Public sector negotiations:

An exploration of how public servants negotiate in the context of the public sector

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ABSTRACT

Negotiations have always been an integral part of the activities of actors in the public domain but have remained under-researched so far. This explorative study explores how public servants typically negotiate within the realm of the public domain. Findings indicate that public negotiations proceed slowly because of goal complexity, contradictory values and a lack of preparation of public servants. Respondents mention that the need for transparency and accountability for public servants does not give away their strategic position during negotiations. The monopolist position of many government organizations on the other hand has a great impact on their strategic position during negotiations. However, public negotiators do not take advantage of this position during negotiations.

INTRODUCTION

Negotiations have always been an integral part of the activities of actors in the public domain. For example, politicians negotiate about coalitions and budgets (see e.g., Dijkstra, Van Assen, & Stokman, 2008) while public servants negotiate with other public servants, with civil society or citizens during policy implementation (co-production; Fountain, 2001). Most studies into negotiations do not distinguish between the public or private organizational context of the negotiators (for exceptions see Samsura, van der Krabben, & Van Deemen, 2010, forthcoming). Also, the topic of negotiation within the public domain is under researched (only 47 hits in ISI WoS) and then mainly on the topics of labour agreements or public private partnerships (PPS).

The need for more knowledge on public sector negotiating is exacerbated by the rise of New Public Management (Pollit et al., 2007; Hood, 1991), which has led to an increase in negotiations by public servants, for instance: performance agreements; concessions, contract management and other contracts deals with quasi-autonomous organizations and state owned companies; outsourcing and tendering; public private partnerships; and interactive policy-making and co- production with citizens.

Negotiations in the public domain are subject to a number of contextual and situational constraints that negotiations from private organizations do not have (see Rainey & Bozeman, 2000; Waldo, 1988; Weber, 1978, p. 958 for a discussion on *publicness* of organizations). These constraints include the need for transparency, public sector values and the need for public organizations to serve the public interest instead of individual interests.

The literature on negotiation acknowledges that context can influence negotiation processes and negotiator behaviour (Carnevale & Pruitt, 1992; Lewicky, Barry, & Saunders, 2010). Elements that constitute the context of negotiations are economy, culture, and ideology (Lewicky et al., 2010, p. 447). Since public servants negotiate on behalf of an organization, the context of the organization too has an effect on negotiations as well. For instance: beliefs of what is a fair deal are largely determined by the culture an organization is in (Buchan, Croson, & Johnson, 2004). As a result, negotiators from organizations across cultures behave differently during negotiations that are similar (Buchan et al., 2004). However, within the negotiation literature, a distinction between public and private sector as a context for organizations is not made. This has led to the following research question:

'How do public servants negotiate in the context of the public sector?'

The topic of negotiations is relatively new in the study of public management in which this study is a first exploration. In order to focus our research efforts, we start with combining negotiation literature with public management literature. The use of existing literature in exploratory research is advised by some authors since it helps in directing research efforts by posing the 'right' questions (c.f., Eisenhardt, 1989; Yin, 2003).

By using expectations, we explore how negotiations in the context of the public domain are different from negotiations in the private domain with the aim of theory-building (Berg, 2009; Jaccard & Jacoby, 2009). Also, organizational context is often neglected in negotiation research but has considerable implications for processes of negotiations (Lewicky et al., 2010, p. 443). Additionally, this study looks at the context of public organizations in order to explore negotiations, as negotiation is a central activity of public servants. Finally, negotiations carried out by public officials often involve public money. If the context of organizations influences negotiation behaviour of public servants, it indirectly influences the allocation of public money.

In the theoretical section, characteristics of negotiation situations, as well as elements that may influence them are elaborated. Theory is used as a point of departure to guide empirical data collection. After describing the methods used, the findings will be presented in the results section of the paper. This is followed by a discussion of the results and a conclusion.

THEORY

This section identifies characteristics of the public context that influence negotiation setting and behaviour of public officials at three levels: the public sector context, the public sector organization and the public negotiator. (see fig. 1). First, we look at characteristics of negotiations as the object of our research efforts. As our theory shows, negotiations consist of processes, behaviour and outcomes. Next, we look at the **public sector context (1)** in a broad sense, which contains organizations, people and settings. Ownership and funding of organizations, public accountability and transparency and public values are important characteristics of the public sector. These characteristics influence **public sector organizations (2).** Organizations in the public sector also have different alternatives during negotiations compared to non-public sector organizations, which in turn influence the **public sector negotiator (3).** Finally the negotiation opportunities of public sector employees are influenced by the public sector context, the alternatives that public organizations have and the personal capacities of the negotiator. It is the aim of this section to explore elements of negotiation that may be, affected by the character of the public sector.
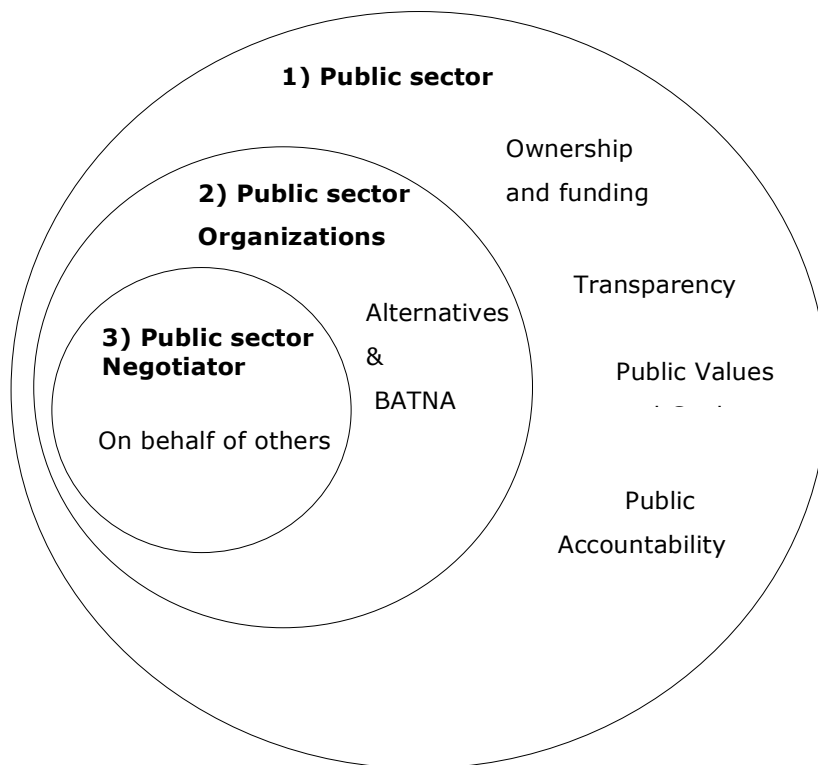
FIGURE 1 *Conceptual model public sector negotiations*.

Negotiations

Negotiation is defined as: 'the process of back-and-forth communication aimed at reaching agreement with others when some of your interests are shared and some are opposed' (Fisher, Ury, & Patton, 1992; Ury, 1993). Negotiation situations have a number of characteristics in common: (I) there are two or more actors, (II) there is a conflict of (perceived) needs and desires between the two or more actors and (III) actors negotiate by choice, (IV) a give and take process can be expected, (V) actors prefer to negotiate and search for alternatives (opposed to struggle or fight publicly) (VI) and negotiation involves the management of tangibles (prices or terms) and intangibles (motives) (Lewicky, Barry, & Saunders, 2010:7).

Typically, two types of negotiations (often called: games) can be identified: zero-sum (distributive) and non-zero sum (integrative) negotiations. Zero-sum negotiations are in place when there is a finite amount of assets that is available and all actors have a desire for it. In other words a gain for one party means an equal loss for the other party. A negotiation on how to divide a government grant (e.g., funding of art projects) is a good example: the amount of money available is limited. Negotiations that are strictly zero-sum are however rare (Lewicky et al., 2010; Scharpf, 1994). Non-zero sum negotiations involve an infinite amount of assets that is subject to negotiation. Assuming that actors have different interests and needs, additional dimensions can be introduced into the negotiation. Consider the acquisition of goods; say paper for a public organization. The exchange that will take place is one of money versus paper. This is a one-dimensional transaction and therefore zero-sum (money and paper). If however the supplier has a

temporary shortage of paper, he or she may counteroffer to deliver the paper at a later point in time for a lower price. The added dimension of time makes the negotiation non-zero sum because delivery date is now open to bargaining just as price.

The main reason why individuals negotiate is that they believe this to be a better way of dealing with differences in interests, needs and desires than for instance struggling over them. Carnevale and Pruitt (1992a) give two motives why parties may choose to negotiate rather than to struggle or go for arbitration. First, negotiation is often less costly, financially and in non-financial costs than struggle. One can think of the monetary costs of war or anger and embarrassment as potential costs. Negotiation also introduces smaller levels of stress on the relation between individuals, compared to struggle. Second, negotiation makes mutually acceptable solutions easier to find, thereby ending possible controversies (Carnevale & Pruitt, 1992).

Public sector context

A classic method of differentiating between public and private organizations is based on **ownership and funding** of organizations (Rainey, 2003; Wamsley & Zald, 1976). Public organizations are owned by a collective, larger whole. Private firms on the other hand are owned by shareholders or entrepreneurs (Boyne, 1998). A similar distinction can be made for means of funding. Public organizations are commonly funded through taxes whereas customers pay for services or goods provided by private organizations (Niskanen, 1994). Government organizations are increasingly deploying private activities whilst private actors in some instances take up tasks that traditionally belonged to central governments (cf. Hood, 1991; Osborne & Gaebler, 1992; Pollitt & Bouckaert, 2000) For example: public universities that deploy commercial research activities. Therefore, the question of what delineates public and private organizations remains relevant (Pollit & Bouckaert, 2004).

In this study, organizations are divided into a public – private dichotomy based on ownership and funding as described above. A number of arguments for this approach are underlying: first, ownership and funding can be easily objectified and are therefore less prone to interpretation errors than alternative approaches would be (see for example Antonsen & Jørgensen, 1997; Rainey & Bozeman, 2000). A second paper is devoted to the interplay between politico-administrative relations and negotiations carried out by public officials (see Bouwman, 2013).

Also, a dichotomy of public and private organizations based on ownership and funding will highlight differences for negotiations more clearly than more nuanced models will (Eisenhardt, 1989).

Since public organizations are owned and funded by a larger whole, these organizations in general do not bear the costs and benefits of a negotiated result (Raiffa, 1982, p. 300). This characteristic of public organizations reflects on the public organization in general as well as on the public negotiator. Since the collective owns public organizations, results of negotiations, positive or negative, are allocated over all citizens. Civil servants will act in the public interest, not their own or their organizations interest

(see below for a discussion of public values) (Brewer & Selden, 1998; Perry & Wise, 1990; Rainey, 1982).

The funding and ownership of public organizations is different from their private counterparts in a number of aspects. Public organizations do not have an aim for profit whereas private organizations do (Rainey, 2003). State owned public organizations are not able to go bankrupt. They are not designed to be profitable in the first place and secondly, the means of funding are determined politically (Rainey & Bozeman, 2000). Private organizations rely on sales and turnover as means for existence. Another characteristic is that the relation between input and output of public organizations is unclear (Boyne, Meier, O'Toole Jr, & Walker, 2006; Wamsley & Zald, 1976).

