

SEA-HSD-231

# Negotiation Process for Health Resource Mobilization

*Report of an Intercountry Workshop  
Jakarta, Indonesia, 22-26 November 1999*

WHO Project: INO TCC 011



World Health Organization  
Regional Office for South-East Asia  
New Delhi  
January 2000

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## 1. BACKGROUND

Shortage of resources continues to be a major constraint for the countries of the South East Asia Region in their pursuit of national health development goals. The recent economic crisis in many of the South-East Asian countries and the depleting international assistance have further compounded the situation. The competing demands from other priority sectors often result in low investment in health in the national budget. Therefore, building up and strengthening the capacity of ministries of health for mobilization of resources is a critical step, not only to meet the current resource needs and deficiencies but also to keep pace with the accelerated demands for health development.

Despite the persistent unfavourable global aid environment, there have recently been a few notable positive developments. The growing recognition of health by the world community as a central element of socioeconomic development, the enhanced mandate of the multilateral financial institutions, such as the World Bank and the regional banks for health sector financing, WHO's initiatives for strengthening collaboration with these and other financial institutions, the changed donor strategies towards decentralizing operations at the country level, and their increased interest in health development of the developing countries have opened up new opportunities in the countries for mobilizing external resources in support of national health programmes. Globalization has also brought with it market forces with a potential for promoting significant direct investments in the health sector. In the emerging scenario, the major initiative for external resource mobilization for national health development is, of necessity, becoming country-centred and the ministries of health can seize these opportunities.

A major factor in increasing the share of health in external resources is the success with which the Ministry of Health is able to define its needs, formulate proposals and negotiate with the donors teaming up with the government aid coordinating agencies, such as the National Planning Commission, the Ministry of Finance, etc. Strengthening the negotiation capacity of the countries of the Region is a critical step for acquiring leadership in aid coordination and ensuring that the available external resources are allocated to well-defined and agreed-upon national health priorities.

WHO has focused on strengthening national capacity for the improvement of financing and management at all levels of the health system and more effective mobilization, coordination and management of resources.

The WHO South-East Asia Regional Office organized the first Intercountry Workshop on Managing Aid Negotiations for Health Development in Nepal in 1997. Five countries from the Region participated in that workshop. The *Intercountry Workshop on Negotiation Processes for Health Resource Mobilization* was the second seminar organized for SEAR Member Countries.

As with the first workshop, there was a perceived need for these countries to strengthen their national capacity for managing the negotiation process for mobilizing resources, especially external resources. It was hoped that the workshop would provide the participants with the opportunity to exchange and learn from each other's experiences in negotiating with the donor community, financial institutions, investors, etc. and, at the same time, systematize their thinking in this area so as to better manage the process. This workshop was designed to provide tools and techniques for that purpose.

## **2. OBJECTIVES AND OUTPUTS**

### **2.1 Objectives**

The overall aim of the Workshop was to strengthen national capacity for the purpose of negotiating more effectively for resources for the health sector. This was achieved through the following operational objectives:

- (1) To improve skills in negotiation, joint problem solving and consensus building;
- (2) To increase awareness and understanding of the donor-recipient process, including an analysis of the negotiating practices and sharing of accumulated knowledge and experience;
- (3) To provide tools and techniques for enhancing the ability to develop realistic and persuasive proposals and to design processes to maximize the possibility of reaching agreements that satisfy most of interests under consideration;

- (4) To recommend steps to strengthen the current approach to negotiations including pre- and post- negotiations for external resources (aid, soft loans from international financial institutions, direct investment and debt servicing);
- (5) To raise the participants' awareness about the impact of globalization on the health sector and to highlight strategies that countries may wish to undertake to address the challenges presented by globalization.

## **2.2 Outputs**

- (1) Increased awareness among the responsible national officials of the negotiation process and the importance of a team approach in negotiating for external resources;
- (2) Enhanced skills and techniques in both the context of negotiations as well as for the purposes of coordinating team roles and responsibilities;
- (3) Increased knowledge of the negotiating framework;
- (4) A network of colleagues, both national and international, from whom negotiation experiences have been learned and with whom further negotiation strategies can be developed;
- (5) Exposure to a workshop model that may be used at the basis for developing a future institutional capacity for conducting follow-up workshops in negotiation process, particularly at the national level.

## **2.3 Workshop Methods**

The focus of the Workshop was on the **process** of negotiation. The Workshop was problem-oriented, interactive and focused on helping participants learn from their own and their colleagues' experiences. The methodology used by the facilitators followed a cycle of presentations, interactive exercises, review of simulated negotiations, and consulting session on real negotiation problems. Some of the simulations dealt with problems outside the participants' areas of expertise and were designed to allow participants to focus on the negotiation process, as opposed to the substantive aspects of a given negotiation. In this environment, participants were free to reflect on their behaviour in a negotiation and to test the underlying assumptions that

they brought to the negotiation. Participants were also provided with the opportunity to share their professional and personal negotiation experiences and the final negotiation simulation was based on an actual case.

