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Occasional Papers

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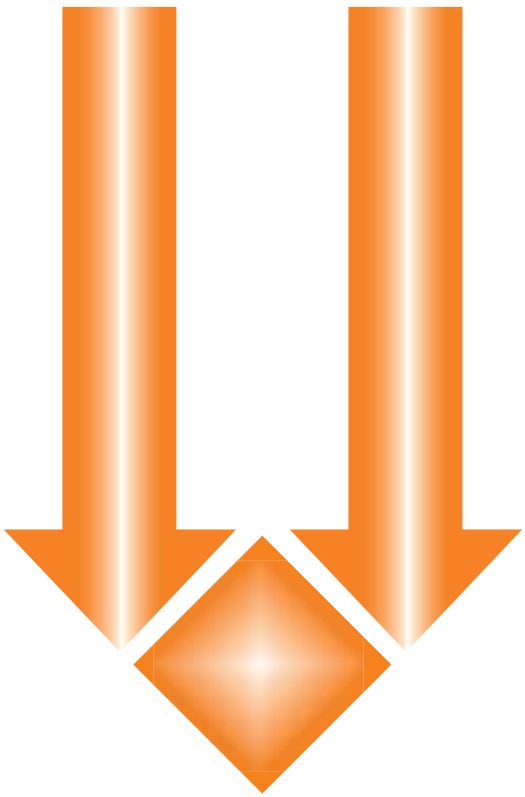
Communication Chains in Negotiation Between Organizations



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“Communication Chains in Negotiation Between Organizations”

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Preface

Sabanci University is an English speaking private institution of higher learning that encourages interdisciplinary teaching and research. It offers undergraduate and graduate programs in the Arts and Social Sciences; Engineering and Natural Sciences; and graduate programs in Management Sciences.

The Faculty of Arts and Social Sciences is making a substantial investment to develop a Conflict Analysis and Resolution program, designed to provide graduate level education for Turkish and foreign students, particularly those from Southeastern Europe. Consistent with the philosophy and mission of the University, it aims to take a regional lead in providing support for peacemaking and conflict prevention schemes on the ground.

The master's program in Conflict Analysis and Resolution, initiated in Fall 2000, has the following goals and objectives:
To present students with an analytical perspective that will enable them to define objective parameters as well as perceptual and psychological context of conflicts;

To equip students with theoretical understanding and practical skills in conflict resolution to assist them in managing conflict situations in a creative and constructive way. Various approaches to conflict resolution and conflict management techniques are introduced, such as negotiation, mediation, problem solving techniques, and track two diplomacy;

To encourage students to apply their conflict resolution background to policy issues related to disputes in or among governments, organizations, civil society, or corporations.

The international dimension of the program takes into consideration the changing nature of diplomacy in the post Cold War era. In this context, it treats different frameworks of conflict resolution as a tool to study and generate alternative foreign policy options.

The Faculty of Arts and Social Sciences is determined to pursue these objectives in an effective way by building international institutional networks and strategic alliances with universities and NGOs.

The Occasional Paper series on Conflict Analysis and Resolution reflects Sabanci University's commitment to the study and practice of conflict management.

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Communication Chains in Negotiation Between Organizations*

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Negotiation between organizations, including governments and other political entities, takes place through representatives who seek to exert influence in two directions: with the other side's negotiator and with their own constituents. Twenty-five years ago, Stacy Adams (1976) – best known as the originator of distributive justice theory – complained about how little attention negotiation researchers were paying to this common communication structure. Unfortunately, the situation has not changed much since then.

Figure 1 shows the preliminary model Adams developed, which I will use as a jumping off place. There are two organizations in this diagram: A and B. The negotiators are called boundary role people or BRPs. They report to constituents, the CAs and CBs. Note that all the communication arrows are double-headed. Negotiators try to influence each other; constituents try to influence their negotiators and vice versa; and constituents try to influence each other.

