

# Understanding Interest-based and positional bargaining

**L**abour negotiations are a vital process through which unions and employers work to establish the terms and conditions of employment. Shop stewards have a critical role in this regard as workforce voice, problem solvers, and liaison between employees and management. To perform this role effectively, it is essential to understand the two main approaches to bargaining, namely interest-based bargaining and positional bargaining.

## Interest-based bargaining (IBB): Collaborative model

Also known as “win-win” bargaining, IBB focuses on uncovering the underlying interests behind each party’s demands rather than starting with fixed positions. It promotes joint problem solving, open communication, and long-term relationship building. IBB focuses on interests, not positions. Instead of defending demands, parties explain why the issue matters to them. It creates collaborative problem solving with both sides working together to identify solutions that satisfy mutual concerns as well as building transparency, trust and encouraging honest dialogue and strengthening long-term rapport.

The benefits for shop stewards include being placed as constructive leaders, enhanced trust and credibility with union members and management that support long-term outcomes that benefit employees and the workplace. In addition, IBB encourages mutual respect and cooperation, produces creative, sustainable agreements, reduces the likelihood of disputes, deadlocks, or strikes and strengthens workplace morale and labour-management relationships.

## Positional bargaining (PB): Competitive model

Often called “win-lose” bargaining, PB starts with firm demands and uses pressure to win concessions. Each side aims to protect its position, often treating negotiations as a zero-sum game. Key characteristics of PB include fixed positions, with negotiations beginning with demands that are defended rather than discussed. An adversarial approach, viewed as a contest where each side tries to “win”. Tactical negotiation may involve deadlines, threats, or power plays (e.g., strikes or lockouts).

The risks for shop stewards could include reinforcing confrontation over collaboration, short-term wins but long-term fallout, and eroded trust with management and union members. Other disadvantages of using PB include an increased likelihood of mistrust and prolonged disputes, leading to unsatisfactory compromises. It can also damage morale and workplace culture and foster antagonism in future negotiations.

## Which approach should shop stewards use?

Whilst PB may be necessary in high-stakes or time-sensitive situations, IBB is generally more effective for shop stewards. It aligns with the duty to advocate for members whilst fostering a positive workplace environment. By focusing on interests and shared goals, shop stewards can help secure better outcomes and prevent conflict escalation.

The PSA’s advice for shop stewards is to use IBB to build trust, resolve complex issues, and support long-term stability. Understand PB tactics for situations where cooperation breaks down. Develop skills in active listening, facilitation, and collaborative problem solving. Choose the approach that best aligns with members’ needs and the negotiation context. By mastering both approaches and knowing when to use each, shop stewards can play a pivotal role in shaping productive, respectful labour relations.