## **2.4 Pre-Workshop Preparation**

A set of advance reading materials including two books – ‘Getting to Yes’ and ‘Negotiating Health Development’ were made available to each participant.

Participants were also requested to complete two tasks prior to the beginning of the Workshop: a questionnaire and personal case, and, as a delegation, a presentation on current issues in external resource coordination faced by their country. As one of the main objectives of the Workshop was to provide participants with an opportunity to learn from one another, the country presentations were critical to the success of the Workshop.

Country delegations submitted papers using the following outline:

- Section 1: The policy setting
- Section 2: Consensus building and managing the negotiation
- Section 3: Monitoring flows and addressing implementation bottlenecks
- Section 4: Coordination mechanisms for external resources
- Section 5: Future directions

In addition to the official papers, each country delegation prepared a presentation analysing one successful and one unsuccessful negotiation. These presentations were given on Day 4 of the Workshop and allowed participants to frame their analysis in light of the tools and frameworks learned at the Workshop. (A description of both the country papers and the country presentation guidelines is included in Annex I.)

## **3. ORGANIZATION**

The five-day Workshop was held in Jakarta, Indonesia. It was organized by WHO with the assistance of the Government of Indonesia, and the School of Public Health, University of Indonesia. Representatives from five SEAR Member Countries participated in the workshop – a total of 27 participants

from DPR Korea, India, Indonesia, Sri Lanka, and Thailand. Every effort was made to ensure that a cross-section of participants from Ministries of Health, Finance, Planning, External Resources and selected institutions were included in each country delegation. WHO Representatives or their field office staff who are directly dealing with aid negotiations also joined the country delegations, when possible. (A list of participants is included in Annex 2.)

The workshop was facilitated by Ms Liz McClintock and Mr Tom Schaub of Conflict Management Group (Cambridge, MA, USA).

## **4. SUMMARY REPORT**

### **4.1 Opening Session**

The Workshop was inaugurated by Dr Setiawan Soeparen, MPH, Chief, Bureau of Planning, Ministry of Health Jakarta. Dr. George Petersen, WHO Representative to Indonesia, read out a message from Dr. Uton Muchtar Rafei, Regional Director, WHO/SEARO. In his address, Dr. Uton underscored the remarkable gains that had been made in the health sector in recent years while at the same time, reminding participants that many challenges remained as the world entered the new millennium. In the light of these challenges, the need to more effectively mobilize and use the limited resources available became a critical task for all those working to improve the health outcomes of citizens of all countries in the Region. Indeed, despite a somewhat unfavourable global aid environment, there were opportunities that could be capitalized upon if the right skills and tools were brought to bear. In the words of the Regional Director, "effective resource mobilization requires an efficiently managed negotiation process. In fact, strengthening the capacity for negotiation is a critical step not only to improving national capability for internal and external resource mobilization, but also to empowering the recipient countries to exercise active leadership in aid coordination."

The Regional Director's message was followed by a welcome speech by the Dean of the School of Public Health (UOI), Dr. Sudarto Ronoatmodjo. In addition to providing the participants with some background about the School of Public Health, the Dean reiterated the importance of providing countries with the skills and tools to strengthen their negotiation capacity and confidence so as to be better positioned to take an active leadership role in managing the aid process.

Following the opening session, the work of the participants began in earnest (The programme of the Workshop is at Annex 3). From the beginning, the tone and structure of the Workshop was quite interactive, with an emphasis placed on participants' experiences and the sharing of lessons learned.

## **4.2 Workshop Modules**

The Workshop combined theoretical presentations, negotiation simulations, facilitated discussions, country presentations, donor presentations, and some practical application of the tools and frameworks to actual negotiation situations. Throughout the Workshop, every effort was made to meet the objectives set out by the participants at the beginning of the Workshop. In sum, these objectives can be summarized as follows:

- Improve skills in the negotiation process and understand the tools and techniques for more effectively dealing with donors;
- Learn the “practice” of negotiation
  - Raise own awareness
  - Benefit from the practice of others;
- Understand the “human factor” – Learn to understand the perceptions and approaches of other negotiators and to deal with them more effectively;
- Improve knowledge, confidence, and skills to achieve more successful results in negotiation;
- Improve network of colleagues to result in sustainable, coordinated development, particularly in health development and education;
- Learn from the experience of other countries in how to mobilize external resources for the health sector.

The Workshop was composed of nine principle modules. These are described in more detail below.

## **(1) Introduction and Objectives**

The purpose of this module was two-fold: to allow participants to introduce themselves and share their objectives and to give them an overview of the CMG methodology and to share CMG's objectives for the week. The "introduction" exercise was structured to encourage participants to get to know one another and created a lively dynamic, which continued throughout the week. In addition, the facilitators gave the group a clear understanding of their own assumptions about what was to be accomplished during the Workshop, including raising participants' awareness about the importance of **process** in a negotiation. The focus on process remained a constant theme during the five days.