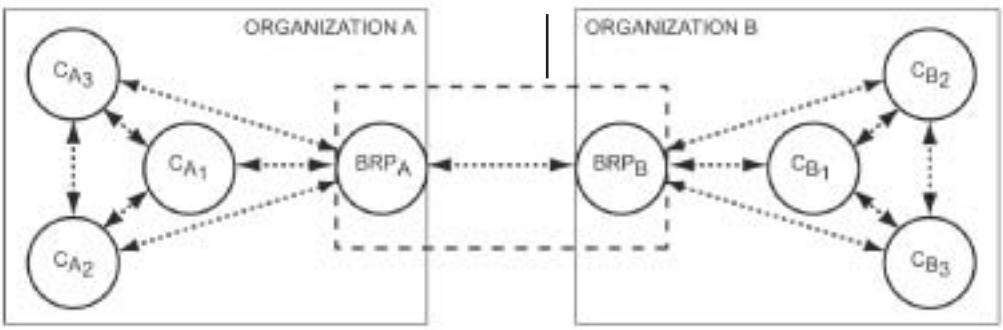

Fig. 1. Communication network involved in negotiation between two organizations. BRP = boundary role person; C = constituent. From Adams (1976).

One might ask why negotiation takes place through BRPs rather than directly between the relevant constituents on either side of the conflict. For example, why do we have foreign ministries and embassies? Why not let the Commerce Department or the Agriculture Department talk directly with comparable agencies in foreign governments? The answer to this question is four-fold, in terms of efficiency, coordination, specialization, and policy.

* Earlier versions of this paper were presented at the International Studies Association convention in Chicago on February 24, 2001 and the 14th Annual Conference of the International Association for Conflict Management in Paris on June 25, 2001.

1) *Efficiency*. In an organization of any complexity, most issues touch on several interests. If the organization tries to speak with many voices at the negotiation table, the result will be chaos. Hence, there needs to be a single chief negotiator on each side of the negotiation.

2) *Coordination*. To reach a clear-cut negotiated agreement, hard decisions must be made between the interests of various groups on each side. For example, it may be necessary to meet the needs of the Commerce Department and ignore the needs of the Agriculture Department, or vice versa. If these groups try to make the decisions themselves, the result is likely to be no decision or a meaningless compromise. Part of the job of the BRP, or his or her superiors, is to establish priorities between competing needs in their own organization, while blaming the necessity for these priorities on the other side's rigidity.

3) *Specialization*. BRPs tend to become specialists on negotiation. They learn how to structure meetings and agendas. They develop an understanding of the phases of negotiation, which typically moves from a vigorous initial statement of position to problem solving that is designed to find a mutually acceptable solution (Pruitt, 1981). And, if BRPs stay in the same job for long, they are likely to become specialists on the other side – learning whom to contact, how to interpret the other side's statements and proposals, what arguments are most appealing to the other side, etc. In addition, they will often develop a working relationship with their counterpart on the other side – the opposing BRP – enhancing the quality of problem solving. Without these kinds of specialization, negotiation will often flounder.

4) *Policy*. Each organization is likely to have policies regarding the other side – goals that make sense in their relationship, past agreements that must be upheld, and plans for future negotiation that must not be undermined. Such policies tend to reside in the hands of the BRPs or the units to which they belong, for example, a foreign ministry.

Chains

Adams' model embodies a number of features that are central to my analysis. Note that it involves several overlapping 4-person communication chains that have the two BRPs in the middle, acting as intermediaries; for example, C_{A1} < > BRP_A < > BRP_B < > CB_3. More broadly, it can be viewed as a branching chain model, with a single link in the middle and three branches on each end going from the BRP to his or her constituents. Note also that the two BRPs are enclosed by a box made of dashed lines. This means that they tend to constitute a psychological group apart from the other players, with a distinctive set of norms, goals, way of talking, etc. – a kind of "club," as it is sometimes called in multilateral international negotiations. The boxes

enclosing organization members on each side are made of stronger lines, implying that BRPs are more strongly tied to their constituents than to one another. But the ties between the BRPs are nevertheless significant.

My main criticism of Adams' model is that the communication chains governing most inter-organizational negotiations tend to be much longer than four people. In making this point, I will rely heavily on some miniature cases I developed more than 40 years ago from interviews in the Office of British Commonwealth and Northern European Affairs of the State Department, the foreign ministry of the United States (Pruitt, 1964). In these cases, the BRPs were "country desk officers" (specialists in a foreign country) and their counterparts abroad, and the constituents were mainly people in other government agencies.

