

Starting Point

An acute conflict broke out in an international, family-owned company. After unsuccessful negotiations, one of the shareholders representing one branch of the family (whom we shall call "A" in this case study) filed a suit against the co-owners from the other branch of the family; those co-owners reacted by countersuing him. The situation became increasingly poisoned. The conflict then escalated to such a degree, that it did not only put a huge strain on the relationship between the members of the family but also started to threaten the continued existence of the business.

Following a period of several months, during which the parties communicated only through their respective lawyers, one member of the company's Board belonging to the family branch which had been sued first (whom we shall call "B") approached "A" and proposed that both of them should meet for a personal conversation.

"A" having accepted this proposal, the general counsel of the company contacted Sumbiosis LLC. We were then mandated to assist "B" in preparing his negotiation with "A".

Our Role

Time was running short. We received our assignment on a Saturday and the meeting between "A" and "B" was to take place on the next Wednesday. Because of other obligations, we could not travel and meet with the customer in person to help him prepare the upcoming negotiation. We therefore worked exclusively with emails and over the telephone – which was a première for us!

We sent a detailed preparation checklist to "B" on Sunday. He filled it in and returned it to us on Monday. On the same day, we read what he had prepared, wrote several comments and questions in the document, and sent it back to him. Our feedback to "B" was mainly that he should devote more thinking to:

- the "architecture" of the negotiation which he had in mind (by "architecture" we mean the proposals with respect to the purpose of the meeting and its agenda, the ground rules to be observed, the choice and set-up of the meeting room, etc.);
- the way to start the conversation considering the need to try first of all to (re-) build a functioning working relationship with the other party;
- the needs and fundamental interests that the result of the negotiation should allow both parties to fulfil.

On Tuesday afternoon we talked to "B" directly for the first time and had a two-hour conversation with him. We started by discussing how we would work together considering the shortcomings of the telephone and then turned to the preparation of the negotiation.

Once "B" had explained the background of the conflict to us, he addressed the comments and questions which we had inserted in his preparation checklist. Additional thoughts and questions came up which we discussed in detail. The focus of our conversation was not only on the issues of substance which needed to be resolved but also on *how* those issues should be addressed during the meeting with "A".

This telephone conversation came to an end when "B" told us that he felt sufficiently prepared.

Two days later, "B" informed us that his meeting with "A" had been remarkably useful and productive. A functioning working relationship had been rebuilt. "A" and "B" had been able to exchange their perceptions of the conflictual issues (in the sense of "listening to one another just for the sake of really understanding the respective points of view"). Both sides agreed that one of the options which had been previously envisaged in order to resolve the conflict was actually unrealistic. And finally, both sides were also in agreement on how to proceed with their negotiation.

We again spent one hour on the phone with "B" both prior to his next meeting with "A" on the following week and one month later. In the later phase, one of the major topics of the preparation was how to involve in the decision-making process those individuals who were not present during the negotiation, but were definitely concerned by its results. On this point, our advice was to draw a "map of the influence landscape" – i.e.: visualizing on a large sheet of paper the key decision makers and influencers on both sides, as well as the influence networks – and then to use this map to prepare a sequencing plan answering the question of "who should talk to whom, in which order, and with what purpose in mind?".

Results and Assessment:

A settlement was reached within less than two and a half months after "B" approached "A" and suggested to restart negotiating. Although, according to "B", the negotiation did not restore a true and complete "peace" between the two groups of shareholders, the conflict was resolved to such an extent that it would not endanger the continued existence of the company anymore.

We had sent two evaluation questionnaires to "B" immediately after our first two-hour telephone conversation. The first one was to be completed prior to his upcoming meeting with "A", the second one after this first negotiation round was over.

Prior to the meeting, "B" stated that he was very satisfied with the thoroughness and time effectiveness of his preparation. He wrote in addition: "Considering that we had to complete this preparation on very short notice and over the phone, we definitively achieved a lot."

After the meeting, his feedback indicated that he was (i) very satisfied with the result of the negotiation and (ii) satisfied with the negotiation process and its time efficiency. He had been entirely successful in rebuilding a functioning working relationship with "A" and partly successful in reaching a negotiation result which (i) created as much added value as possible on both sides and (ii) was perceived by both parties as well-founded and fair.

Looking back, he confirmed that he was sufficiently prepared for his first meeting with "A". He was furthermore of the opinion that the return on his time and money investment was highly positive.

At the very end of the project, he made the three following observations:

- "A structured preparation helps in addressing a conflict more objectively and less emotionally – however without focusing only on facts and figures, but also on all psychological factors which must be taken into account."
- "It was extremely useful to differentiate clearly between the planning of the overall negotiation and the preparation of each single meeting."
- "You are a very good listener and through asking questions and rephrasing, you helped me a lot to clarify my own thoughts."

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