Following introductions, the participants engaged in the Pharmaceutical Pricing Exercise. This exercise is a scored, multiple-round negotiation designed to help participants examine their own assumptions about negotiation. During the debriefing on this exercise, several "tensions" were raised by participants. In particular, participants identified the challenge of dealing with substantive vs. relationship issues, especially in situations where a competitive rather than a cooperative dynamic has been created. In addition, the prevalent "competitive" dynamic meant that many of the negotiations were focused on dividing a small "pie" rather than creating value at the negotiation table. Finally, participants noted that differing perceptions around short- and long-term objectives made both the internal (team) and the external negotiations more challenging.

The debriefing provided an interesting segue into the next module of the Workshop, Measuring Success in a Negotiation. As participants discovered, the assumptions they brought with them to the negotiation table significantly impacted the results they got in the negotiation. To change those results then, a different definition of success is required.

## **(2) Measuring Success in a Negotiation**

The second module provided the participants with their first exposure to the Seven Element framework. The presentation helped participants think through how they might act purposively, not reactively, by focusing their attention on defining their goals in the negotiation in a systematic way. The presentation defined the basic elements of a good outcome in negotiation, building on the

premise that clearly-defined objectives are much easier to achieve than a desire to "beat" the other side.

The Seven Elements, as a measure of success in a negotiation, can be articulated as follows:

A good agreement is one that:

- (1) is better than our **Best ALTERNATIVE To Negotiated Agreement (BATNA)**;
- (2) satisfies **INTERESTS**;
- (3) leaves no joint gains on the table; is among the best of many **OPTIONS**;
- (4) is legitimate – parties view the outcome as fair and sensible as measured by objective **CRITERIA**;
- (5) contains **COMMITMENTS** that are well-planned, realistic, and operational;
- (6) is reached efficiently – there is effective **COMMUNICATION**; and
- (7) helps to build a good working **RELATIONSHIP** among parties.

### **(3) “The Impact of Globalization and Trade on the Health Sector”**

As countries face ever-increasing challenges posed by globalization, policy makers and practitioners in the health sector are confronted daily with the impacts of trade on health. In the light of the recent WTO talks in Seattle, WHO is placing greater emphasis on developing a coherent strategy to help countries deal with these new challenges. In a two-hour session, participants were given an overview of the global, regional, and Indonesian perspectives on this very important issue.

After a short overview of the trade agreements that comprise WTO, presented by Ms Liz McClintock (CMG), Mr. Dono Widiatmoko (Health Economist, University of Indonesia) presented the Indonesian perspective. Special emphasis was placed on Trade in Health Services, an aspect of trade that presents both opportunities and challenges for developing countries, and its impact on the hospital sector in Indonesia.

While many of the conclusions regarding the potential of the hospital sector were positive – especially if foreign investment in Indonesian hospitals

is encouraged – daunting challenges remain. In particular, the question of equity, both with regard to the quality of care and access to that care has not yet been adequately dealt with. Given the constraints under which the health sectors in developing countries currently operate (e.g. a need for low-cost primary health care as opposed to more expensive tertiary care facilities), globalization in the hospital sector will not necessarily help the government in achieving its goals of adequate health care for all. The presentation certainly provided the participants with a number of new issues to think about as it dealt not only with aid mobilization questions but also with the impacts of trade in health services.

Ms. Karin Timmermans (Pharmaceutical Adviser, WHO-Indonesia) then provided the regional perspective. Ms. Timmermans concluded with a focus on the various modes of trade and the opportunities and drawbacks that each offer to developing countries in the Region (Table below).

|   | Health Policy Objectives   |   |  |
|---|----------------------------|---|--|
|   | Equity                     | Quality   | Efficiency   |
| <b>Movement of Natural Persons</b>  | Reduced access to services | Loss of quality                                   | Loss of investment in training v. foreign exchange remittances (private benefit) |
| <b>Movement of Consumers</b><br><br>Inflow of foreign patients<br><br>Outflow of students | “Crowding out” nationals   | v. improved quality<br><br><b>Upgraded skills</b> | <b>v. possible loss of investment</b>  |
| <b>Foreign Commercial Presence</b>  | Possible “two tier” system |   | v. possible freeing up of resources  |
| <b>Cross-border Trade</b>   | Serving remote areas       | Improved quality                                  | v. substantial investment of scarce resources                                    |

#### **(4) Guidelines for Negotiators**

As a means of testing the participants' understanding of the Seven Element framework and to give them an opportunity to work with it, the group engaged in a negotiation simulation entitled "The Grant". "The Grant" is a bilateral negotiation simulation describing a negotiation between a Deputy Ministry of Health in a small Asian nation and the Country Director of a large, international NGO. Participants were divided into two groups and given the chance to prepare by role. Following the preparation session, participants negotiated one on one. The review of the exercise focused on the negotiation process and participants generated the following advice:

- Jointly define issues with other parties at the table
- Look for opportunities to create value before moving to commitment
- Explore interests, in particular, come prepared to talk about interests
- Create the space to share understanding of the problem and the perceptions that each party brings
- Use objective standards to evaluate the options on the table
- Use active listening skills to create a good working relationship and to establish an effective communication process
- Share priorities of interests
- Design the negotiation process together and make the negotiation a shared problem-solving session.