As a result, we may expect that public ownership of organizations will lead public servants to aim for a satisfying strategy instead of an optimizing one in negotiations. Mainly because there is little incentive for public negotiators to improve beyond a sufficing negotiated result. This aligns with recent investigations that have shown that physiotherapists who own a private practice are more motivated and efforts are more directed towards the clients, whereas public sector therapists have a broader and more complex orientation towards the general public interest (Andersen, Pallesen, & Pedersen, 2011).

Related to public ownership is the public political **accountability** that public organizations are subject to (Bovens, 2005). Accountability means that public organizations are required to give an account to some other independent organization and to explain its actions (Flinders, 2001, p. 12; Peters, 2010, p. 265). Elected representatives such as ministers at the national level and aldermen at the local level are held accountable for the actions of civil servants in parliament or council (Bovens, 2005). Ministerial responsibility is a central feature of most democratic systems (Flinders, 2001). Hence, public servants are held accountable not directly but indirectly: trough their political representatives (Brans, Pelgrims, & Hoet, 2006). Political accountability depends on media coverage, coalition building and political opportunity (Bovens, 2005).

For public negotiations, accountability entails that their superior may hold public servants accountable for negotiated results but above all, the elected representative is held accountable for processes and results of negotiations. From the perspective of the negotiating public servant, political consequences of a negotiated agreement will have to be taken into consideration when estimating results. The results of the public negotiations may generate attention that is politically sensitive. Since a competing style of negotiations will generate sharper processes and results, and has winners and losers, a more cooperative style may be dominant in the public realm. Cooperation reduces the risk of political attention and media coverage while increasing the chance of reaching agreement. A cooperative strategy will also reduce stress on the relation between negotiators (Lewicky et al., 2010).

Related to public political accountability, is **transparency**. A distinctive feature of the public sector is the pressure that is put on organizations within the public realm to be transparent about budgets, activities and for example performance (Curtin & Meijer, 2006; Meijer, 2009). Oliver (2004:2) mentions three elements of transparency: an observer, something available to observe and a means or method for observation. The observers are citizens, politicians and other organizations (Ibid.). The activities of public organizations, for example results of negotiations are available for observation. The publication of mission statements, goals and aims, reports on performance, annual reports and costs and budgets (e.g., the Dutch State Budget) are the means of transparency for public organizations. In short, for public organizations, transparency entails providing information about processes, goals and aims. Information also has a central role in the processes of negotiation (Lewicky et al., 2010). In non-zero-sum negotiations for example, the exchange of information improves both the processes and outcomes of negotiations (Thompson, 1991). However, in zero-sum negotiations, information may also give away your intentions and your leeway. The asymmetry of information (being less transparent) could enhance the outcome from the perspective of the public organization. This information asymmetry is often assumed in generic literature on negotiation (Druckman, 1994; Lewicky et al., 2010, p. 331; Mosterd & Rutte, 2000). If your opponent is in the dark about your available resources, you may be able to strike a deal out of the lack of information your opponent has. If other parties know in advance what the projected budget of an organization is, it becomes difficult to bargain over the budget (There is no more information asymmetry).

Conversely, negotiators who are under direct scrutiny of the public eye also act tougher towards their opponent(s) (Rubin & Brown, 1975). Higher levels of transparency therefore could mean tougher behaviour from public negotiators. We may therefore expect that the obligation for public organizations to be transparent leads to a disadvantage for public negotiators (no information advantage) and leads to tougher negotiation behaviour of public servants.

Values of public sector organizations are other characteristics that are identified by researchers as distinctive from the private sector (Rainey, 2003, p. 229). A value can be defined as an 'enduring belief that a specific mode of conduct or end state of existence is personally or socially preferable to an opposite or converse mode of conduct or end state of existence' (Rokeach, 1973, p. 3). Although it has been a criticized point of view, a number of values do distinguish public from private organizations (Jorgensen & Bozeman, 2007; Rainey & Bozeman, 2000). Values that are classically attached to the public sector's contribution to society are: common good, altruism and sustainability (Van der Wal, De Graaf, & Lasthuizen, 2008). The relationship between political masters and public servants is one that is characterized by political loyalty, accountability and responsibility (Jorgensen & Bozeman, 2007, p. 360). Recent investigations have found both similarities and differences between public and private sector values (Van der Wal et al., 2008). Lawfulness, impartiality and incorruptibility are typically connected to the public and not to

the private sector. Profitability and innovativeness are prominent values in the private sector domain and not in the public sector (Van der Wal et al., 2008, p. 473).

Because organizations within the public domain are oriented towards different values, the focus and strategy during negotiations will be different. In addition, values in the public domain are inherently conflicting (Bruijn & Dicke, 2006; Steenhuisen, 2009, pp. 11–12). These conflicts of values result in trade-offs on the work floor (Steenhuisen, 2009). Public negotiators will for instance attach less importance to outcomes in monetary terms compared to their private counterparts but money is also a prerequisite within the public domain. Value conflicts during negotiations will make activities difficult since the implicit trade-off manifests on the work floor (e.g., during negotiations) (Steenhuisen, 2009). For example, a tension between legality and efficiency will become clear when public servants negotiate over budgets. An optimal legal option may be costly whereas the efficient and less costly option may reduce legality of a proposed solution. Also, the more diverse set of values and value pluralism in the public domain makes the number of dimensions that are open to negotiation higher than in private organizations as the concerns of public officials are not on 'the money' but on the goals of policy (see for example Berlin & Hardy, 1980; Spicer, 2001).

The diverse value orientation of public organizations and also internally contradictory goals, make the search for common standards extremely hard during negotiations. Common standards and goals are a critical success factor of a number of negotiation models (see for example: Fisher & Ury, 1981; Ury, 1993). When public organizations deal with private organizations, the negotiation becomes even more complex as values are even further apart. We may expect this to make the process in the public domain of negotiations slow, leading to negotiations with multiple rounds and lowest common denominator solutions. These solutions are issues that all parties are willing to agree on.

Public Sector Organizations

Organizations are defined as a unit of people that pursue a collective need or goal (Rainey, 2003, p. 18). As mentioned earlier, private organizations generally have an aim for profit or continuity as central goal. Public organizations however have no such clear goal. What makes public organizations different from private organizations, are the tasks certain public organizations are obliged to execute (for example: collecting taxes)(Rainey & Bozeman, 2000; Rainey, 2003). Because of their tasks, it is not uncommon for public organizations to be the only organization with that specific task. They are in other words monopolists.

Negotiators who negotiate with a monopolist have no **alternatives** other than to agree or not to agree. In a more general sense, alternatives are central to the setting of negotiations, the processes of negotiations and behaviour of actors in negotiations, for example: the existence of alternatives shape the need to agree or to walk away (Lewicky et al., 2010). Potential agreements are therefore evaluated in the light of alternatives

(Fisher & Ury, 1981). In negotiation literature, this is called **BATNA**, an acronym for Best Alternative to a Negotiated Agreement (Ibid.).

The monopolist character of many public organizations also shapes the negotiation setting itself by forcing the negotiator to do business with that one party. Public organizations are often less dependent from private organizations than vice versa (for example in terms of funding or permits). During negotiation, the monopolist character gives a strategic advantage to public organizations because the opponent has no alternatives. This monopolist character could therefore be also advantageous for public negotiators.

Despite the monopolist character of public organizations in negotiation settings, there is often a mutual dependence between public organizations and other actors. Examples of this dependence are the development of policy in public private partnerships (PPS) and networks (Klijn & Koppenjan, 2000; Slaughter, 2009).

We therefore expect that the monopolist character of organizations in the public domain will lead to fewer alternatives those who negotiate with public organizations, which are other public organizations but private organizations as well. Having few alternatives will also force negotiators towards a cooperative style since the costs of no agreement is the alternative. This characteristic also puts monopolistic organizations in the public domain in a strong strategic position.

Public Sector Negotiator

As a result of characteristics of the public sector and public sector organizations, public servants negotiate on **behalf of others** (for example: the need to serve the general interest). Negotiators in a private setting negotiate on behalf of their company. This is comparable to the public servants that answer to the top management of the public organization. In the public domain, instead of management or the top apex of the organization, political masters determine what the course of action is and what policy goals are. This means that public servants are serving multiple masters. Politicians, the organizational top and the general interest need to be represented by the public servant. The motives of public servants are not always aligned with the policy goals of their political master or in the public interest. Politicians sit on resources while negotiating public servants have an information advantage, commonly known as information asymmetry (Miller & Whitford, 2002). As a result, public negotiations yield different negotiation outcomes and processes (e.g., slower). Instead of one negotiation arena and one process between parties, there are multiple negotiation arenas and processes. For example, the relation between civil servant of a municipality and his superior could be considered a negotiation as well. The civil servant will have to satisfy his superiors or political masters and his opponent. At the same time he may have other self-based interests. This indicates that there are multiple goals, and that successful negotiation implies contributing to all the goals to at least some extent. We expect that private negotiators have less (diverse) goals, given the absence of for example political influence. The expectations formulated based on the theory above are presented in table 1.

TABLE 1 *Expectations of public negotiations based on combining negotiation and public management literature.*

Public Sector Context	
Ownership and funding	Public ownership of organizations will lead public servants to aim for a satisfying strategy instead of an optimizing one in negotiations (not Pareto-efficient).
Public Accountability	The need for accountability within the public sector leads to risk aversion and cooperative strategies in public negotiations.
Transparency	The obligation for public organizations to be transparent leads to a disadvantage for public negotiators (no information advantage) and leads to tougher negotiation behaviour from public servants.
Public Values	Public sector values create goal ambiguity with public organizations, which leads to negotiations with more rounds and lowest common denominator solutions.
Goals	Multiple and conflicting goals in public sector organizations leads to multi dimensional and slow negotiations.
	Contradictory goals of public organizations affect negotiation processes and outcomes negatively.
Public Sector Organizations	
Alternatives and BATNA	Public negotiators have few alternatives in public negotiations because of the monopolist character of public organizations.
Public Sector Negotiator	
On behalf of others	As a result of having multiple masters and negotiating on behalf of others, there is no single best solution during negotiations.

METHODS AND DATA

Since the topic of negotiations is relatively new in the field of public administration, we have employed an explorative research design, more specifically: qualitative semi-structured interviews with public servants and private sector employees.

Interviews

Semi-standardized interviews offer the advantage of posing questions that are comparable among respondents (Berg, 2009). They also offer flexibility of the researcher to probe beyond the answers to the prepared questions (Berg, 2009, p. 107). Additionally, it allows the respondents to come up with other elements that may be of relevance, which aligns with the explorative goal of this study since not all variables are known in advance (Berg, 2009; Yin, 2003). All interviews were held in the Netherlands and in the Dutch language. Interview duration averaged about 50 minutes and was digitally recorded with consent of respondents.

A topic list served as a basis for empirical data collection through the semi-standardized interviews (cf. Yin, 2003, p. 28). The focus of the questions was on the characteristics of negotiations and on the elements from our conceptual model. Specifically, respondents were asked what their experience with negotiations was, under what circumstances and how the process of negotiations unfolded. Additionally, respondents were asked about how they experienced characteristics of the public sector and on what elements of the negotiations that may have had an impact.