The chains were longer than shown in Figure 1 in several ways. For one thing, there was likely to be another BRP (or "intermediary," as I prefer to call them) between the desk officers on either side – an embassy official either in Washington or the foreign capital, who negotiated with the desk officer of the country in which he or she was stationed. This is shown in Figure 2. (If negotiation takes place in a neutral location away from both capitals, there may well be two such

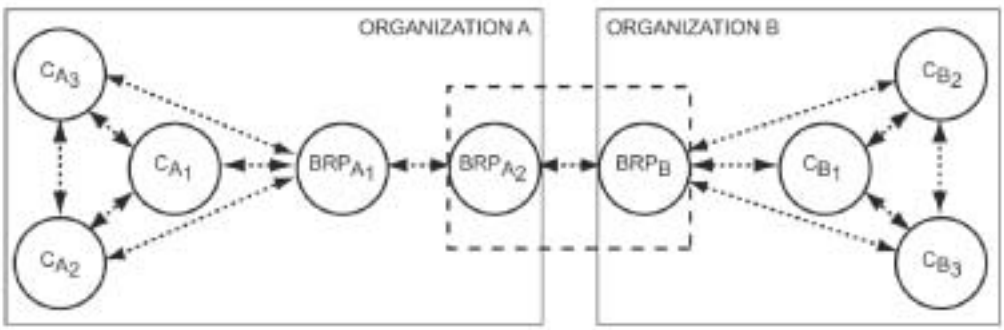

Fig. 2. Communication network with the addition of an embassy officer in a foreign capital (CRP_{A2}). BRP_{A1} and BRP_B are desk officers. C's are other governmental agencies.

intermediaries.) In addition, the State Department desk officers often dealt with counterparts in other US agencies whose role involved smoothing relations between their agency and the State Department, as shown in the top circle on the left of Figure 3. Furthermore, some of these agencies had other specialists who dealt with

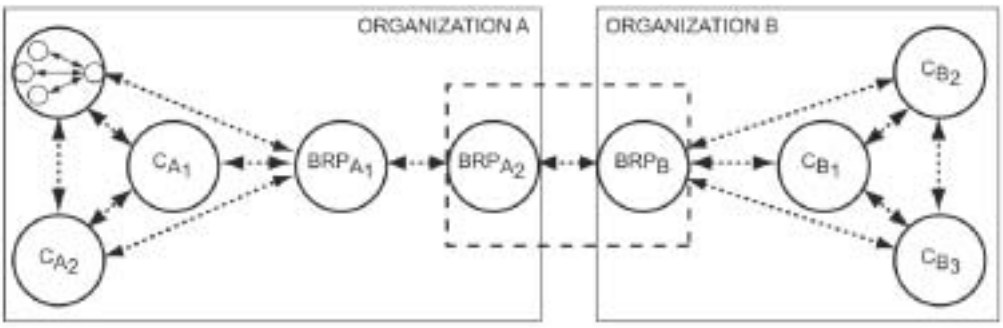

Fig. 3. Addition of a counterpart in another agency (the upper left-hand circle), who intermediates between BRP_{A1} and several members of that agency.

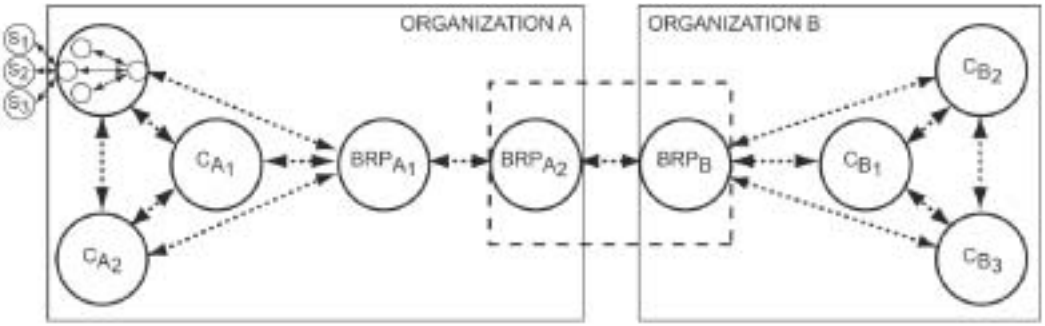

Fig. 4. Addition of outside interests (S = stakeholder), who deal with a specialized intermediary from the agency shown at the upper left.

interests outside the government, such as labor unions, shipping companies, or defense contractors. These outside interests are labeled "S" (for stakeholder) in Figure 4. In one of my cases (Figure 5), the negotiation involved a chain of at least nine individuals, stretching all the way from a defense contractor on the American end (S_1), through several agencies of the American and British governments, to an official in a British Caribbean colony on the other end (S_4).