Having used the framework for the purposes of preparation, the participants were then introduced to the Seven Elements as a means of conducting and reviewing the negotiation process. The focus of the module was on how participants can use the framework to *create value* during the negotiation. The facilitators contrasted a value-creation process with a positional bargaining model, demonstrating that the latter model does not offer negotiators the flexibility necessary for managing complex, multi-party negotiations. Instead, rules of thumb were offered around exploring interests, creating options, and using criteria of legitimacy to evaluate the various parts of a potential agreement – tools the negotiator can use in a range of situations.

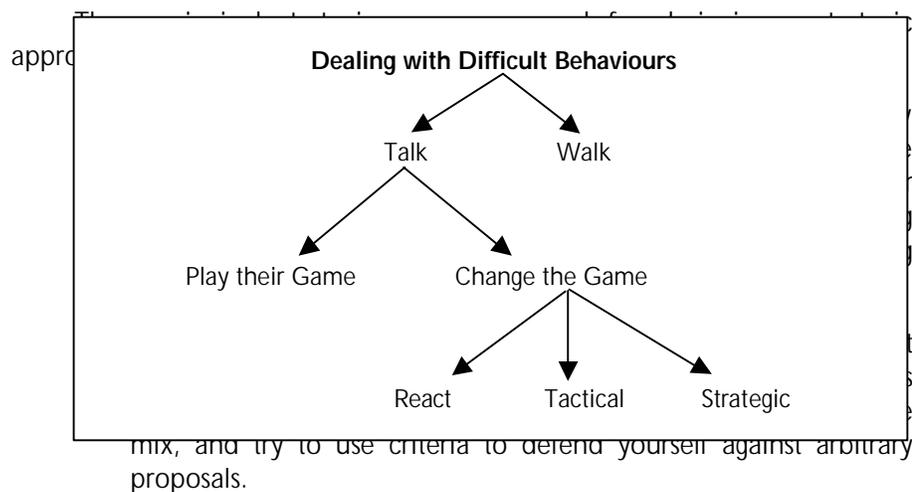
#### **(5) Dealing with Difficult Behaviours**

As experience demonstrates, all negotiations are not simple transactions. In addition to the substantive issues at stake, there are relationship,

communication, and emotional issues that need to be dealt with. Sometimes these latter issues manifest themselves in the difficult or negative behaviour of the other negotiators at the table. Whether or not the behaviour is an intentional effort to undermine the confidence of the others in the process, people must be prepared to deal with these situations in a constructive way. In order to create value with the negotiation partners and to successfully meet interests, it is important to create a productive working relationship amongst the parties. The inability to manage difficult behaviours makes creation of this productive working relationship very challenging.

When addressing an unproductive behaviour in any negotiation, the negotiators, faced with an immediate choice, engages the other party(s) or walk away to their alternative. If they choose to talk, they are again faced with a choice: to play the game (e.g. play the hard bargainer if the other negotiator has set that tone), or to change the game to one that is more efficient and productive for both parties. When considering how to engage in the negotiation process, the negotiator is then faced with another choice:

- **To react:** Simply respond to what the other person does. This “wait and see” stance can often leave the negotiator one step behind;
- **To take a tactical approach:** Try to anticipate what the other party will do and try to stay one step ahead; or
- **Take a strategic approach:** Use the Seven Element framework to jointly develop an approach to the process and the substance of the negotiation. A strategic approach links a particular action to the negotiator’s purpose or goal during the interaction.



- (3) In addition, by choosing to **communicate** proactively, the dynamic that exists between the parties can be positively impacted. Use active listening skills, express understanding by paraphrasing their statements, and share the impact of their behaviour on the parties and on the negotiation process.

After being exposed to the theory of dealing with difficult behaviours, participants were given an opportunity to practise using the skills outlined in the presentation. Participants were asked to design and implement strategies to deal with the behaviours that they find most difficult. The session culminated with a “fishbowl” exercise in which participants had the chance to respond to challenges on-line, using the skills they acquired in the previous modules. In the debriefing, strategies were discussed and general guidelines developed for creating a productive and effective negotiation dynamic.

## (6) Process Design

The final theme within the theoretical framework of the Workshop was the need to think strategically about process. This is especially important in multi-party situations, which are those that most accurately reflect the reality of participants (whether they are negotiating with colleagues on their project team, with others in their ministry, with other ministry teams or with donors). Participants were asked to diagnose what makes these kinds of negotiations so challenging using the Seven Element framework. This was followed by a

theoretical presentation about process design, which highlighted the three building blocks of effective process:

*TASK:* What are the tasks that need to be accomplished?

