THREE-PARTY COALITION EXERCISE

Full materials for the scenario are available from the Harvard Law School Program on Negotiation Clearinghouse. The following abstract is taken from this website.

SCENARIO:

Three independent organizations, "A," "B" and "C," have sent representatives to a three-way negotiation. The representatives have learned that there are benefits to working together. If all three groups reach an agreement, benefits totaling 121 points will be split three ways (to be determined by the participants). If only two of the organizations reach an agreement, the total benefits to be split will be less than 121 (varying, depending on which two organizations join together) and the third party will be left with nothing.

MAJOR LESSONS:

- The concept of BATNA can be examined, since each participant has the information he or she needs to calculate the expected value of various deals.
- The power of seemingly "weak" players can be enhanced through the creation of blocking coalitions.
- When played by several groups at the same time, the comparison of outcomes is instructive.
- The exercise can also be used to raise questions about the basis for arbitrating multi-party disputes.

ADDITIONAL NOTES:

For more information on this lessons of this game, see Howard Raiffa "The Art and Science of Negotiation" (Harvard University Press).

MECHANICS:

Time Requirements:
This exercise is designed for three participants. Preparation should take 5-10 minutes. Negotiations require 15-20 minutes; more time is useful.

Facility Needs:
Room with seating for multiple groups of 3. An overhead transparency projector is useful since some of the materials include transparencies.