Potential respondents had to meet two criteria in order to be a suitable candidate for an interview. The respondent had to be employed with a public or private organization and had to negotiate on a regular basis in their function, thereby representing the organization. We used theoretical selection of respondents, selecting respondents from various public and private organizations with the aim of making variance between respondents as high as possible on background characteristics such as experience, job function and type of organization (Eisenhardt, 1989).

The first eight respondents were approached through the personal network of the thesis supervisor. From there on, we relied on the snowball sampling method, asking interview respondents to either introduce potential respondents to us or by providing contact information (Berg, 2009, p. 51).

TABLE 2 *Organizations of respondents*

Type of organization	N	% of total
Ministry	6	27,3%
Province	1	4,5%
Municipality	3	13,6%
Independent administrative body	6	27,3%
Legal entity with statutory task	1	4,5%
Private sector organization	3	13,6%
Independent expert	2	9,1%
Total	**22**	**100,0%**

A total of 22 semi-structured interviews was held over a period of three months time. Although our research question is aimed at negotiations from the public sector perspective, three private sector organizations are included as well. This is in line with what authors mention on choosing extreme cases or 'polar types' in which the process of interest is transparently observable (Eisenhardt, 1989). Job functions of respondents included procurement, sales, contract management, policy servants, HR Manager, head of department and clerks.

Data analysis

The interview recordings were transcribed verbatim and data was imported in MAXQDA 11[1]. MAXQDA is a software tool that facilitates systematic analysis of qualitative text and content. After importing the data, the interviews were systematically coded at paragraph level, starting without theory (Berg, 2009, p. 353). When all data was coded, the code tree showed that a number of sections needed a recode. For example this sorted the code 'budgets' and 'ownership' under the same heading as they belong to the same theme. A matrix which visually shows similarities and anomalies (patterns) was used in a cross-case comparison which also included the use of theory (cf. Braun & Clarke, 2006; Yin, 2003, p. 133). Since this introduced a high number of new variables, some results are presented in a second paper in this series (c.f., Bouwman, 2013). This second paper discusses politico-administrative relations together with negotiations in a second paper, which enables a more detailed description of findings and the relation to public and private sector differences. Another point is that public-administrative relations seemed to impact at all levels of our conceptual model as presented in theory.

Comparing within and across cases takes analysis beyond initial findings (Eisenhardt, 1989). Next, a 'theoretical' thematic analysis was carried out by comparing quotes in a matrix and based on theory presented in our theoretical section (Eisenhardt, 1989; Yin, 2003). Finally, another round of coding was performed in order to see how individual statements align with the more general pattern that the data showed (Berg, 2009).

Quotes in the results section were translated into English as literal as possible, while leaving the message intact. At the request of some respondents, data and quotes from the interviews in this paper are confidential and treated accordingly.

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[1] MAXQDA, software for qualitative data analysis, 1989-2013, VERBI Software - Consult - Sozialforschung GmbH, Berlin, Germany.

RESULTS

In this section, we will start with what respondents themselves say about public sector negotiations. Then, findings on the **context of the public sector** are presented, followed by **public sector organizations** and **public sector negotiators**. Finally, the presented expectations will be discussed.

A broad range of topics and issues is subject to negotiations in the public and private realm. Examples of topics that respondents deal or have dealt with are: sale and acquisition of goods, ground lots, performance agreements between department and agencies, compensation of loss, implementation of policies, new or changed policies, and zoning interpretations.

Interviewees see themselves as representatives of their organization negotiating with others. These others are: departments, agencies, municipalities, private organizations and individual citizens. Also, public negotiations often involve negotiators that have expertise on a particular topic, a head of a division (like procurement) or executives with full formal responsibility.

Interviewees from public and private organizations discern two arenas of negotiations. This distinction concerns in particular with whom they are negotiating. There are negotiations inside the (own) organization that are held with staff, superiors or stakeholders. These are always 'on-going' and could be seen as one of the core processes of the organization. A respondent from an ███████████████████████ says:

> *'The effectiveness of the organisation relies on the successful execution of these negotiations.'*

A senior buyer at a different public statutory for example says that he 'locks' himself and colleagues a few days once a year to discuss past performances and the course of action for the coming year. These discussions have the character of negotiations because those employees do not want exactly the same.

Second are the negotiations with external parties. These involve other public or private organizations, citizens and civil society.

Finally, some negotiators in the public realm are cautious with the use of the word negotiations, even if the characteristics of the situation described fit the definition of negotiations perfectly. They seem to prefer 'discussion' or 'consultation' instead of negotiation. This is a new finding, which our literature did not cover.

Public sector context

The impact of **ownership and funding** of public organizations on negotiations is succinctly illustrated by the statement of a respondent from ████████████████ :

> *'If you can do it for less, some politicians start posing questions whether citizens get what they deserve.'*

And (the same respondent):

> *'A better-negotiated result in terms of money does not always reflect on the organization or unit.'*

Although success of negotiations is not only captured in terms of money, these quotes shows that striking a better deal in terms of money may reflect negatively on the organization. Multiple respondents state that the system of pre-allocated budgets creates little incentive to bargain for financially better deal. A respondent from ███████ ██████████ for example says:

> *'There is no bonus-culture, no promotion culture and also no dismissal culture in most public organizations.'*

And (the same respondent):

> *'The system of budget financing is implemented on a national scale in many public organizations.'*

This implies that most public negotiations will experience the effects of budget financing in negotiations. What this means is that the results of negotiations are difficult to evaluate. The results also do not reflect on the negotiator. Poor negotiated deals will not lead to sanctions nor will excellent negotiated results lead to any kind of promotion or bonus. This contrast with ████████████████████████████:

> *'If I reach my targets, we celebrate with the company and sometimes there is a reward for the achievement.'*

Most interviewees state that they are aware of the fact that their public organization is publicly owned. Some explicitly state that for them this does not matter because this would translate quite difficult into negotiations. A respondent from ███████ ████████████████:

> *'Who owns the organization is not of importance for the workplace.'*

Another respondent from ████████ mentions:

> *'Some negotiations are about finding a solution to a problem and money is not such a big deal.'*

This indicates two things: money is not a consideration because it is already allocated in a budget (i.e. private organizations have to make a profit to survive). And second, ownership and/or means of funding matter in negotiations because the existence of an allocated budget alters the position of the negotiator. Public organizations can afford themselves to negotiate 'worry free' because the continuity of the organization does not depend on it while other goals like legality are more important.

Our expectation that negotiations in the public domain have a more cooperative character than negotiations in the private domain because of the need for **public accountability** is only partially corroborated. It depends on the particular negotiation. Since public officials are held accountable, some respondents from autonomous bodies as well as from

ministries mention explicitly that they rather opt for a cooperative strategy because they believe that more aggressive strategies can possibly harm their political master. In addition, some respondents mention that it is 'not done' or considered not just to negotiate aggressively, coming from a public organization and representing government.

Respondents from the public domain mention that they prefer to act in cooperative, accommodating or compromising manner rather than to act competitive. About accountability and style, a respondent from ███████████:

> *'Coordination and cooperation are best for decision making that occur in the public domain. I believe that struggling and aggressive behaviour does not fit government employees.'*

Our respondents acknowledge that many documents like annual reports, policy statements, mission and visions are available to the general public, mainly online. Although information from these documents could be valuable in negotiations, our respondents have no indications that opponents in negotiations use this information. A respondent from an ████████████████████████████:

> *'Annual reports often hold only limited information about the more precise allocation of budgets and are probably useless.'*

Interviewees also indicate that the ever-pressing need for **transparency** from boards and politicians can be counterproductive in negotiations. A respondent from ███████████:

> *'When all cards are on the table, there is no room for give and take left.'*

Another respondent from an ████████████████████████ mentions:

> *'I will keep essential documents and progress to my staff and myself when the situation demands for this.'*

Some private negotiators also acknowledge that some information is best kept secret since some information can harm the organization. A manager from ███████████ company says for example:

> *'No single organization wants negative publicity.'*

Another observation is that following regulations on integrity, two public servants are in some cases present during negotiations, to prevent bribery or corruption. The presence of one extra negotiator seems subtle but potentially shapes the process and outcomes of negotiations. For example, a number of important differences between two- and multiple actor negotiations can be identified: multi actor negotiations have informational and computational complexity (e.g., more viewpoints). The presence of more actors increases the total amount of information, facts etc. As size increases, there will be more interests and perceptions that need to be integrated or accommodated (Lewicky et al., 2010, p.

379). Multi-actor negotiations also have higher degrees of social complexity (Ibid.). This reflects in the way negotiators behave. There may develop a need for the 'group' to act coherently to the opponent, which introduces social pressures. Also, members tend to compare themselves with others, which hampers the forming of a common perspective. A rather disastrous example of this kind of group dynamics is NASA's decision to launch the Challenger space shuttle (Vaughan, 2009). Team members were hesitant to create conflict and express their considerations, which led to critical errors. Finally, higher levels of procedural complexity are introduced in multi-actor negotiations (e.g., taking turns) (Lewicky et al., 2010, p. 378). Who has what role during negotiations is not clear and need to be addressed before the actual negotiation starts.

Respondents from both private and public organizations mention the existence of multiple goals at the same time within the organization as a complicating factor for negotiations. **Goals and values** in public organizations are sometimes partly or entirely contradictory. An example of this contradiction is: the goal of some municipalities to promote local Small and Medium Enterprises (SME's) is at odds with the requirement in tendering procedures that organizations need to have a strong financial position, which is often measured in turnover and assets.

Several respondents from the public domain mention a clear tension between legality and effectiveness that results in unclear goals or the impossibility to formulate clear goals. An example that one respondent gives is the legal obligation of a municipality to guarantee care for people who are in need of that care like wheelchairs or household cleaning. This legal obligation arises from the *Wet Maatschappelijke Ondersteuning* (WMO): a social support act, which is executed by municipalities. When the municipal budget is cut, while the legal obligation of the municipality to care remains, there is clearly a conflict of goals (care and money). 'This demands for clear choices' as a respondent from a municipality notes. As a result, public negotiators make issue based decisions: 'we have made some clear decisions internally which has an impact externally'. In our example this would mean either limiting the obligation of care or limiting the budget cuts.

Private negotiators on the other hand are aware of the fact that their superior or owners will always judge a negotiated result based on profitability or continuity for the organization or unit. This serves as a social heuristic during negotiations. This heuristic also determines their mandate quite well. One respondent from a ▮▮▮▮ organization says:

> *'If it is not profitable – it is not a good deal.'*

Private organizations focus on continuity and profit as main goals. This is relevant since this is a criterion for whether or not to negotiate. Most of the ▮▮▮▮▮▮▮▮ in our sample mention that they prefer to:

> *'Talk money' straight away so they al know where they are financially. 'It would be a complete waste of time to continue talking when there is no expected return.'*

Hence, financial aspects have a leading role in private organizations as a heuristic for negotiators but are merely a precondition for public negotiators. As a result of unclear goals and values, public negotiators need to consult their superiors more often during negotiations and progress is evaluated in light of budgets, policy goals and organizational goals. The existence of multiple goals that are difficult to order based on importance or relevance in public organizations according to respondents. As a result, negotiations in the public realm suffer under complexity and irresolution. When agreement is reached they have the character of lowest common denominator solutions; agreement is reached on only that what all parties can agree on.