*PEOPLE:* Who are the people best suited to accomplish those tasks?

*FORUM:* What is the forum in which these tasks can be accomplished most effectively and efficiently?

Using these building blocks, participants were asked to design a process for the day-long, multi-party negotiation exercise entitled “The Rajdami National Health Plan”. This exercise gave participants an opportunity to bring together and implement the various skills and tools that they had worked with during the course of the Workshop.

The exercise is a four-party negotiation between officials of the Ministry of Health and two representatives from the regional development bank. The parties are asked to negotiate a framework for an upcoming UNDP roundtable meeting. In order to begin to build consensus for strategies outlined in the National Health Plan, the officials of the Ministry would like to bring the bank officials on board in the early stages of the negotiation process. The aim of the meetings with the regional development bank is to produce agreement on all outstanding health sector issues under discussion, which will then serve as the basis for the final roundtable proposal. The exercise attempts to replicate the real time negotiations that the participants face –especially in the tradeoffs that negotiators are required to make when dealing with multiple issues and when trying to manage the varying interests of multiple parties.

At one point during the multi-party negotiation, participants were brought back to the plenary for a brief presentation on the “Four Ps: Purpose, Product, People, and Process”. The purpose of this brief intervention was to assist the participants in using their limited time most effectively. The facilitators underscored the need for participants to design an effective process (including something as straightforward as a negotiation over the meeting agenda) in order that they might devote most of their time to creating value during the negotiation.

The debriefing of the multi-party case centred on how negotiators can design effective and productive negotiation processes. Recommendations generated by the participants during the debriefing focused on both process and substantive elements and took the form of “Best Advice”:

- Clearly structure a process that distinguishes:

- interests from options
- creating and inventing options from deciding among them;
- Be prepared with facts, figures, and a feel for the countryside;
- Demonstrate open-mindedness;
- Be prepared to explain the reason for your suggestion, demonstrate transparency;
- Come prepared with productive questions as well as answers;
- Listen attentively
  - Don't give up or harden your position in the face of their hard position
  - Accommodate their legitimate interests where you can
  - Try to understand, even if you don't agree;
- Recognize that deals that meet both sides' interests have a much better chance of implementation;
- Focus on establishing an effective process of communication first;
- When momentum stalls, return focus to the central issues;
- Recognize that you can negotiate about the PROCESS as well as the substance;
- Propose an innovative, integrative approach to the substance that addresses the interests of all parties;
- Establish joint objectives, such as frankness, building on shared interests, and define narrowing the gap between conflicting interests as a joint problem;
- Recognize that you may have different mandates at different stages of the process –be transparent about your mandate;
- Negotiate an agenda first;
- Build momentum by sharing information with them about your interests that they may not have;

- Avoid locking into a single position on your internal team before you engage in the external negotiations.

## **(7) Donor Presentations**

The purpose of this module was to provide participants with an opportunity to learn more about various donor practices through both presentations and question and answer sessions. Particular emphasis was placed on more effectively coordinating with the Donor Community to manage the aid negotiation process. Presentations were made by a representative of the Asian Development Bank, a USAID partner, and the Director Resource Mobilization from WHO/HQ.

### **Asian Development Bank –Ms. Cecile Gregory**

In order to provide participants with a full picture of ADB activities, Ms. Gregory split her presentation into two parts. First she gave a comprehensive overview of the ADB structure and reviewed past, current and proposed projects with a focus on operations in Indonesia. She then answered questions before moving on to the second part of her presentation where she presented more details on the project cycle. She closed the presentation with a final question and answer session.

While health as a “human development” objective is part of the ADB programming mission, Ms. Gregory commented that one challenge that policy makers in the health sector face is the wariness of their own governments to borrow money for health and social sectors. According to Ms. Gregory, this demonstrates a lack of focus by governments on those sectors. In order to improve the prospects for the health sector, Ms. Gregory made several recommendations:

- Policy makers not only need to prioritize projects but also take into consideration what percentage of the government budget is being devoted to a particular sector. This implies that negotiations take place at several levels, especially internally.
- ADB has been innovative in its approach to serving countries’ needs in the past. While they may not be able to meet all stated needs, there is certainly a precedent for working “outside the box”.
- Countries need to have a good understanding of donor agencies. Ms. Gregory recognized that this is a difficult task, especially given

the plethora of regulations and constraints imposed by donors, and she encouraged countries to use all means available to educate themselves about the donor. For example, she suggested that countries make more active use of the resources WHO puts at their disposal, especially with regard to coordinating the World Bank Consultative Group or UNDP Roundtable processes.

- Countries need to take more initiative to ensure that projects are not donor driven.
- Finally, donors sometimes feel that they are being “played off each other”. In order to avoid leaving this impression, ministries of health need to be more coordinated internally: coordinating across projects, practising transparency, and coordinating across ministries, especially between core and line ministries.