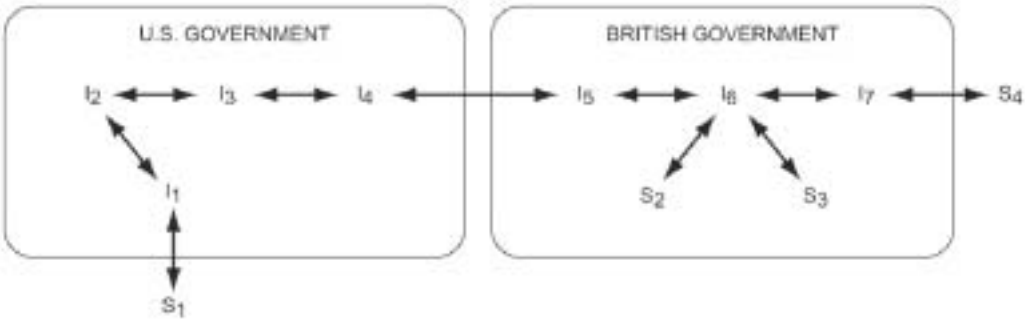

Fig. 5. Chain involved in a negotiation between the American and British governments.

All of the individuals between the ends of such chains can be viewed as intermediaries. They are all BRPs, in Adams' sense. Yet paradoxically most of them are also constituents, since their interests are represented by other intermediaries. Adjacent individuals in such a chain can be thought of as "counterparts" who communicate directly with one another.

Basic Chain Theory

How can we deal with the complexity shown in these diagrams? What we need is a set of principles that apply uniformly to all parts of a branching chain and link the characteristics of such chains to success or failure in negotiation. Chains of this kind can be decomposed into a series of 3-party modules like that shown in Figure 6. I will first discuss the way such modules work and then describe some characteristics of the system as a whole.

Fig. 6. Three-party module. A and B are part of one group and C is part of another.

Three-party modules. Person B, who is an intermediary between A and C in Figure 6, has a three-fold role: as liaison, mediator, and policy injector. As a Janus-faced liaison, B must pass and interpret messages from A to C and vice versa. In doing so, B acts as a filter – emphasizing some parts of a message and discarding others – and may also be a source of bias. Hence, there is seldom 100% faith in such messages; A is likely to take what B says about C with a grain of salt, and C does the same with regard to messages from A.

As a *mediator*, B often must build an agreement out of the disparate positions taken by A and C. If A and C are parts of different organizations, we are talking about building a negotiated agreement. If they are parts of the same organization, we are talking about building a negotiation position or strategy. The process in both cases is much the same.

One job of any mediator is to represent A's views to C and C's views to A, so as to help the parties find or accept a compromise. This is a perilous task when A and B are part of the same group (whether it be the US government, a department within that government, or an office within that department) and C is part of another, as shown in Figure 6. Arguing for the interests of an outside group, may cause B to incur distrust or even be branded as a renegade by his or her own group (Adams, 1976). This can jeopardize B's effectiveness, B's job, or even B's head. This risk is particularly great if there is antagonism between the groups, or if B is of low status (Kogan, Lamm, & Trommsdorff, 1972) or is already distrusted (Wall, 1975).

One tactic B can use to counter this risk is to fight vigorously and publicly with C at the beginning of negotiation, so as to gain enough credit with A that he or she can later safely urge A to concede. Indeed, when B and C are negotiators for different groups, it is not uncommon for them to stage an initial battle so that they will have more credits with both sets of constituents when it comes time to recommend a compromise.

For B to be an effective mediator, he or she must have a good working relationship with both A and C. This point was made before about BRPs, but it applies equally well to all intermediaries in chains of this kind. Such relationships must involve trust – a sense that B is attuned to and respectful of both A's and C's interests. Without trust, A and C will be on their guard, refusing to give B critical information or to try out tentative new ideas on B. B must also become an expert on A and C, so as to properly interpret what they say and devise compromises that satisfy their needs without unduly annoying their constituents. B's effectiveness in all of this partly depends on his or her similarity to A and C in

views and values. (This says something about how intermediaries should be, and often are, recruited.) Time spent with A and C is also important for developing trust and expertise.

Intermediaries seldom act as simple honest brokers. Most of them are also, to some extent, *policy injectors*, introducing specialized goals and standards into the process. Hence there is value added at nearly every point in the chain. Examples would be State Department country desk officers, who must look out for the entire American relationship with the country to which they are assigned, and Defense Department procurement officers, who must stand up for tight security regulations.