Also, it seems that there is a lack of preparation of public servants prior to negotiations, which may be explained by goal ambiguity in public organizations.

Also, goals are influenced by the political cycle between elections. The respondent from the care example mentions for instance that politicians in some cases have to agree on budget cuts internally while opposing a hollowing out of the care duties politically. The logic of getting re-elected and promising care to citizens is a different one from the logic of the workplace, which is remaining within the budget. This further increases goal ambiguity for public negotiators.

Public Sector Organizations

Private, commercial organizations often have multiple **alternatives** during negotiations. If one party does not comply or will not cooperate, there is usually another party. For private organizations there are in general few alternatives when they do business with governments. Private organizations are for example dependent on municipalities for planning permissions. A respondent from a ▉▉▉▉▉▉ mentions:

> *'There is frequently a range of alternatives available during negotiation. What makes public negotiations different though, is that there is often a dependency relation with other public organizations.'*

An additional result on negotiations not found in literature is that municipalities are dependent on provinces and national governments in terms of financial means. This dependency relation is asymmetric, meaning that the province or ministry can force the municipality to implement new policy (for resources of public negotiators see Bouwman, 2013). From the perspective of the municipality, these alternatives are not available. A respondent from a ▉▉▉▉▉▉▉▉▉▉▉▉▉▉▉▉▉ for example mentions that they have only one 'boss' (which is the ▉▉▉▉▉▉) and only one client: citizens. He states:

> *'Unless politicians decide that the structure of the organization changes, we can not abandon this situation.'*

The dependency relation in this public organization is therefore formal and financial. Aside from the existence of this relation, public negotiators hardly ever consider alternatives to their deals. This is because these do not exist (see the example above) but also because

careful consideration of alternatives is only sensible if there is an explicit goal of the negotiation, which is often absent (see section above).

Conversely, some respondents mention that the weighing of alternatives is integrated in formal tendering procedures, which is good for quality of both the process of buying as well as the final result. In tendering procedures, first a plan (Dutch: *Programma van Eisen*) is drafted of what exactly is needed. And if 'what is needed' is somehow unclear, a market consultation can be used as a tool to gain more information about possibilities. Several buyers mention that after market consultation it is possible to make a high quality tender because 'you have some idea of what is possible within what price range'. Multiple parties can then apply where objectified criteria are used to pick the best deal (2004/18/EG). The best deal is considered to be the Most Economically Advantageous Tender (MEAT). Picking the best deal from tendering applicants is in fact the weighing of alternatives, which improves overall quality and results according to respondents that deal or have dealt with tendering and tendering procedures.

However, when it comes to negotiations over policy, alternatives are often poorly considered, according to a manager at ███████████████████████████:

> *'We do not know in advance in what direction we want go and that makes it difficult to bargain or compromise. We do not make a distinction between a discussion and negotiation. Of course you can very well have a discussion. We pretend that we only have a discussion, but that not the case. We are also negotiating, that is never really recognized.'*

Processes that involve multiple parties and have public policy as subject are considered to be a discussion, not negotiations.

Public Sector Negotiator

Most public sector respondents mention (in most cases unasked) that they believe in the public cause and are intrinsically motivated to serve it. In contrast, some respondents state that although they are working for a greater cause, the direct connection to citizens is ambiguous. A respondent from ███████████████████████ for instance mentions that:

> *'We think that we can represent our citizens seamlessly, but that is off course not true. So you keep citizens or your target population in mind but they remain at a certain distance, abstract.'*

Public servants work **on behalf** of citizens who are difficult to represent based on needs and interests. Similarly, a respondent from ███████████ example says:

> *'We are not able to represent our client [citizens] perfectly and then there are our own interests, as well as the interests of all other stakeholders.'*

The latter quote suggests that public negotiators also have to weigh interests that are present and take up a more coordinating role during the process of negotiations. Also, some organizations, like a province, have a typical coordinating role between horizontal

layers of government i.e.: municipalities, departments and regional organizations. This role makes processes of negotiation slow and progress not straightforward compared to the private sector. According to respondents, negotiations in the public typically have multiple rounds and involve a high number of stakeholders, both public and private. Although respondents from the private sector recognize multiple rounds of negotiations as well, the absolute number of stakeholders is often lower and the goal is clear: continuity and profit.

According to private sector respondents, the progress of negotiations with public organizations is slow for two reasons. First, representatives from public organizations do not always know exactly where they want to go in negotiations or what result is desirable because they have multiple goals or conflicting values (see section on values and goals). █ ▉▉▉▉▉▉ from a railroad company says for instance about a municipality:

> *'I am surprised every time about the fact that they just do not seem to know what they want.'*

Second, representatives from public organizations have to check frequently with their organization. Because of the multiple goals, the mandate (what can be given away and what not) they have in negotiations is not always clear in advance. In some cases they do not have full authority to even make those decisions since they have an advisory role (but they are negotiating). One explanation for the ambiguous mandate of public negotiators, is the political authority over a certain domain instead that of public servants. This connects strongly with political goals and not organizational goals. This fits with the goal ambiguity, discussed earlier. The lack of clarity forces public negotiators to contact their superiors in the organization, which takes time and leads to multiple rounds of negotiations. This suggests that there is a lack of preparation also.

Private negotiators do not suffer from such political influence and discuss more frequently about their mandate with their superior before negotiations start. Also, they are guided by the heuristic that every deal should have some sort of return on the investment. A respondent from ▉▉▉▉▉ company says:

> *'Off course I need to persuade my boss to invest in a project but if I can show that there is a profit, they will always let me proceed.'*

Respondents from both private and public organizations think that personal characteristics and the **capacities** to negotiate are important for success of negotiations. In addition: two respondents mention that they have had at least some sort of negotiating training. Another characteristic of the public negotiator would be the aforementioned need to serve the public interest.

Evaluation of Expectations

In Table 3, our expectations are presented. Most of our expectations are partially or completely supported, except the expectation on transparency.

TABLE 3 *Reflection of expectations*.

Public Sector Context		Result of analysis
Ownership and funding	Public ownership of organizations will lead public servants to aim for a satisfying strategy instead of an optimizing one in negotiations.	Supported
Public Accountability	The need for accountability within the public sector leads to risk aversion and cooperative strategies in public negotiations.	Partially supported
Transparency	The obligation for public organizations to be transparent leads to a disadvantage for public negotiators (no information advantage) and leads to tougher negotiation behaviour from public servants.	Not supported
Public Values	Public sector values create goal ambiguity with public organizations, which leads to negotiations with more rounds and lowest common denominator solutions.	Supported
Goals	Multiple and conflicting goals in public sector organizations leads to multi dimensional and slow negotiations.	Supported
	Contradictory goals of public organizations affect negotiation processes and outcomes negatively.	Partially supported
Public Sector Organizations		
Alternatives and BATNA	Public negotiators have few alternatives in public negotiations because of the monopolist character of public organizations.	Supported
Public Sector Negotiator		
On behalf of others	As a result of having multiple masters and negotiating on behalf of others, there is no single best solution during negotiations.	Supported

DISCUSSION

It was the goal of this paper to explore how public servants negotiate in the context of the public sector. Public management literature was combined with negotiation literature to guide the empirical data collection.

The results indicate that negotiations carried out by public officials are different from negotiations carried out by private sector employees or negotiations in general. Because public organizations are owned by 'the collective' and funded trough taxes, public organizations deal with budget financing systems. A better-negotiated result in terms of money equals that this public organization has not performed its tasks properly, in the eyes of citizens, media and politicians. For example when public schools have a surplus on the budget, the question arises whether the students have had what they deserved. This connects to the more general difficulties of measuring public sector performance (e.g., Pollit & Bouckaert, 2004). This also rises some normative questions for example of what is a good negotiated result for public sector organizations as the role of financial means is marginalized.

Also, public negotiators have to deal with the public accountability of their organization meaning that others but the negotiator is held accountable for the results of the negotiation. As a consequence, respondents mention that they prefer a cooperative style of negotiations when the situation allows for this. This is in line with literature on accountability (e.g., Bovens, 2005; Brans et al., 2006; Peters, 2010) and also with negotiation literatures in the sense that a cooperative style reduces stress on the relation and is more likely to generate a agreement (e.g., Lewicky et al., 2010).

That public transparency is not of influence on public negotiations is another interesting finding. Respondents claim that the information that is publicly available is often too generic to be of value during negotiations. The central role of information in both the relation between politics and administrators as well in negotiations demands for further investigation. The finding that public servants feel that they are not negotiating may be of relevance here: why should you prepare for negotiations if you are not negotiating. An alternative explanation might be that the characteristic of public sector negotiations is one of problem solving (e.g. non-zero-sum) rather than winning or losing (zero-sum) and requires different knowledge than is generally available on for example official websites and in annual reports.

Public negotiators also have a different set of values that are inherently conflicting (e.g., Steenhuisen, 2009). This makes setting clear goals of negotiations difficult whereas private sector negotiators have the social heuristic of profit to base decisions upon. Some respondents mention that public sector negotiations proceed slowly or to common denominator solutions because of the contradictory goals.

Depending on the perspective, public negotiators are often monopolists in negotiations, giving them a strong position. At the same time respondents mention that this is not often considered in negotiation situations since they have no clear goals in advance. Also are negotiation situations seen as a discussion by some servants, which involve arguments instead of positions. Negotiating with public sector organizations from the perspective of the private sector however may not feel like negotiations either since few alternatives exist. There are a number of resources that public negotiators have as a result of their public nature (e.g., Peters, 2010).

Finally, public negotiator answer to multiple masters while they mention that they would like to represent citizens during public negotiations. The multiple-stakeholder setting of the public sector is likely to create negotiations with multiple rounds, compared to a private sector setting. While multiple stakeholders are not exclusive for the public sector, the presence of multiple stakeholders as well as audiences at a distance seem to have a negative impact on the progress of negotiations. What the effect of delegation in negotiations as well as different audiences are remains to be investigated.

This is an explorative study, which has both strengths and limitations. First, in our theoretical section, we have deliberately exaggerated the public–private differences. This is somewhat artificial as some authors indicate also (see for example Allison, 1983; Rainey & Bozeman, 2000) but showcases the differences (e.g., values) that we are interested in.

It therefore serves as ideal type and supports our analysis. This study shows that the public context of negotiations has a high impact on the processes of negotiations. Also, the distinction between public and private seems very relevant for studying processes of negotiations in both public and private organizations.

Second, our selection of respondents is diverse and has high variance on personality characteristics. This is also a typical property of explorative research. Since we are mainly interested in context and less in personal characteristics the influence is considered low. Finally, this study reports perceptions, opinions and experiences of interviewees and not actual behaviour, which limits external validity.

A strength of exploratory research is its ability to identify new research areas and directing subsequent research approaches. The topic of and skills needed for negotiations get little attention in public organizations. Most public servants however acknowledge that negotiating is a core activity within and outside their organisation. New research efforts could be aimed at untangling the public sector context and characteristics of its employees. For example: the relation between personal characteristics of public servants and their style of negotiating or comparing personalities of 'real' public negotiators such as diplomats with civil servants is still uncharted territory. Another important finding is the tendency of public servants not to call negotiations what they are: negotiations. How and why this is the case remains unclear and needs further investigation.