**USAID and NGOs** –*Mr. Russ Vogel (Johns Hopkins University, USA)*

In his varied career as a consultant in the developing world, Mr. Vogel has gained extensive experience in dealing with both donors and governments. His presentation focused on designing a negotiation process that encompasses a collaborative approach between donor and government and includes clear communication between the two parties. In particular, Mr. Vogel emphasized the need for countries to take leadership in the process. In order for any programme to be successful, it must respond to clearly identified programme gaps or needs. It is the country’s responsibility to articulate those needs and convey them to the donor. A solid programme approach would include a clear national programme, a clear government strategy, a process that helps the government and donor identify the gaps together, and then partner to fill those gaps. In this way, it will be a true partnership between the government and the donor, instead of being a donor-driven process.

**External Resource Mobilization** – *Dr. Denis Broun (Director Resource Mobilization, WHO/HQ)*

Dr. Broun provided participants with a set of well-targeted recommendations for making the external resource mobilization process work for countries. In his presentation, he underscored a frequent theme, that of countries needing to take more initiative to move health higher up on their agendas. He outlined a set of tools that policy makers can use to assist them in this process, including having a clear framework, first class management, clear and

standardized national health accounts, and documentation of the impact of health on economic goals, among others.

With regard to the donors, Dr. Broun made several recommendations as to what countries can do to better position themselves to take control of the process. For example, having a global framework for development, knowing the donor partners, and understanding the donors needs are all critical steps to putting countries in the driver's seat.

After outlining the various levels of giving by prominent multi- and bilateral donors, Dr. Broun made four observations:

- **Decentralization:** provides countries with both risks and opportunities:
  - Opportunity: More funds may be available, faster disbursement, better management
  - Risks: Donors may return to the strategy of “divide and rule”
- **NGOs:** Help them get access to funding, especially from foundations, as they can have a significant impact on a country's ability to deliver low cost, quality health care.
- **Procedures:** Be aware that it will always be difficult to achieve harmony across the various donor agencies. This is a problem that all will have to continue to deal with.
- **Donors have many pockets:** In addition to grants, governments should be seeking soft loans, import credits, volunteers, free technical assistance, donations of equipment and supplies, etc.

As a final caution, Dr. Broun reminded the participants that aid is based on MERIT, not on need. Therefore, it behoves countries to make as best use of their limited resources as possible, including tapping the WHO network for assistance.

## **(8) Country Presentations**

One of the main objectives expressed by the participants, both in this Workshop and in the past ones, has been to share and learn from the experiences of other countries. In order to maximize the short time that was

available in the Workshop, the country delegations were asked to prepare background papers outlining the current issues in external resource coordination for health development in their respective countries. These papers were distributed to all the participants.

In addition, each country delegation was asked to prepare a presentation about two specific negotiation experiences to share with the rest of the participants. These presentations were prepared after Day 2 of the Workshop so that the participants could benefit from the tools and frameworks they learned during the Workshop. In the presentations, each delegation described one successful negotiation and one failed negotiation.

The sharing of these practical experiences was one of the highlights of the Workshop and participants recommended that during the next Workshop more time should be devoted to an analysis of each case. The lessons learned from these experiences can be summarized as follows:

***Elements of Success***

- Strong leadership by the country
- An openness to redesigning the negotiation process with the donor partners
- Use an appeal to basic human needs
- Use objective standards to evaluate the proposals on the table and the constraints imposed by the parties to the negotiation
- Make the donor proposal fit the national health framework developed by the country
- Jointly share interests and together create options
- Do preparation up front and be prepared to take the initiative on developing options for consideration
- Leverage limited resources effectively.

***Analysis of Failures***

- Problems in the communication process, such as lack of transparency and a failure to check assumptions

- No effort to develop own alternatives to an agreement nor was there an exploration of the other party's BATNA
- Unclear mandate
- Lack of preparation, especially with regard to own interests, constraints and those of the other party
- A tendency to engage in an internal process which resulted in the compromise of our own interests before reaching the external negotiation process.

### **(9) Evaluation and Closure**

The final module brought the individual country delegations back together. The facilitators provided the group with a short overview of the tools and frameworks covered during the Workshop and the points during the Workshop at which those tools might be used most effectively. Following the overview, the delegations then brainstormed a list of obstacles that they might encounter once they return home. Each delegation was then asked to choose three obstacles and develop strategies for overcoming those challenges so that the learning might continue once the Workshop has ended.

This process not only gave the participants a chance to reflect on what was learned during the Workshop but also an opportunity to commit to one another to address some of the challenges with which they are faced.

The session ended with the completion of a written evaluation (a summary of the evaluations is as Annex 4) and closing remarks for the Secretariat and two participants offering their thanks on behalf of the group.