System characteristics. The chain model assumes that psychological distance is minimal between people who are adjacent in a chain, and becomes larger the farther apart they are. Thus in the negotiation pictured in Figure 5, the American and British negotiators (I_4 and I_5), were more similar and better attuned to each other than the British negotiator and an industry liaison in the United States Department of Defense (I_1). And the parties on either end, an executive of an American firm (S_1) and an official in a Caribbean government (S_4) were virtually off each other's wavelength. This assumption is not always correct; bureaucracies sometimes force indirect contact between people who could easily talk to each other and work things out. But it is usually correct. Hence, having intermediaries makes it possible to find agreements that would not otherwise be reached.

These points imply three hypotheses (Pruitt, 1994):

1) The greater the psychological distance between individuals, the longer should be (and usually will be) the chain of intermediaries between them. This is a variant of the Lawrence and Lorsch (1967) assertion that greater differentiation between two units of an organization requires more elaborate structures for managing the interface between them.

2) The success of negotiation between organizations depends on the quality of the relationships between counterparts in the chains that govern these negotiations.

3) Stability of personnel contributes to the success of negotiation, because it often takes a while for counterparts to get to know and trust each other.

Solving Problems Created by Chains

If social scientists were designing systems for negotiating multiparty agreements, would they build them out of communication chains? Probably not, because chains produce many problems. They are forced on us by the logic of

organizational structure and counterpart relationships, and we simply have to overcome the problems they create.

One problem is that a chain is no stronger than its weakest link, that is, the least adequate counterpart relationship. This problem is solved by the use of "patch cords," alternative channels around poorly operating segments of the chain. If an American desk officer cannot reach an agreement with his or her counterpart in the Dutch embassy in Washington, perhaps the American ambassador can work it out with the Dutch foreign office in The Hague.

Much more important are the problems of distortion and lack of faith in reports that travel along chains. The psychologist Bartlett (1932) showed, many years ago, that communication chains produce severe message distortion. Details get lost and the fundamental meaning of messages is often altered by preconceptions and wishful thinking. The longer the chain, the worse the problem and the greater the potential for misunderstanding. Given the high likelihood of distortion, it is no wonder that people tend to mistrust messages that come to them over chains. Can one think of a worse way to develop a crisp negotiated agreement that satisfies most people's values?

Organizations can fight these problems in four ways:

1) *Redundant communication*. People ask that unclear or suspect message be sent again, posing questions aimed at sharpening them.

2) *Signed documents*. In my State Department study, I found that final plans for negotiation had to be initialed by representatives of all the government agencies affected by the issue under discussion. At the interface between governments, the final product was a signed treaty. What this means is that everyone in the chain has a chance to examine the final decision product to be sure that the views they previously transmitted have been taken into account.

3) *Alternative chains*. If people at one end of a chain wish to verify information they are getting about the views of people at the other end of the chain, they can consult an alternative chain that reaches to the same people. For example, the Oslo negotiations that led to the establishment of the Palestinian Authority involved a secret communication chain that stretched from Foreign Minister Peres and Prime Minister Rabin on the Israeli side to Chairman Arafat of the Palestine Liberation Organization (PLO). At times, the accuracy of messages that came over this chain was checked through an alternative chain that ran from the Israeli government through President Mubarek of Egypt to the PLO (Savir, 1998). A related use of alternative chains is to check whether one is dealing with a valid representative of the other side.

4) *Meetings of disparate parts of the chain*. It is sometimes necessary to hold meetings between people who are at or near the ends of a chain in

order to clarify messages, work out difficult details, or verify that these people are willing to accept the emerging agreement. Such meetings usually come late in the negotiation after issues have been sharpened and partial agreements reached through the chain. They are usually organized by the intermediaries who lie between the extremes, and these intermediaries sit in the meetings to facilitate the discussion and ensure that important issues are not ignored. To persuade people to attend such meetings, there must be: (a) difficulty in reaching a final settlement through chain but also (b) a good deal of optimism about how well the meetings will go. The negotiation shown in Figure 5 went on for a long time and produced a number of partial agreements, but it eventually became deadlocked over a small number of issues. A meeting was then organized including 8 of the 9 units in the main chain, and a full agreement was reached (Pruitt, 1994).

Extensions of Chain Theory

The chain theory just presented can be extended to two important phenomena: summitry and the resolution of seemingly intractable international and ethno-political conflicts.

Summitry. Chain theory can be used to analyze "summitry," the meetings of heads of state. The issues to be discussed are usually first examined by conventional communication chains at a lower level of government, and partial agreements are reached where possible. As the summit meeting approaches, assistants of the top leaders and then the top leaders are briefed on the issues. Hence, the heads of state can be viewed as occupants of the two ends of a chain that stretches through their assistants to the foreign policy wings of their government, which are in touch with each other through normal diplomatic channels. Summit meetings take place with many members of this chain in attendance, to give assistance and make sure that important issues are not neglected.