CONCLUSION

The central question was: *'How do public servants negotiate in the context of the public sector?'* Based on theory, a number of expectations were investigated using semi-structured interviews. The findings indicate that public negotiators aim for a satisficing instead of an optimizing strategy in negotiations. If the 'problem' is solved, there is no incentive to negotiate an even better deal.

There is less clarity about the effect of accountability on public negotiations. Respondents mention their preference for a cooperative negotiation style during negotiations. They do not want to harm their political superior in any way. However, their conflict-mode suggests that competing approaches are employed equally.

The need for transparency does not lead to a disadvantage for public organizations since the information that can be obtained is unusable in negotiations, according to respondents anyway.

Public organizations do however have multiple goals simultaneously and conflicting values which make negotiations to proceed slowly, with sequential rounds and lowest common denominator solutions. Agreement is reached only on what all parties can agree on.

There is a lack of alternatives for those who negotiate with public organizations to a negotiated deal because of the monopolist character of many public organizations. Also, when alternatives do exist, negotiators do occasionally not consider them because a negotiation is confused with a discussion.

Public negotiators answer to multiple masters, which makes determining a course of action during negotiations difficult. Public negotiators often have a lack of clear goals in advance of negotiations and therefore they have to check their mandate often with their superiors. Employees from private organizations are aware of the fact that their superior or owners will always judge a negotiated result based on profitability or continuity of the company. Public negotiators do not have such a simple heuristic to base their decisions on during negotiations. In addition, public negotiators hardly prepare themselves before negotiations, which puts them behind on counterparts that have prepared. The lack of preparations reflects on all parties during negotiations: a less desirable overall result will be achieved.

Negotiations in public organizations are in practice a combination of zero- and non-zero-sum types. Public organizations in general often have a coordinating role in negotiations that involve multi-party negotiations. This is roughly in line with for example literature on networks and public private partnerships (Klijn & Koppenjan, 2000). In those cases, non-zero-sum negotiations are prominent.

To conclude, public servants negotiate about a range of subjects with other organizations, citizens, civil society and politicians. The public nature of the sector, organization and negotiator alter the process (e.g., the alternatives and speed) as well as outcomes of negotiations. This shows that the context and situation have a large impact on negotiations.

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An exploration of how negotiations carried out by public servants are influenced by politico-administrative relations

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ABSTRACT

Negotiations have always been an integral part of the activities of actors in the public domain but have remained under-researched so far. This explorative study looks at what elements of the politico-administrative relation influences negotiations carried out by public officials and how they may influence them. The findings indicate that negotiations carried out by public officials are in a typical principal-agent setting, which is strengthened by ministerial responsibility and loyalty of servants. Also, politicians seem to be in a hurry, while public servants have time. As a consequence, public officials, aiming for long-term solutions are redirected towards mid term solutions as politicians try to bend negotiations results towards the short-term. Finally, public negotiators, as opposed to private

negotiators, are backed-up with legislative power through politics which can be employed in public negotiations to achieve goals.

INTRODUCTION

Negotiations have always been an integral part of the activities of actors in the public domain. For example, politicians negotiate about coalitions and budgets (see e.g., Dijkstra, Van Assen, & Stokman, 2008) while public servants negotiate with other public servants, with civil society or citizens during policy implementation (e.g., co-production; Fountain, 2001)

Negotiations within the public domain are subject to political influences that private organizations have not. For example: civil servants are expected to be rule obedient and report to a higher authority (Bovens, 2005). Politicians on the other hand are expected to take the lead in public and make policy decisions (Peters, 2010). Also, both politicians and public officials are expected to serve the public interest instead of the individual or organizational interest (cf. Steenhuisen, 2009). This means that results of negotiations are allocated over citizens and not individual negotiators or public organizations. The presence of politics in the public domain is one of the most important characteristics of the public sector (Rainey & Bozeman, 2000; Rainey, 2003). Other features of public sector negotiations that are explored in a first paper in this series are: public ownership, the need for accountability and transparency, public sector values and that public negotiations serve the public interest instead of a private interest (Bouwman, 2013).

At the same time are elected politicians held responsible for actions of their appointed officials through mechanisms of ministerial responsibility (Bovens, 2005; Busuioc, 2010). A poor negotiated result will reflect on the political master and not the appointed servant. This also underlines that politicians have different (electoral) goals than public officials.

The negotiation literature acknowledges that context can influence negotiation processes and behaviour of negotiators (Carnevale & Pruitt, 1992; Lewicky, Barry, & Saunders, 2010). Elements of context that have an influence on negotiations are: economy, culture, and ideology (Lewicky et al., 2010, p. 448). Most studies into negotiations do not consider the presence of politics as part of the context in which negotiators operate. The interference of political context may limit the possibility for public negotiators to reach a technically optimal result. What is good for policy execution may not be very attractive in electoral terms because they could for example lead to tax raises.

As a result of the proximity of politics and politicians, negotiation processes in the public domain, performed by public officials are different from negotiations in general. What is not addressed in the literature is how and what elements of negotiations are influenced by the political context in which public negotiations take place. This has led to the central question of this paper:

> *'How are negotiations carried out by public officials influenced by the political context?'*

Politico-administrative literature is combined with literature on negotiation in order to look at what and how influence politics may have on negotiating public servants with the aim of theory building. This also enables the use of negotiation theory in the public sector, which is relatively new as most negotiation literature is aimed at private sector negotiations.

Specific characteristics of negotiation situations in the public domain are explored in the theoretical section. Based on theory, a number of expectations are presented which will guide the empirical data collection (c.f., Eisenhardt, 1989; Yin, 2003). After describing the methods used, our findings will follow in the results section of this paper. This paper is concluded with the results and a discussion of our findings.

THEORETICAL FRAMEWORK

This section discusses politico-administrative relations in order to formulate expectations of what politico-administrative relations might entail for public negotiations. Authors identify a number of endogenous as well as exogenous stimuli that influence politicians, civil servants, the relation between them and the results of their workings (Etzioni-Halevy, 2013). Below, we will discuss the literature on negotiation first. Next, we look at literature on politico-administrative relations in order to combine negotiation literature with central concepts from politico-administrative relations. We will discuss the problem of delegation, ministerial responsibility and loyalty, the temporal orientation of politicians and public servants and special resources that public servants have during negotiations.

Negotiations

Negotiation is defined as: 'the process of back-and-forth communication aimed at reaching agreement with others when some of your interests are shared and some are opposed' (Fisher, Ury, & Patton, 1992; Ury, 1993). Negotiation situations have a number of characteristics in common: (I) there are two or more actors, (II) there is a conflict of (perceived) needs and desires between the two or more actors and (III) actors negotiate by choice, (IV) a give and take process can be expected, (V) actors prefer to negotiate and search for alternatives (opposed to struggle or fight publicly) (VI) and negotiation involves the management of tangibles (prices or terms) and intangibles (motives) (Lewicky, Barry, & Saunders, 2010:7).

Typically, two types of negotiations (often called: games) can be identified: zero-sum (distributive) and non-zero sum (integrative) negotiations. Zero-sum negotiations are in place when there is a finite amount of assets that is available and all actors have a desire for it. In other words a gain for one party means an equal loss for the other party. A negotiation on how to divide a government grant (e.g., funding of art projects) is a good example: the amount of money available is limited. Negotiations that are strictly zero-sum are however rare (Lewicky et al., 2010; Scharpf, 1994). Non-zero sum negotiations involve an infinite amount of assets that is subject to negotiation. Assuming that actors have different interests and needs, additional dimensions can be introduced into the negotiation. Consider the acquisition of goods; say paper for a public organization. The

exchange that will take place is one of money versus paper. This is a one-dimensional transaction and therefore zero-sum (money and paper). If however the supplier has a temporary shortage of paper, he or she may counteroffer to deliver the paper at a later point in time for a lower price. The added dimension of time makes the negotiation non-zero sum because delivery date is now open to bargaining just as price.

The main reason why individuals negotiate is that they believe this to be a better way of dealing with differences in interests, needs and desires than for instance struggling over them. Carnevale and Pruitt (1992a) give two motives why parties may choose to negotiate rather than to struggle or go for arbitration. First, negotiation is often less costly, financially and in non-financial costs than struggle. One can think of the monetary costs of war or anger and embarrassment as potential costs. Negotiation also introduces smaller levels of stress on the relation between individuals, compared to struggle. Second, negotiation makes mutually acceptable solutions easier to find, thereby ending possible controversies (Carnevale & Pruitt, 1992).

Politics and Administration

The relation between politics and administration is one of the central themes in public administration research. Weber for example described normative differences between politics and politicians and civil servants in Germany. Civil servants are appointed, not elected like politicians are (Weber, 1978, p. 960). Civil servants are rule obedient, they report to a higher authority whereas politicians take the lead (Weber, 1978). Also, public officials are trained specialists, have professional experience and have career aspirations within the service (Weber, 1978).

In the US, Wilson presented a framework in line with the *Weberian* view: one that strictly separated politics and execution (administration) of policies (Wilson, 1887). According to Wilson, politics need not to interfere with administration. Also, administrations should be run as if it were a businesses (see for example Goodnow, 2003; Wilson, 1887). In an empirical sense however, the demarcations between politics and administration are less clear in practice (Peters, 2010, p. 166; Svara, 2001).

According to some, contemporary politico-administrative relations are as much about complementarity and teamwork as they are about hierarchical relations and loyalty (Brans, Pelgrims, & Hoet, 2006; March, 2010; Peters, 2010; Svara, 2001). Political masters and public servants need to work together to formulate and implement policy. In other words, elected representatives and servants need each other in practice. Civil servants possess important knowledge on policy areas whereas elected representatives determine the political course, create budgets and generate political support (Peters, 2010).

A number of elements are derived from politico-administrative relations that are expected to have an influence on negotiations carried out by public officials in the public domain. These are presented in figure 1 and discussed consecutively.