## **Annex 1**

### **GUIDELINES FOR COUNTRY PRESENTATIONS**

Each country should share two case studies with the group:

- One negotiation success and
- One negotiation failure.

Present the group with your analysis as to why the negotiations succeeded or failed. Consider using the tools and frameworks from the workshop to guide your analysis. For example:

(1) A seven-element analysis of a failed negotiation might include:

- What interests were not satisfied?
- Why not?
- What process did negotiators use to surface interests? Was that process successful?
- What recommendations would you make for improving a future negotiation?

This sort of analysis could be done with all seven elements (or whichever elements seem most relevant). It could also be done for a successful negotiation.

(2) In a successful negotiation you may want to describe the process that was used:

- How was the process agreed upon?
- Who took responsibility for designing the process? What did that look like?
- How were the tasks divided up and who was chosen to accomplish which tasks? etc.

The chair of each delegation will moderate the discussion session following the presentations. The rapporteurs will be responsible for taking notes during the presentations and working with the facilitators to prepare a final presentation.



## Annex 2

### LIST OF PARTICIPANTS

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## Annex 3

### PROGRAMME

#### **Monday, 22 November**

- 9:00 hrs      Opening
- 11:00 hrs      Introduction and Objectives of Course
- Participant challenges
- 13:30 hrs      **Pharmaceutical Pricing Exercise**
- 16:15 hrs      Measuring Success in Negotiation
- 17:00 hrs      End of Day 1

#### ***Preparation for Tuesday, 23 November***

- Read the instructions for The Grant and prepare to negotiate.
- Read and familiarize yourself with the General Instructions for the **Multi-party Case**.
- Read the editorial “Making trade work for public health” by Dr. Nick Drager

#### **Tuesday, 23 November**

- 8:30 hrs      “The Impact of Globalization and Trade on the Health Sector”
- Mr. Dono Widiatmoko, (Health Economist, University of Indonesia)
- Ms. Karin Timmermans (Pharmaceutical Advisor, WHO-Indonesia)
- Ms. Liz McClintock
- 10:30 hrs      **The Grant**
- Systematic preparation
  - Negotiation
- 14:00 hrs      **The Grant**
- Review and discussion
- 14:30 hrs      Guidelines for Negotiation
- 16:00 hrs      Dealing with Difficult Behaviours
- Presentation and labs

17:00 hrs Explanation of Multi-lateral Case  
17:30 hrs End of Day 2

***Preparation for Wednesday, 24 November***

– Read the instructions for the **Multi-lateral Case** and prepare to negotiate.

**Wednesday, 24 November**

8:30 hrs Process Design and Managing Internal and External Negotiation Processes  
9:00 hrs **The Multi-Lateral Case - Part I**  
– Preparation by role  
10:30 hrs The Multi-lateral Case - Part II  
(Informal meetings.)  
13:30 hrs Facilitation and Complex Negotiations  
– The Four “Ps”  
14:00 hrs **The Multi-lateral Case - Part III**  
16:15 hrs **The Multi-lateral Case - Part IV**  
18:00 hrs **The Multi-lateral Case –Review and Discussion**  
19:00 hrs End of Day 3

***Preparation for Thursday, 25 November***

Each country should prepare to present two case studies to the group: a negotiation success and a negotiation failure. Following the presentations there will be a plenary discussion on negotiation strategies for SEARO countries going forward.

**Thursday, 25 November**

8:30 hrs **Donor Presentation**  
Coordinating with the Donor Community: “How to effectively manage trade and aid issues as part of the negotiation process?”  
– Ms. Cecile Gregory, Asian Development Bank  
10:30 to **Country Presentations**  
13.30 hrs  
A session chaired by the country representatives that will address key issues and themes in negotiation and aid coordination. Countries will present two cases, one failed negotiation as well as one successful negotiation, and the large group will reflect and discuss the cases. Participants will have the opportunity to exchange experiences and share lessons learned.

- 15:30 hrs      **Donors Presentations (cont.)**  
                  – Mr. Russ Vogel, John Hopkins University (USAID)  
                  – Dr Dennis Broun, WHO/HQ
- 17:00 hrs      **Country Presnetations (cont.)**
- 18:00 hrs      End of Day 4

**Friday, 26 November**

- 8:30 hrs      Presentation of Lessons Learned from Country Presentations
- 9:00 hrs      Review of Concepts and Tools  
                  – Arm Exercise
- 9:30 hrs      **Development of Country Strategies for Going Forward**
- 10:30 hrs     Presentation of Annotated Overheads
- 11:00 hrs     Evaluation
- 11:30 hrs     Closing Remarks:  
                  – Mr. S.G. Muktader (WHO-SEARO)  
                  – Dr. Stephanus Indradjaya (WHO-Indonesia)  
                  – Mr. R. Renganath (Ministry of Finance, India)
- 11:45 hrs     End of Workshop

