

## **New Horizons in Simulation Games and Experiential Learning, Volume 4, 1977**

### **SALT III: AN EXPERIENTIAL EXERCISE TO HIGHLIGHT THE INTERPERSONAL DYNAMICS INVOLVED IN THE NEGOTIATION PROCESS**

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Much of a leader's time is devoted to the negotiation process. He must negotiate with his superiors, his peers, and his subordinates at one time or another during his tenure with any organization. The negotiation process receives the most scrutiny in the area of collective bargaining but the process is much more generalizable. Thus, the ability to understand the interpersonal transactions that are inherent in the negotiation process becomes an important skill for managers at all levels.

The following experiential exercise was designed for usage at various places and levels within the educational community. The exercise is perhaps most appropriate for those students planning to be managers of one stripe or another but should be equally revealing to any astute participant. The exercise is self-instructive and leaves the discussion phase of the write-up deliberately vague. This vagueness will provide the opportunity for the creative educator to use the exercise in any one of many areas, such as, Political Science, Labor Relations, Educational Administration, Public Administration, Social Psychology, Sociology, or International Relations.

Purpose: (1) To explore and practice interpersonal skills involved in bargaining and negotiation. (2) To investigate the dynamics of interpersonal trust and suspicion in conflict prone situations. (3) To investigate role conflict in boundary role positions.

Advance Preparation: None

Group Size: Four to six person groups; two groups paired together.

Time Required: Minimum of 50 minutes.

Related Topics: Leadership; Small group processes; Group decision making; Intraorganizational bargaining; Communication patterns; Prisoner's Dilemma game formats; Power; Influence processes.

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4. These negotiation sessions will be conducted out in the hallway and will be limited to 2 minutes. Negotiations will be held before the 2nd, 4th, and 6th decisions are due.
5. Negotiators are free to say whatever they choose, and to make an agreement which is necessary to benefit themselves or their teams. They are not required to tell the truth. Each team is similarly not bound by agreements made by their negotiators, even though these agreements were made in good faith by the negotiators.

### **C. The Negotiations**

Each team will meet for 5 minutes to formulate their overall strategy. (This strategy may change during the session.) Six decisions will be made by each team acting independently. The teams will either decide to increase their nuclear arsenal by 5 ICBM's or to decrease their nuclear arsenal by 5 ICBM's. No other choices are possible. The representatives of the teams will meet before the 2nd, 4th, and 6th decisions to negotiate favorable decisions. Teams will have only 3 minutes to make each decision. That means 3 minutes after their representative returns for decisions 2, 4, and 6.

### **D. Scoring**

#### **Round One**

1. If both teams choose to decrease their arsenal, both teams will receive 5 points [cell 1 in figure 1]
2. If one nation decides to decrease their arsenal and the other nation increases their arsenal, the nation decreasing their arsenal shall lose 10 points and the nation increasing their arsenal shall gain 10 points [cells 2 and 3 in figure 1].
3. If both teams decide to increase their arsenal--they will both lose 8 points [cell in figure 1]

## I. ORIENTATION

This experience will require you to work within the context of a small group involved in an important negotiation process with another small group. You will formulate an overall strategy for the negotiation process as well as making numerous tactical decisions designed to accomplish your overall strategy. Each group will make a series of decisions. The outcomes of these decisions will be determined by the choice that your group makes and by the choice that your opposing group makes at any one step in the process. The payoff to your team cannot be determined independently for any single decision.

## II. PROCEDURE

- A. Divide the class into an even number of groups. Each group should have from 4 to 6 persons. Pair the groups for the negotiation process, (5 minutes) . An umpire should be selected to keep score for each pair of groups.
- B. Read the following instructions carefully:

Each of your groups represents a small Latin American country (example: Uruguay, Paraguay, Ecuador, etc.) with a nuclear capability. SALT III--represents the third round of your strategic arms limitation talks. Little progress has been recognized as the result of SALT I and SALT II. The high cost of the arms race is gradually forcing both countries into bankruptcy and is thus threatening the stability of the present government. You are representatives of the present government and you are meeting with representatives of your opponent's government. Following, you will find the rules for the SALT III conference:

- 1. Your objective as a team is to accumulate as many points as possible. The group opposing you has the same objective.
- 2. Your country has only 50 points in its central bank and you will go bankrupt if you lose more than 50 points in SALT III.
- 3. Each team will decide on a representative, who will from time to time, negotiate directly with a representative from the opposing team.

Figure 1--Payoff Matrix for SALT III

		Team X	
		Decrease Arsenal	Increase Arsenal
Team Y	Decrease Arsenal	Cell 1 5  5	Cell 2 -10  10
	Increase Arsenal	Cell 3 10  -10	Cell 4 -8  -8

E. Value for Each Round

Round two and three--shall be scored the same as round one. Round four--shall be scored as double the values in round one.

Round five--shall be scored the same as round one. Round six--shall be scored as triple the values in round one.

F.	Time Table	
	Break-up into groups	5 minutes
	Read information and develop strategy	5 minutes
	Round 1--Decision-making	3 minutes
	Tabulation of decisions	1 minute
	Joint negotiations in hall	2 minutes
	Round 2--Decision-making	3 minutes
	Tabulation of decisions	1 minute
	Round 3--Decision-making	3 minutes
	Tabulation of decisions	1 minute
	Joint negotiations in hall	2 minutes
	Round 4--Decision-making	3 minutes
	Tabulation of decisions	1 minute
	Round 5--Decision-making	3 minutes
	Tabulation of decisions	1 minute
	Final joint negotiation in hall	2 minutes
	Round 6--Decision-making	3 minutes
	Tabulation of decisions	1 minute
	Group discussion of the exercise	10 minutes (minimum)

G. Record Keeping

Each team shall keep track of their own scores on the attached score sheet.

Team Name \_\_\_\_\_ Section # \_\_\_\_\_

Overall team strategy \_\_\_\_\_

Names of team members:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_

<u>Start</u>	Example Decision	Dec. 1	Dec. 2	Dec. 3	Dec. 4	Dec. 5	Dec. 6
Team X Choice	increase						
Opponents (Team Y) Choice	decrease						
Scoring to Team X	+10						
Scoring to Team Y	-10						
Accumulative scoring for Team X	+10						
Accumulative scoring for Team Y	-10						

### III. EVALUATION AND DISCUSSION

Evaluate the negotiation process that you have just experienced and discuss the effectiveness of the strategy that your team chose. (10 minutes minimum to several hours.)

#### Suggested Discussion Questions

1. Did your team make maximum use of the available information? Did the team members really listen to each other? Were the opinions of the less vocal members sought? Did the team really try to obtain valuable information from the negotiators?
2. What happened to your team's morale and decision-making structure when it won? When it lost?
3. How were the negotiators chosen--by delegation? by vote? by qualifications? by volunteering? How committed were you to your negotiator? Were you willing to stand by him! her through thick or thin?
4. How did your team react to co-operation and competition? <sup>Why</sup> is co-operation so difficult to achieve? What barriers stand in the way of developing interpersonal trust between your teams?