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┌─────────────────────────────┐
│      Delegation problem      │
└─────────────────────────────┘

┌─────────────────────────────┐
│ Ministerial responsibility   │
│        & loyalty             │
└─────────────────────────────┘              ┌──────────────────────┐
                                             │  Public negotiations  │
┌─────────────────────────────┐              └──────────────────────┘
│    Temporal orientation      │
│   politicians and servants   │
└─────────────────────────────┘

┌─────────────────────────────┐
│         Resources            │
│    of public negotiators     │
└─────────────────────────────┘
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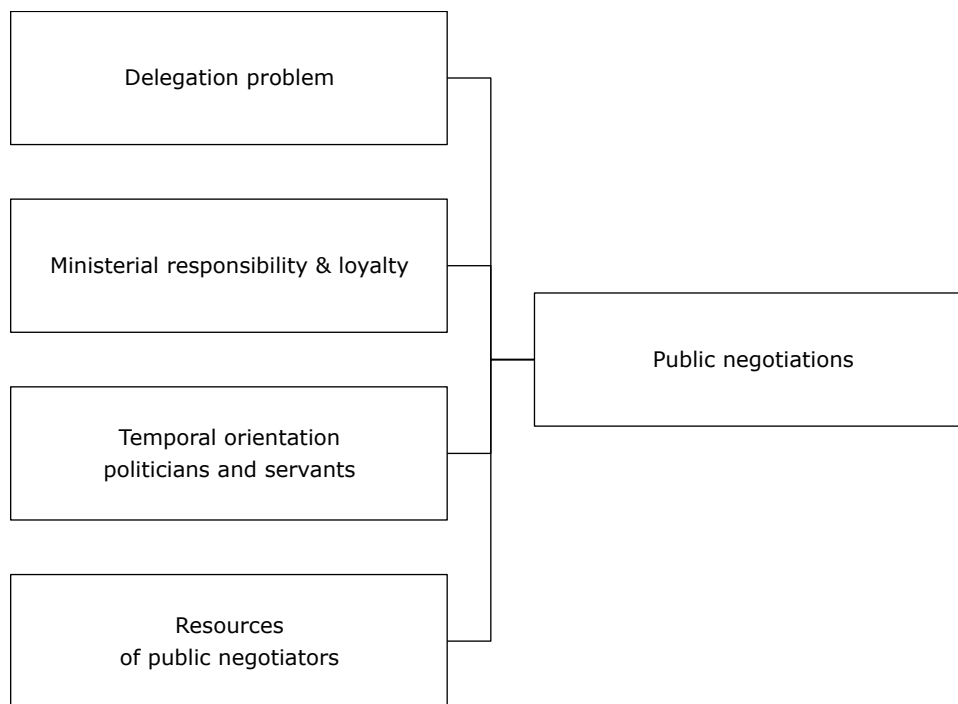
FIGURE 1 Conceptual model of *elements from politico-administrative relations that are expected to have an impact on aspects of public negotiations.*

Delegation problem

The relation between civil servants and their political masters can be characterized as a principal-agent relation (also known as agency problem) because the servant (agent) has expertise while the political master (principal) has power or authority (Waterman & Meier, 1998). Both also have different interests and needs. For example: politicians want public exposure and public servants need budgets. Principal-agent relationships occur frequently in the public realm but also in negotiations: between political masters and their servants, between attorneys and clients or managers and their staff.

Negotiations that involve principal-agent relations are significantly different form those that do not (Lewicky et al., 2010, p. 325). First, negotiators are involved in two instead of one relationships (Docherty & Campbell, 2005). Second, the two (principal and agent) must decide on their collective view of what they want to achieve in the negotiation, and then a strategy to get it at the 'back table' (Lewicky et al., 2010, p. 326). Finally, the agent needs power and authority during negotiations, which is then delegated from the principal (ibid.). Then the 'front table' negotiation starts (Docherty & Campbell, 2005). Also, principals expect that agents frequently report back as negotiations unfold and also report back the outcomes at the end of the process (Lewicky et al., 2010).

Central to the principal-agent setting is the asymmetry of information which is often referred to as the delegation problem (cf. Mitnick, 1996; Spence, 1997). This asymmetry

of information is especially salient in the relation between political masters and civil servants but also occurs at other levels of public organizations. The agent has information, which a principal needs. Conversely, the principal has decisive authority and power, which the agent needs to find an agreement. At the same time, the principal may have a wish to steer the process of negotiations for reasons of distrust or insecurity, which introduces transaction costs (Spence, 1997, p. 205; Strausz, 1997).

One way to obtain information from the agent for the principal is to not define or reduce the mandate to negotiate. This will force public officials to check and recheck their mandate with their principal during negotiations. As agents need decisive authority from the principal, he will also see the necessity to consult with his principal. As a result of a problem of delegation between political masters and public officials we expect that:

> *Political masters have a need for information and a wish to control processes directly, they will reduce the mandate of the negotiating public official*

The lack of mandate that is 'given' to public officials for negotiations is exacerbated by the lack of goal clarity that many actors in the public sector have, as values within public organizations are often conflicting (see also Bouwman, 2013).

Ministerial Responsibility

Within the Dutch setting, ministerial responsibility, together with the rule of confidence (Dutch: vertrouwensregel) is often taken as a point of departure to describe politico–administrative relations. As exact mechanisms of ministerial responsibility vary across states, we have taken the Dutch setting since our respondents are also employed in Dutch public organizations. In essence, the elected officials have the electoral mandate whereas public servants, the administration follows elected officials (Brans et al., 2006). Loyalty of public servants towards their political master is central (Bovens, 2005). Regardless whether public servants agree or not with the content of policy or changes of it, they should serve their political master (Ibid.). Since political masters are at risk through their ministerial responsibility in parliament[2], they have the means like power over budgets and formal authority to influence the relevant parts of government (Peters, 2010, p. 265). In cases of serious omission politicians can be sent away.

In practice, ministerial responsibility is said to be limited since bureaucracies are large and complex (Peters, 2010, p. 266). It is would be an illusion that political masters have complete information. Also, political masters are often relatively inexperienced and are surrounded by senior civil servants who have experience and expertise (Peters, 2010, p. 205/296).

In negotiations, responsibility for a process or result is often allocated more directly (cf. Lewicky et al., 2010, p. 209). It is often the negotiator who bears both the costs and benefits of negotiations. Due to ministerial responsibility however, responsibility

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[2] At municipal and provincial level, political masters are held responsible in councils. For clarity we use parliament to refer to a forum in which politicians give account.

for the negotiated result is not allocated at the negotiator primarily (see for example Bouwman, 2013; Lewicky et al., 2010). It is therefore expected that:

> *Civil servants who negotiate do not feel direct responsibility for the results, leading to satisficing strategies during negotiations instead of optimizing.*

Temporal orientation of politicians and public servants

A feature of the public sector is that 'power' changes hands frequently (Massey, 2011). Politicians come and go in a Weberian system, while public servants are often employed for a longer term. Political leaders campaign on short-term pay-offs whereas public officials focus on programmatic policy programs (Johnson, 2002). For purposes of re-election politicians postpone decisions that have a short-term loss and a greater long-term gain. Politico-administrative literatures add to this that servants often focus on long term gains and stable continuous progress (Peters, 2010, p. 198). In other words: "Politicians are in a hurry, civil servants are patient" (Dunn, 1997, emphasis added).

Central is that both have different interests: for electoral reasons it is in the interest of politicians to focus on short-term gains. Civil servants lack this electoral pressure and incentive and will therefore focus on gains over the long term or lower losses in general.

The influence of the different timespan of politicians on public officials has consequences for negotiations. For negotiations this possibly means that the 'rules of the game' change during longer negotiations, because of the presence of political masters. Conversely this might mean that public officials will aim to negotiate more long-term (legal) contracts with external parties that cannot be undone trough politics to ensure policy stability and continuity. As a result of the collision of time horizons of politicians and servants we may expect that:

> *In negotiations, the long-term focus of public officials is pulled towards the short-term because of the short-term focus of their political masters.*

Resources of public servants

Public officials have a number of resources at their disposal that discern them from for example politicians or employees of the private sector. According to Peters (2010, p. 213), public organizations have legitimacy, power of the purse and latitude. Legitimacy refers to the formal and constitutional authority public organizations have to perform her duties. Public organizations base their actions on legislation, making decisions that public servants make binding. This means that public negotiators could amend or block legislation if this is in the interest of the public organization. This is a property that puts public negotiators in a strong position against private organizations, citizens or interest groups. In order to perform their formal duties, public organizations and public servants need money which is called power of the purse (Peters, 2010, p. 213). Public organizations rely on public money in order to perform their functions. This is a potential unlimited resource since public

organizations receive their funding trough taxes. In contrast, private organizations need to make a profit to survive (see Bouwman, 2013). Public negotiators can employ this resource by strategic timing or stretching out negotiations over a longer period of time. Another resource is latitude: public organizations seek as much freedom within an area of policy to implement policy or to spend money (Peters, 2010, p. 214). Because public organizations are large and complex, political masters are likely to give public organizations great latitude (Peters, 2010, p. 214). When public servants have latitude they have freedom to implement, contract and negotiate what they feel is needed and wanted.

In addition to the formal and legal resources above, public organizations are often monopolists in the sense that they have a unique function or position (see Bouwman, 2013). When opponents in negotiations have no alternatives than to agree, this gives the public negotiator leverage. As a result of the resources of public organizations, we may expect that:

> *Resources that stem from the public character of public organizations give public negotiators leverage in negotiations.*

Expectations

All expectations are presented in table 1. After describing the methods of the empirical data collection in the coming section, we will present our findings and reflect on our expectations in the discussion section.

TABLE 1 *Expectations of the interplay of politico-administrative relations and different elements of public negotiations[3].*

Delegation problem
Because political masters have a need for information and a wish to control processes directly, they will reduce the mandate of the negotiating public official
Ministerial Responsibility
Civil servants who negotiate do not feel direct responsibility for the results, leading to satisficing strategies during negotiations instead of optimizing.
Temporal orientation of politicians and public servants
In negotiations, the long-term focus of public officials is pulled towards the short-term because of the short term focus of their political masters
Resources of public servants
Resources that stem from the public character of public organizations give public negotiators leverage in negotiations.

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[3] Besides political influences, public accountability, transparency or the fact that public servants serve the collective are also distinct features of public sector organizations and will affect negotiations. These are discussed in the first paper in this series (Bouwman, 2013).

METHODS AND DATA

Since the topic of negotiations is relatively new in the field of public administration, we have employed an explorative research design, more specifically: qualitative semi-structured interviews with public servants and private employees.

Interviews

Semi-standardized interviews offer the advantage of posing questions that are comparable among respondents (Berg, 2009). They also offer flexibility of the researcher to probe beyond the answers to the prepared questions (Berg, 2009, p. 107). Additionally, it allows the respondents to come up with other elements that may be of relevance, which aligns with the explorative goal of this study since not all variables are known in advance (Berg, 2009; Yin, 2003). All interviews were held in the Netherlands and in the Dutch language. Interview duration averaged about 50 minutes and was digitally recorded with consent of respondents.

A topic list served as a basis for empirical data collection through the semi-standardized interviews (cf. Yin, 2003, p. 28). The focus of the questions was on the characteristics of negotiations and on the elements from our conceptual model. Specifically, respondents were asked what their experience with negotiations was, under what circumstances and how the process of negotiations unfolded. Additionally, respondents were asked about how they experienced characteristics of the public sector and on what elements of the negotiations that may have had an impact.

Potential respondents had to meet two criteria in order to be a suitable candidate for an interview. The respondent had to be employed with a public or private organization and had to negotiate on a regular basis in their function, thereby representing the organization. For private sector respondents, an additional criterion was formulated: they had to have experience in negotiating with both public and private opponents. Since we are primarily interested in public sector negotiations, private sector negotiators had to be able to make a comparison between negotiating with private- and public sector actors. We used theoretical selection of respondents, selecting respondents from various public and private organizations with the aim of making variance between respondents as high as possible on background characteristics such as experience, job function and type of organization (Eisenhardt, 1989).

The first eight respondents were approached through the personal network of the thesis supervisor. From there on, we relied on the snowball sampling method, asking interview respondents to either introduce potential respondents to us or by providing contact information (Berg, 2009, p. 51).

TABLE 2 *Organizations of respondents*

Type of organization	N	% of total
Ministry	6	27,3%
Province	1	4,5%
Municipality	3	13,6%
Independent administrative body	6	27,3%
Legal entity with statutory task	1	4,5%
Private sector organization	3	13,6%
Independent expert	2	9,1%
Total	**22**	**100,0%**

A total of 22 semi-structured interviews was held over a period of three months time. Although our research question is aimed at negotiations from the public sector perspective, three private sector organizations are included as well. This is in line with what authors mention on choosing extreme cases or 'polar types' in which the process of interest is transparently observable (Eisenhardt, 1989). Job functions of respondents included procurement, sales, contract management, policy servants, HR Manager, head of department and clerks.

