

NEGOTIATION SIMULATION

For Class of November 3, 1999

Objective: To form a coalition with another group, in order to provide new and enhanced services and to agree on how to divide a financial grant.

Situation: A state agency has announced that it will provide a substantial incentive to any two groups who can reach agreement on ways to improve services by cooperating. Specifically a grant of money will be provided in order to:

1. offer non-place-bound information services to state citizens
2. share collections, electronic and/or physical
3. purchase and install additional equipment
4. design and implement a network
5. develop training programs for staff and for clients

Three groups have been invited to participate as teams in negotiating for this grant: a group of academic library directors who represent the major colleges and universities in the state; a group of systems integrators and webmasters from the same universities; and a group of public and school library directors who represent major public and school library systems in the state.

The Stake: Each team has unequal resources and different coalitions will receive different payoffs. The following table shows the payoff possibilities:

Academic library directors and systems managers will receive a stake of \$600,000.

Public/school librarians and systems managers will receive a stake of \$475,000

Academic library directors and public/school librarians will receive a stake of \$350,000.

The Strategy: Each team will meet separately to develop a strategy before the negotiations. Each team must also select a negotiator (the spokesperson).

Rules for Negotiation:

1. All members of a team may be present for negotiations (not required); however, only the negotiator may speak. Notes may be passed to negotiators, if desired.
2. A team may change its negotiator between sessions.
3. Only one formal coalition is permitted. At the termination of the game, the grant will be awarded only if a coalition has been formed. If no coalition is reached, no funds are allocated.
4. Negotiations will be conducted in the following fixed order and for the following fixed periods of time. Designated teams will meet in Room 215.
5. Two people from the Academic Libraries/Tech Services group will assist me.

Time	Negotiating Teams
11:15	Academic Lib Directors & Systems Managers
11:20	Public/School Librarians & Systems Managers
11:25	Academic Lib Directors & Public/School librarians
11:32	Academic Lib Directors & Systems Managers
11:35	Public/School Librarians & Systems Managers
11:38	Academic Lib Directors & Public/School librarians
11:45	Academic Lib Directors & Systems Managers
11:48	Public/School Librarians & Systems Managers
11:51	Academic Lib Directors & Public/School librarians
11:55	All teams back in classroom.

5. The team not in negotiations -- that is, while the other two teams are negotiating -- must leave the negotiation room.

Valid Coalitions:

A valid coalition will be recognized by the instructor only if

- a. neither of the two teams will receive the same amount of money, and
- b. neither of the two teams will receive zero.

After negotiations, all three teams have the opportunity to submit a written statement in the following form:

Team X has a coalition with Team Y, whereby Team X gets \$xxx,xxx and Team Y gets \$xxx,xxx.

Only when the same written statement is received independently from two teams will a valid coalition be recognized and the award conferred.

The Academic Libraries – Public Service group will form the Academic Library Directors Team.

The Systems Integrators and Webmasters will form the Systems Managers Team.

The Cultural Institutions group will form the Public and School Librarians Team.

Note: For these three groups, there will be no class on either November 8th or November 10th.