## **Annex 4**

### **MANAGING THE NEGOTIATION PROCESS SUMMARY OF EVALUATIONS**

- (1) What are the most valuable aspects of the programme in terms of ideas you will take away and/or skills you have developed?
- Theory and practice of negotiation for health resource mobilization
  - Awareness of issues on health resource mobilization organized by WHO
  - Dealing with difficult customs
  - Avoiding conflict in negotiation
  - Seven elements
  - Four Ps
  - Negotiation to build relationships and get positive results
  - Dealing with donors to get the maximum capital and technical assistance
  - Systematic thinking
  - Understanding importance of internal consensus building prior to external negotiation
  - Understanding how human nature and organizational nature create differences of interest, and learned to resolve these
  - Jointly consider options rather than taking a stand
  - Sometimes be a “fly on the wall”
  - Importance of sharing experience
  - Differentiation between commitment, interest, options
  - Develop clear process before negotiating
  - Learned to manage a planned intervention
  - Better understanding of negotiation anatomy and physiology, as well as pathology
  - Internal negotiations
  - Appreciate other party’s perceptions
  - How to structure basic principles, processes, approaches

- BATNA
  - Dennis Broun's presentation
- (2) What pieces of the course content had little/no value and why?
- Needed more practical and realistic problems
  - Trade in globalization could have been better structured to incorporate the seven elements
  - More time should be devoted to the human factor
  - Country presentation too broad
  - Country report – some papers were not well prepared/did not fulfill purpose
  - Impact of globalization – not matched with the course
  - Russ Vogel presentation
  - Cultural aspects of each country
  - Seven elements – it is more complicated in real-life implementation; need simplified framework
  - Need more time for participants to be participative in exercises
  - Intro exercise was too long.
- (3) In what ways do you think you will be able to apply what you have learned to your work?
- Apply theory to our external negotiations
  - Understand interests of the other party and convince them to understand my own
  - Better ways to communicate with colleagues and counterparts
  - Influence interactions with difficult people and authorities in my organization.
  - Sell these ideas to my boss
  - Interactions with donors
  - Budget, project proposal negotiations with ministry officials
  - Dealing with other ministries, NGOs, external agencies
  - Seven element application
  - Manage negotiation between ministries as a 3rd party
  - Disseminate this information to other strategic health officials

- Better understanding of methods and tools to use at each stage of negotiation
- Translate and insert into curriculum of graduate programme in School of Public Health at University of Indonesia
- Report on the workshop to Deputy of Permanent Secretary, MOPH; distribute information to MOH team
- Preparing project proposals for government and for our own organization
- Sorting out opposing perceptions
- Transmit information to national authorities
- Have local trainings.

(4) Overall rating:

- Excellent: 13
- Good: 12

**Seminar Instructors**

(1) What in particular did the instructors do that was valuable to your experience here?

- Good prep
- Gave material in advance
- Very open; let participants to talk
- Facilitators were mutually supportive
- Encouraged participation
- Multi-party case
- Excellent English pronunciation
- Excellent knowledge of negotiation
- Training tempo/pace was perfect
- Attentive and adaptive to all ideas
- Lots of practice
- Commented on each participant's opinion/presentation/report
- Provided good manual
- Well-practised
- Mixed groups well
- Clear lectures, complete tools, good exercises

- Very focused
  - Able to conceptualize
  - Provided excellent, relevant examples
  - Dealt well with case studies
  - Paraphrased comments of participants; highlighted main ideas.
- (2) What specifically would you recommend the instructors do differently when teaching this course next time?
- Better explanation of the process and outcome of multiparty negotiation
  - Kissinger-Nixon examples
  - Professor Fisher examples
  - Talked too fast
  - Acting out difficult negotiations needs more structure and time limits
  - More participative exercises
  - Invite more participants from donor community and include them in multiparty negotiation
  - Give more advance reading
  - Lengthen the course 1-2 days
  - More practice exercises
  - More detailed verbal instructions
  - Structure country presentations better
  - Facilitators give more examples of their own studies
  - Encourage those with language gap
  - Plenary session with many donors
  - Not need so many guest speakers
  - Relax schedule
  - Use microphones
  - 2 week program with breaks and more topics.
- (3) Overall rating of instructors:
- Excellent: 16
  - Good: 9

(4) Additional:

- Very relevant to work and personal life
- Want to experience actual negotiations
- More comments from instructors on country presentations
- More sightseeing opportunities
- Best, most coherent and well-organized workshop I've ever attended
- Exercises should be designed to make participants think deeper below surface
- Need more material on donor's perspective on sectoral development in SEARO
- Distribute more information on key donors' interests, policy, etc., and then develop skills tailored to that
- Practical experiences
- Videos on successful and unsuccessful negotiations
- Describe cultural contexts where "yes" might not be a "yes" at all
- Book of transparencies will make it easier to pass on this information
- Collaboration between CMG and University of Indonesia.
- More opportunity for informal interaction
- Relax the schedule
- I really benefited from this Workshops.

SEA-HSD-231/CGG.