Top leaders have relatively little time and a lot of potential for embarrassment. Hence, they usually require that there be good reasons for optimism about the success of a summit meeting before they are willing to commit to it. Otherwise, it is best to wait for a better time.

Peace processes. Chain theory is also useful for understanding the settlement of seemingly intractable international and ethno-political conflicts. In severe conflicts of this kind, the disputants are usually incapable of holding productive discussions and often unwilling to meet each other. Hence third parties must become involved in some sort of shuttle diplomacy. This adds another intermediary to the chain, who must act as a liaison and mediator and may well inject some preferences of his or her own. The role and impact of such an intermediary is much the same as described above, except that he or she is likely to be equally loyal to both sides rather than more loyal to one as is party B in Figure 6.

If the hostility between the parties is severe, there may be no single third party who understands, and is trusted by, both sides. In such cases, a sub-chain of two intermediaries will often form, as shown in Figure 7. Intermediary B1 talks with Party A, Intermediary B2 talks with Party C, and B1

Fig. 7. Communication chain involving two third parties, who communicate with each other and with one of the disputing parties.

and B2 talk with each other. Thus Kraslow and Loory (1968) report that during the Vietnam War, a chain of intermediaries went from the US government, through officials in Great Britain, to officials in eastern Europe, and finally the government of North Vietnam. There is also reason to believe that the chain shown in Figure 8 produced the Northern Ireland ceasefire of 1994 and part of the agreement that was subsequently negotiated at Sturmont Castle (Mallie &

Fig. 8. Communication chain involved in the peace process in Northern Ireland between 1988 and 1994.

McKittrick, 1996; Pruitt, 2000, in press). This chain, which operated from 1988 to 1994, stretched from Gerry Adams of IRA/Sinn Fein to John Hume of the Catholic Social Democratic and Labour Party (SDLP) to the Prime Minister of the Irish Republic (first Charles Haughey and then Albert Reynolds) and finally to the Prime Minister of Great Britain (John Major). The success of the communication produced by this chain can also help understand how the parties developed sufficient trust and optimism to move into the final negotiations.

Conversations in such chains are usually secret, since the parties are too hostile to acknowledge that they are talking with each other. This is another reason for having two intermediaries; the complexity of the chain makes it easier to maintain secrecy. For example, John Major could easily persuade his hawkish constituents that he was not communicating with that dangerous revolutionary, Gerry Adams, but only with his fellow prime minister in the Irish Republic who would never have anything to do with Gerry Adams. In other words, complex chains provide political cover for leaders who wish to explore the prospects of peace with a sworn enemy.

Two tentative propositions about chains that link top leaders emerge from the analysis of summitry and peace processes (Pruitt, in press):

1) Chains usually start out as a short segment or segments that do not link top leaders on the two sides. If this rudimentary chain performs well, optimism will increase, allowing the chain to develop to the point

where it provides such a link. For example, the Northern Ireland chain started in 1985 with meetings between the Irish and British prime ministers, followed in 1988 by meetings between Gerry Adams and John Hume. Later in 1988, Hume contacted the Irish prime minister, thus linking Adams indirectly with the British prime minister (Mallie & McKittrick, 1996).

2) Optimism eventually causes chains to *shorten in the middle,* allowing people at a distance from each other to talk more directly. When this happens, intermediaries who drop out of the middle usually stay on as advisors, helping the remaining chain members talk across the chasm that still divides them. This happened in the final Sturmont negotiations in 1997 and 1998, when Gerry Adams talked directly with Tony Blair, the new British prime minister; and the process was helped along by John Hume and Bertie Ahern, the new Irish prime minister (see Mitchell, 1999).

Conclusions

Chain theory takes a broad systems approach, providing a way of integrating all the decision making that goes into negotiation. By viewing all participants (except for the outlying stakeholders) as intermediaries, it employs a uniform set of principles that apply to all parts of the system. Thus it allows considerable economy of thought. The concept of chain shortening also helps understand the transition between pre-negotiation and negotiation phases of the negotiation process.

The propositions stated above are only speculative, but they can easily be tested in simulated or real-life settings. To push this theory forward will require developing more case studies of the communication that takes place throughout organizations as they prepare for and negotiate with each other.

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