Data analysis

The interview recordings were transcribed verbatim and data was imported in MAXQDA 11[4]. MAXQDA is a software tool that facilitates systematic analysis of qualitative text and content. After importing the data, the interviews were systematically coded at paragraph level, starting without theory (Berg, 2009, p. 353). When all data was coded, the code tree showed that a number of sections needed a recode. For example this sorted the code 'budgets' and 'ownership' under the same heading as they belong to the same theme. A matrix which visually shows similarities and anomalies (patterns) was used in a cross-case comparison which also included the use of theory (cf. Braun & Clarke, 2006; Yin, 2003, p. 133). Also, comparing within and across cases takes analysis beyond initial findings (Eisenhardt, 1989). Next, a 'theoretical' thematic analysis was carried out by comparing quotes in a matrix and based on theory presented in our theoretical section (Eisenhardt, 1989; Yin, 2003). Finally, another round of coding was performed in order to see how individual statements align with the more general pattern that the data showed (Berg, 2009).

Quotes in the results section were translated into English as literal as possible, while leaving the message intact. At the request of some respondents, data and quotes from the interviews in this paper are confidential and treated accordingly.

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[4] MAXQDA, software for qualitative data analysis, 1989-2013, VERBI Software - Consult - Sozialforschung GmbH, Berlin, Germany.

RESULTS

In this section, findings from the interviews on the interplay between politico-administrative relations and public negotiations by public servants are presented. The last section reflects on the earlier presented expectations. Since the study of negotiations in the field of public administration is relatively new, we start with some generic findings that emerged from analysis and did not originate in theory.

Public officials who negotiate on behalf of their organization deal with a broad range of topics (see Bouwman, 2013). For example: sale and acquisition of goods, ground lots, performance agreements between department and agencies, compensation of loss, implementation of policies, new or changed policies, and zoning interpretations.

Interviewees see themselves as representatives of their organization negotiating with others. Others are: departments, agencies, municipalities, private organizations, politicians and individual citizens. Also, public negotiations often involve negotiators that have expertise on a particular topic, a head of a division (like procurement) or executives with full responsibility.

From our total selection of twenty-two respondents, ten (45,5%) mention that the presence of politics has a considerable impact on activities. One respondent from ██ ████████████████████████████ for example says:

> *'Yes, there is always an influence of the political sentiment. It is always the political will that is most important. They will ultimately decide over matters.'*

This also points to the decisive power that politics have over public organizations (See section on resources above).

When breaking down the respondents' sample into different public organizations, the image changes. Five out of six (83,3%) respondents from ministries mention that the influence of politics on negotiations is large. At the municipal level, two out of three (66,6%) of respondents mention a large influence of politics. Respondents from independent administrative bodies experience political influence on negations less often. Two out of seven (28,6%) mention political influence on both the processes and the outcomes of negotiations. Finally, one from the three respondents from private organizations experiences considerable political influence on negotiations. This concerns political influence on the public negotiator that influences the process of negotiations in such a way that the private negotiator also is influenced by it as well. Since our selection of respondents is by no means a representative sample and job content of our respondents is diverse, these numbers have to be interpreted with great care. Also, the absolute numbers are small which makes the impact of individual statements large. Based on our respondents however, it seems that organizations that are relatively close to national politics experience high influence of politics, which also manifests in negotiations. This may also vary with their respective functions. For example: buyers in our selection of

respondents mention more often than policy advisors or managers that political influence is low.

Another generic finding that focuses more on the relation between politics and administration is that politicians also negotiate with public servants for example about budgets although they do not call it negotiations often. In these negotiations, the electoral logic of political masters and public servants collides, which is illustrated with a quote from a manager at ███████████████████:

> *'There's a certain kind of hypocrisy in politics. They [the politicians] know that the municipality should cut its budget. There are all kinds of shortages in many areas. Cutbacks have to be made somewhere. When the cutbacks hit a target audience they suddenly do not want it [the cutback] anymore.'*

Politicians thus make certain choices for electoral or ideological reasons, which they have to defend against the administration. In case of the municipality, the politician does not want to cut back as he or she feels responsible for his or her voters. At the same time, public servants follow the logic of the budget and see that there are deficiencies. They then negotiate over how and how much can be saved or about what service can no longer be delivered. This takes us to the different interests political masters and public servants have.

Delegation problem

What is illustrative for negotiations by public servants in name of their organisation is that they are an agent of multiple principals. As mentioned before, it is the political master who decides what agreed upon ultimately. Besides this political master, the servant who negotiates also has a direct superior, which also has a superior and so on.

Another interesting finding is that some interviewees mention that they sometimes do not have room to negotiate. In other words, their mandate is unclear. The main reason for this is that the goals of negotiations are often hard to quantify (see also Bouwman 2013). For example what the 'best' course of action is, in light of policy aims is not measured only in money and therefore hard to evaluate in advance. Municipalities for example have to supply care like household cleaning for people who are in need of that care under the disabled assistance act for handicapped young persons (Dutch: Wajong). What should and what should not be cleaned is not measured in terms of money since this also depends on the person in need of this care.

Another explanation for this is that political wishes and demands are dynamic and may change over time. A respondent from an ███████████████████████████ for example says:

> *'We do not know where we want to go in advance which makes it difficult to bargain or to compromise.'*

As a consequence, negotiators have to check with their superiors, who also check with their superiors, depending on the importance of the topic. Only one interviewee ██████

██████ mentions that he will make sure his employees have a proper mandate to negotiate upon:

> *'There are people who represent the province in negotiations. I make sure that those people have a proper defined mandate in order to conduct the negotiations.'*

A consequence of a lack of leeway is that negotiations proceed slowly with government organizations. A lack of mandate may also create the risk of making promises that cannot be fulfilled. Opponents during negotiations may desire some promises before they go home to be able to 'sell' the result to their superiors.

Respondents mention that politicians will aim to interfere directly with negotiations when the find a topic important have electoral motives to interfere (e.g., media exposure). The lack of leeway for negotiating public officials however may be seen as a way to exert influence on outcomes as both servants and politicians know that the decisive authority lies with the political master. This supports our expectation that political masters will try to influence the outcomes, and thereby the processes of negotiations by interfering directly.

Between politicians and servants the information asymmetry is central. The knowledge of servants is employed in negotiations; often they are negotiating because of the fact that they are specialists. A part of the asymmetry of information is made up for because of the formal authority of politicians to make binding decisions and bear the responsibility. An example of strategic use of information of public servants when they negotiate with politicians is finding arguments and solutions that appeal to political masters but also appeal to the parliament (know as the delegation problem):

> *'But these are things [arguments] that we can use in negotiations. They [politicians] say that they expect questions in parliament. Well, then they find that interesting [our points and arguments].'*

Proposing solutions to politicians that they can 'sell' in their political arena works better than selling the objective, optimal solution according to a respondent ██████ ██████████████████████████:

> *'A lot of issues in politics is about how people experience and interpret them. It is in often not about size, scale or facts.'*

That public servants display this behaviour underlines that they have their own interests that they seek to support instead of being loyal too heir master (cf. Dunleavy, 1992; Niskanen, 1994). Public officials are claimed to be bureau shapers instead of budget maximizers (Dunleavy, 1992). Conversely, politicians aim to influence the processes at the work floor, negotiations is no exception. This finding is in line with earlier findings concerning the problem of delegation between politicians and bureaucrats (see for example: Spence, 1997; Waterman & Meier, 1998).

Ministerial responsibility

Negotiations carried out by public servants, especially the ones that deal with creation of policy are often based on the coalition agreement (Dutch: regeerakkoord) according to some respondents. The coalition agreement determines the course of action for the coming years and the efforts of servants are or should be in line with this agreement. Servants serve a collective need, which also shows from the quote from a respondent at ██████ ██████:

> *'My sense of added value does not originate in the ideas I have about how things are going with my country but rather in my views on how I can achieve a certain result, which is in the interest of my country and meets to the administrative urge to reach binding decisions while involving other actors that have an interest as good as possible.'*

This also highlights that this servant is loyal to his political master and that it is not his own views that are central, it is rather about achieving the best possible result, within a, by politics determined framework, which is better known as responsiveness of administration. This also demonstrates that servants are or ought to be sensitive of demands of citizens while negotiating, which may create internal conflicts (Peters, 2010, p. 265; Vigoda, 2000). By responding to demands of citizens, public officials may be expected to act against the interest of the principal or his own organization (Peters, 2010). At the same time, respondents mention that the difficulties for public negotiations stem from the fact that it is always politicians who decide in the end. This could imply that important decisions are simply passed on to politicians, which also takes away direct responsibility in negotiations. A respondent from ████████████ for example says:

> *'This all is informal [the process of policy creation], and eventually the minister takes a final decision. This will then translate into a bill and then the formal process starts.'*

There are also instances in which politicians try to deliberately interfere with topics because they have electoral reasons to do so, or parliament expects them to do so. One respondent from an ██████████████████████ for example says:

> *'Now even national politics is going to interfere directly. The only thing you can do is to try to proceed very carefully to ensure that you do not give them "an angle" which they may use against you. When for example the state secretary is overruling you, they can stall the project.'*

In the end therefore, politicians are responsible and take final decisions. Because political masters are responsible, they try to influence the direction of negotiations or at least the outcomes of negotiations. Our expectation that: '*civil servants who negotiate do not feel direct responsibility for the results, leading to satisficing strategies during negotiations instead of optimizing',* is therefore only partly corroborated.

It is not the servants who do not feel responsible, rather it is the politicians who try to influence processes within public organizations directly. Some see this as a lack of trust in organizational competence or the tendency to micro-manage (cf. Daley & Vasu, 1998; Wildavsky & Caiden, 1988).

This influences processes of negotiations in a number of ways: a contract signed based on negotiations with public servants may not be a final agreement. When for example an agreement is reached and politics or parliament suddenly has a different view on what is desirable, they may simply overrule public servants, as they are the ones held responsible.

Risks

As a consequence of the presence of mechanisms of ministerial responsibility, negotiating public officials become more risk averse. It is in the interests of public officials to follow procedures and internal guidelines rather than to opt for an effective or efficient solution in lights of policy. This is mainly the case because the political master carries all the responsibility for proper execution of regulations by public officials. Risk preferences of individuals have high impact on negotiations, causing negotiators to frame their alternatives less or more beneficial that they are (Lewicky et al., 2010, pp. 153–154).

Since low risk taking is often connected to public servants (see for example: Bozeman & Kingsley, 1998; Hartog, Ferreri Carbonell, & Jonker, 2002; Wildavsky & Dake, 1990), this may be a detrimental characteristic for public negotiations as it changes the point of reference for negotiators (Kahneman & Tversky, 1979). People are more risk averse when a problem is framed as a possible gain, and risk seeking when the same problem is framed as a loss. Although negotiation situations are in a general sense not indifferent to risk, that public negotiators are risk averse may imply that they will overreact even stronger to a perceived loss when it is framed as a loss than when it is framed as a gain (Neale & Bazerman, 1992). As a result, they are afraid of 'losing' and are therefore more likely to accept any viable offer. Risk seekers will wait for a better offer. As private sector employees and entrepreneurs are often thought to be risk seekers, a negotiation between a public servant (risk averse) and a private employee (risk seeker) is potentially advantageous for the private employee.

