can now be used against you in a competitive negotiation. Therefore, the slide from collaboration to competition is not generally a happy or profitable one because some of the actions you undertook under the assumption that you could trust the other and work with them may now be used against you as weapons.

A Case Study: Negotiating Strategic Alliances

A business example of the use of negotiation is in the area of strategic alliances, which are gaining in importance worldwide, particularly in Europe. Global competition has intensified the scramble for access to markets, products, and technologies. Strategic alliances are one strategy that companies are using to survive or to keep up with the new developments in industry.
Negotiating a strategic alliance presents a challenge. “A bad negotiation tactic may do lasting damage; good negotiation tactics must be repeated a number of times before the partner accepts this as a pattern.”

In 1985 Corning and Ciba-Geigy formed Ciba Corning Diagnostics, an alliance based in the United States, designed to enhance Corning’s medical diagnostics business. Ciba-Geigy is a global pharmaceutical and chemical company based in Switzerland. Corning, based in New York, is a world leader in glass and ceramics technology. The alliance would combine the strengths of the two partners to develop innovative medical diagnostic tests.

There was synergy in what each partner could offer to the alliance. Negotiation went smoothly, as Ciba was willing to have Corning manage more extensively in the beginning. Corning’s managers were willing to concede on points of strong interest to Ciba, and thus they were able to agree on a time line for their work. Each partner appointed its director of research and development to the board of the new alliance, which signaled to the other party a willingness to share technology, while garnering internal support for the alliance as well.

Each side had representatives to build consensus, improve communication, and obtain support for the parent organization. Ciba and Corning actively looked into ways for each partner to gain by opening up possibilities for broadening the product line, marketing, technology, and growth. They were able to negotiate any issues that arose because, as mutual trust grew, they were willing to discuss such problems clearly and openly.

A strategic alliance will not succeed if the two potential partners have conflicting underlying motives. If they are both leaders in their field, it may be difficult for them to collaborate. Likewise, if they have strongly differing views of which activities should take priority or what the time lines should be, the success of such an alliance would be questionable.

To create a successful alliance, each organization must be willing to support the efforts to create an alliance agreement. This means that political support must be generated within the organizations of the potential partners. Building support may take time. For example, the Japanese take a long time to complete this process (at least from the American point of view). Conversely, the Japanese see American firms as too pushy.

Negotiating with Your Boss

Since everyone has had some sort of experience dealing with a boss at one time or another, we will take a moment here to look at ways to negotiate collaboratively with a manager. Although performance review, salary, and benefits are usually the major areas for discussion and possible conflict with one’s manager, there are others that arise more often. For example, what if you are asked by your boss to do a project that you realize you cannot possibly complete without working overtime? If you do not mind staying late, go ahead. But if you find yourself doing this frequently and resenting it, maybe you need to consider negotiating about it the next time.
Negotiating with the boss is often viewed as a competitive, win-lose, or fixed-pie situation. It can also be viewed as a lose-win situation, in which it is better to accommodate and let the boss win all the time, rather than try to argue for a preferred outcome and have the boss be angry at your "assertiveness." But if you think about it, both parties might be able to gain something from collaborative negotiation.

Think about the steps in the collaborative strategy we covered earlier in the chapter. Look at your own needs, as well as those of your boss. Remember that the key to collaborative bargaining is to find a way to solve the other person's problem.

So in our hypothetical situation, your boss may have been asked by her boss to drop everything and get this project out, at any cost. (Your boss may have some bargaining of her own to do.) At any rate, your boss has to have this project done, and there is no way for you to complete it during normal hours, given the other work you have to do and the deadlines for those projects. Your boss could ask someone else to do it, but perhaps she knows you can do the job better and more quickly.

First, clarify the situation. Find out the circumstances from your boss. Be sure you understand the details of the project. Gather information you may need about what you are working on at the present time.

When it is time to discuss the project again, you will be prepared. Be sure your boss knows and understands the situation from your side. List what you are currently working on, and make sure she is willing for you to put those things aside to work on this rush project. Or does she prefer to have you give it only part of your attention? We knew one person who, when her boss piled new work on her desk, made a list of all the projects she was currently managing. Then she handed the list to her boss, and asked him to number the list in the order that he wanted things done. It made him decide what his priorities were.

You can make a number of suggestions for how to complete the project given the circumstances. (This means you will have brainstormed for ideas before you meet with her.) One option might be for the boss (perhaps with your help) to find more resources. Two people could perhaps help with the project, thus halving the time it will take to complete.

Another option would be for your boss to get an extension of the time allotted for the project. To do this, she would have to negotiate with her boss.

A third option might be to change the "specs" of the project (e.g., make it less detailed or more streamlined), which would allow you to complete it in less time.

You also could suggest, "If I stay late several nights to do this project, I would like to take compensating time off," or "If I do this project, then I need help to complete my other projects on time, or else an extension." These are compromising strategies.

This example illustrates that even an apparently simple negotiation can be more complex than we realize. In this case, it involves not just you and your boss, but her boss as well (and who knows who else?). In any situation, it helps to break down a problem into its component parts and try to get at the underlying needs.

Summary

In this chapter, we have outlined the collaborative strategy. When using this strategy, your objective is to both maximize your outcome on the substantive issues and sustain or enhance the quality of the relationship between you and the other side. To do so, you
need to meet your outcome needs as well as the needs of the other party in a manner that strengthens the trust, mutuality, and productive problem-solving in the relationship.

Good collaboration is a wonderful thing to be able to create and sustain. But it is not an all-purpose panacea, and making it work well often requires a large commitment of time and energy. There are times when the parties might be just as well off to compromise, accommodate, or even avoid negotiations.

Endnotes

11. Fisher and Ury, _Getting to Yes_.
14. Fisher and Ury, _Getting to Yes_.


20. Freedman, "Dealing Effectively with Difficult People."


24. R. H. Mourtis, "Client Involvement through Negotiation: A Key to Success."

