Interest-Based Bargaining vs Positional Bargaining: Which Approach Delivers Better Outcomes?

Every negotiation has a choice at its centre: defend a position or explore the interests behind it. Positional bargaining (PB) focuses on fixed demands, while interest-based bargaining (IBB) seeks to understand each party's key interests. That difference can shape not only the quality and durability of the resultant agreement itself, but also the working relationship between the parties – matters of particular importance in the context of the employer/union relationship, where neither party can easily walk away.

The table below provides a practical side-by-side comparison.

PB and IBB at a glance	
Positional Bargaining	**Interest-Based Bargaining**
Parties defend fixed positions of what they want and argue for that alone, regardless of the interests beneath those positions.	***Parties openly discuss the key interests behind their concerns and positions, then work together to negotiate solutions that meet both parties' needs.***
Operates as a zero-sum, win-lose exercise.	Creates value and seeks joint gains: a win-win outcome.
Focuses on demands and counter-demands.	Focuses on underlying interests.
The negotiator's only role is to claim value.	Negotiators work together to create value and then distribute it.
Focuses on the past and asks what needs fixing.	Looks ahead to future challenges and opportunities, for mutual success.
Can damage the relationship.	Helps build trust and strengthen the relationship – or, at minimum, avoid damaging it.
Often produces a suboptimal settlement that fails to address underlying issues.	Uses genuine problem-solving to address underlying issues.
Increases the risk of stalemate.	Searches for outcomes that leave both parties better off.

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Increases the risk of implementation problems and non-compliance after settlement.	Produces settlements that are easier to operationalise and that parties are willing to implement.
Consumes time and energy.	Uses time and effort more effectively and efficiently.
Can escalate conflict.	Reduces unnecessary conflict.
Relies on an ad hoc, game-playing approach.	Uses a disciplined, structured process in which parties jointly plan and identify the issues to address.
Encourages defensive behaviour.	Encourages parties to explore options beyond binary yes-or-no choices.
Encourages parties to withhold information.	Promotes transparency about interests and constraints, with information openly shared, gathered and analysed.
Uses pressure, power tactics and negative behaviours—hard on both the people and the problem.	Uses persuasion rather than coercion—soft on the people and hard on the problem.
Rewards intransigence and consistency of position.	Encourages curiosity, joint diagnosis and option generation.
Frames the other party as an adversary.	Frames the parties as partners in constructive problem-solving.

Choosing the right approach

Positional bargaining can feel direct and decisive, but it narrows the conversation before the real issues are understood, leading to sub-optimal settlements and poor relationship outcomes. Interest-based bargaining makes space to build trust and uncover what each party genuinely needs, evaluate a broader range of options and build an agreement that works in practice—not just on paper.

A useful question before your next negotiation: Are you defending positions, or creating the conditions to explore underlying interests and achieve a stronger, more sustainable outcome?

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