Temporal orientation of politicians and public servants

Respondents recognize the different needs of servants and political masters. This also manifests in the speed at which 'things are done'. Scholars identify a four-year cycle between elections that is dominant for activities in many government organizations (Kingdon, 2002, p. 61; Peters, 2010).

Respondents acknowledge this four years cycle and at the same time see this as something that is constant. A respondent from ███████████████████████████ for example says:

> *'We are in a sector that is really being ruled by the coalition agreements. This is of course revised at least once in every four years. Every time we hope it remains a bit continuous but it may also become completely different.'*

Or as another respondent from a ████████ puts it:

> *'Sometimes they [politicians] say: we go left and when a new government is installed, it seems that we go right anyway.'*

The political cycle makes negotiations occasionally challenging since negotiated agreements can be undone. Renegotiation of contracts is something that occurs which essentially makes governmental organizations particularly unreliable business partners. A respondent from ▮▮▮▮▮▮▮▮▮▮▮ for example:

> *'It is much harder to be a reliable partner. You do have to deal with the quirks of politics. In other words if you are in a process of negotiations when there are elections, then there will be another party and then you will have to change your point of view.'*

The difference in temporal orientation between public servants and political masters is also something that is sometimes used strategically by servants. Closing a deal right before elections is a good example of this. When contracts are signed, the only way around them is by legal action. Likewise, politicians use events to get attention. These efforts are often aimed at short-term gains, after a while their attention fades.
A respondent from ▮▮▮▮▮▮▮ for example says:

> *'Yes, and you see that the parties are preparing for the upcoming election year. And if something goes wrong, they will focus on such an event right away.'*

This also shows that media, through political events have some power to influence processes and on-going negotiations. When issues are mentioned in headlines, politicians try to contain them or use them in their advantage. Politicians have relatively short-term focus for electoral reasons, which collides with the longer-term focus of servants. The timeframe of civil servants however is not long but focuses on the medium term because they are aware of the fact that things may change with new elections. The latter also supports our second expectation: In negotiations, the long-term focus of public officials is pulled towards the short-term because of the short-term focus of their political masters

Resources of public servants
Respondents mention that government organizations have various sources of power. First of all, they recognize the legislative powers of politicians. They also see that politics and politicians exert power over their organization, which is also apparent in negotiations. For example: many respondents mention that finally the minister or aldermen will decide on the matter. Negotiations can only go so far, until a political master takes a binding decision. The fact that politicians occasionally have to take decisions hampers smooth negotiation processes. Some respondents from the private sector say that negotiations with public organizations are much slower than negotiations with public parties.

In politico-administrative negotiations, politicians will try to find a balance between achieving their political goals but also being provided with enough information from public officials. Public officials on the other hand are highly dependent on their political master in order to get attention for 'their' portfolio. This mutual dependence creates a cooperative

negotiation setting as also some respondents from ministries mention. This is also facilitated by the fact that in the end, the political master bears the full responsibility (See section on ministerial responsibility).

Public officials who negotiate outside their organizations use their power only when they really 'need to'. A respondent from ██████ for example states that:

> *'And you can always fall back on other instruments. Take the municipalities around WWB [social security act] – we can say: if we cannot solve this here, we will settle it by law. If they do not cooperate, than we will force them to do so.'*

This quote points to the use of (infinite) resources since legal action is often costly. Respondents from independent administrative bodies mention similar use of resources or knowledge to achieve their own goals in negotiations. Politics however may reduce or increase the leeway servants have in negotiations (see section on temporal orientation). Our expectation that: resources that stem from the public character of public organizations give public negotiators leverage in negotiations, can therefore be confirmed. It is evident that especially private organizations or interest groups do not have good access to legislative and also judicative resources.

The instrumental use of power in negotiation also assumes a determined goal. In some cases political masters do not have that clear goal, which results in organizations that have poorly operationalized goals. About the predetermined use of resources a respondent from an ██████████████████████ says:

> *'The government is just an ant heap. In that ant heap, a lot is going on. Who accidentally comes up on top is an uncertain process and not clear in advance. It is a hodgepodge of individuals with some a little more power than others. You can not possibly predict what comes out as a result.'*

Having a clear goal is also assumed in literature on negotiations (cf. Cialdini, 2001; Fisher & Ury, 1981; Ury, 1993), whereas this may not be the case in the public realm (cf. Pandey & Wright, 2006). Having and employing power in negotiations is only meaningful when negotiators have a clear goal. This finding may also provide an alternative explanation that other public officials do not always feel 'empowered' or experience a lack of mandate during negotiations as we have found from the delegation problem in negotiations.

Reflection expectations

In table 3 our expectations are presented and the result of analysis. We reflect on our findings more substantive in the discussion section.

TABLE 3: *Reflection on expectations of the interplay between the political context and public negotiations.*

Delegation problem	Result of analysis
Because political masters have a need for information and a wish	Supported

to control processes directly, they will reduce the mandate of the negotiating public official	
Ministerial Responsibility	
Civil servants who negotiate do not feel direct responsibility for the results, leading to satisficing strategies during negotiations instead of optimizing.	Partly supported
Temporal orientation of politicians and public servants	
In negotiations, the long-term focus of public officials is pulled towards the short-term because of the short term focus of their political masters	Supported
Resources of public servants	
Resources that stem from the public character of public organizations give public negotiators leverage in negotiations.	Supported

DISCUSSION

It was the aim of this paper to explore how the politico-administrative relations in the public sector affect negotiations carried out by public officials in order to contribute to theory. Literature on politico-administrative relations and literature on negotiation were combined to provide a theoretical framework, which was evaluated using semi-structured interviews.

The results indicate that the presence and proximity of politics and politicians in the public sector significantly influences processes and outcomes of negotiations. Political masters will try to interfere or steer processes and outcomes of negotiations when a topic has the interest of politics or the general public. Ultimately, 'important' decisions will always go through a political master. That public servants cannot always make decisions during processes of negotiations also makes negotiations slow. Our findings indicate that a negotiating public official has to check his mandate and leeway frequently with his principal. In particular, servants who are involved in the creation of policies or hold a managing position experience at least some sort of political influence for which a number of reasons can be mentioned. Literature on the delegation problem mentions that the influences of political control ought to be viewed sceptically since politicians have limited policy expertise and that most research focuses on aspects of agency behaviour that is "particularly amendable to political control" (Spence, 1997, p. 214). Our findings indicate however that politicians at least try to influence negotiation outcomes which seems contradictory with Spence's' conclusions that politicians can and do exert a significant amount of control 'over' but in line with others (see: March, 2010; Peters, 2010).

Political masters often carry 'ministerial responsibility' for their public organization, whereas public servants are loyal to their political master. The formal responsibility of political masters makes that they will try to influence negotiations directly. Our findings indicate that public servants have little incentive to go 'beyond' the sufficient in negotiation situations (see also Bouwman 2013). They will primarily aim for an option that can be defended legally in order to reduce risk.

The question remains whether mechanisms of ministerial responsibility strengthen or weaken risk preferences of negotiating public officials since the formal responsibility remains with the political master (Bovens, 2005). Also, how risk preferences relate to

behaviour of officials in negotiations is subject to debate since risk taking is often assumed to be constant over time and space (Lewicky et al., 2010) whereas settings and context may shape risk-taking preferences and perceptions too (Kahneman & Tversky, 1979; Wildavsky & Dake, 1990).

Another element that influences public negotiations carried out by public officials is the difference in temporal orientation that political masters and public servants have. Public servants will aim for mid-term gains, as longer-term gains are impossible because of the election cycle. Political masters on the other hand will aim for short-term gains as this strengthens their political positions for electoral reasons. This causes a permanent struggle within public organizations, especially the ones who are under direct supervision of a political figure (Peters, 2010). Also, political ambitions and goals are dynamic and change over time (Ibid.). The goals of political masters may change even when a negotiation is still in progress or when an agreement is reached. This makes public organizations close to the political centre of power unreliable partners in negotiations. Public negotiators may lose 'face' or credibility in interpersonal relations as a result of political volatility. At the same time the 'monopolist' position of many public organizations forces parties to negotiate with certain public organizations since no alternatives exist (see also Bouwman, 2013). Interesting is that generic literature on negotiation assumes the existence of alternatives for negotiators, which does not always seem to be present for public negotiators (Lewicky et al., 2010).

That public officials will occasionally employ legislative powers as leverage in negotiations is an interesting finding since public organizations also have relatively unlimited financial resources too. This puts public officials in a strong position to negotiate or for example to wait until opponents have disappeared. Although respondents mention the use of those resources, this also assumes a predetermined goal of negotiation whereas earlier findings indicate that a clear goal is often absent before public servants start negotiating (Bouwman, 2013). Negotiation literature however assumes having a clear goal before starting negotiations (Lewicky et al., 2010). While normative negotiation literature often advises against negotiation when the goal is unclear (Fisher et al., 1992; Ury, 1993).

This study has a number of limitations that we have tried to mitigate as much as possible. First, our selection of respondents is diverse and has high variance on personality characteristics. This is also a typical property of explorative research. Since we are mainly interested in context and less in personal characteristics the influence is considered low.

Second, we have looked at 'the political context' as if there is only one sort of political context. In practice, a wide variety of contexts exist that are at the best of circumstances only mildly alike. We have therefore focused mainly on the existence of the whole of politics and politicians with their forums in the public domain. Since the private sector context lacks this and most negotiations literatures are aimed at the private sector, some interesting results could be presented.

Finally, this study reports perceptions, opinions and experiences of interviewees and not actual behaviour, which limits external validity.

CONCLUSION

This study shows that politics and politicians have a considerable impact on negotiations carried out by public servants. For this reason our main research question: '*How are negotiations carried out by public officials influenced by the political context?*' can be answered in the following way. Political volatility makes public negotiators to appear unreliable while the problem of delegation between political masters and servants increases complexity of negotiations, making them slow. At the same time, political masters and public servants have a different temporal orientation, which creates friction between the bureaucracy and political masters. That political masters are held responsible and servants ought to be loyal to their masters but have interests too strengthens this friction. Instead of having one principal, the public negotiator has a number: their direct superior, their political master and other audiences that may be interested, such as the media. Also, it seems that public negotiators are prone to framing prospective negotiations as a loss instead of a gain, giving them a disadvantage in negotiations with negotiators not that are not under the influence of politics.

One of the characteristics of exploratory research is that it can be advantageous in directing subsequent research approaches. As the goal of this paper was to look at influences of the existence of politico-administrative relations on negations carried out by public servants, the negotiations between politicians and public officials remain underexposed. New research efforts could be aimed at looking at processes and styles of negotiation between politicians and public servants. That the problem of delegation reduces the mandate of negotiating public officials raises the question of how this works. How for example do public officials know what and what cannot be agreed upon during negotiations? And how do public officials deal with demanding opponents that insist on reaching agreement?

At the same time it may be worthwhile to investigate what ministerial responsibility does with risk-preferences of both politicians and public officials. Are public officials taking more or less risk when they are not held responsible?

Finally, looking at reputations of negotiators may also predict the process of negotiations in the public domain. As public organizations are becoming less reliable because of the dynamic character of politics, how will opponents react to changing rules of the game?

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