Trading Game

May 30, 2014 | by Abigail R. Kies, MBA and Michelle Tillis Lederman, CPA, MBA, CEC

Primary Market

Teambuilding, Corporate Training

Character Focus

Cooperation, Teamwork, Trust, Strategic Thinking, Negotiations & Influence, Ethics, Creative Thinking

Items Needed

19 Toobeez connector spheres (Emeralds),14 white beads (Pearls), 24 black beads (Onyx), 12 stickers numbered 1 - 12, $10,000 of play money in varied denominations ($5's to $100's), 80 red, 80 blue, and 80 white, poker chips, 36 information cards (included at end of activity – copy & cut), 12 bags to fit the items, Flip chart/poster board withbonus information posted (keep hidden), Timer

*This activity is adapted from one we participated in at Columbia Business School

The Overview

"Sometimes the hardest decision made is the right thing to do…"

Yanny Natasha

Description

A group is split into twelve teams and instructed to trade in order to increase value.

Materials

- 19 Toobeez connector spheres (Emeralds)
- 14 white beads (Pearls)
- 24 black beads (Onyx)
- 12 stickers numbered 1 – 12
- $10,000 of play money in varied denominations ($5's to $100's)
- 80 red, 80 blue, and 80 white
- poker chips
- 36 information cards (included at end of activity – copy & cut)
- 12 bags to fit the items
- Flip chart/poster board withbonus information posted (keep hidden)
- Timer

Time Required

Setup: 30 minutes

Activity: 60 minutes

Debrief: 30 minutes (minimum)

Group Size: 12 participants (minimum)

No maximum number of participants

Space: Any room large enough to fit the group and open enough to find the other teams. Tables and chairs are fine. You will want an open setting for the debrief session.

The Activity Setup

Before the participants arrive, set up and number the 12 bags according to the table below. Prepare the flipchart or poster board with the scoring results for the end of the game (found in the chart on p. 106). Keep the poster hidden. When the participants arrive, divide them randomly into 12 teams. (See "Variations " for other ways to create teams.)

Note:

- It's okay if one group is slightly bigger or smaller than others.
- With these distributions, every team begins with $250 worth of value as measured by game end values.
- No team begins with chips that will later count as bonus chips for their team.

At the beginning of the game, bags should contain the complete list of items for their team number listed in the chart on Page 95.Also, Pages 96 – 101 should be photocopied, cut up, and placed in the correct bag by the facilitator prior to the start of the activity.

Item / Team	1	2	3	4	5	6	7	8	9	10	11	12
CHIPS												
Red	*	10	10	*	10	10	*	10	10	*	10	10
White	10	*	10	10	*	10	10	*	10	10	*	10
Blue	10	10	*	10	10	*	10	10	*	10	10	*
GEMS												
Onyx	4	3	1	3	1	1	5	0	0	4	2	0
Emeralds	1	0	2	3	2	2	0	2	3	1	2	1
Pearls	2	3	1	1	1	1	1	2	2	0	0	0
MONEY	110	80	60	110	100	60	110	110	60	120	90	90
INFORMATION CARD #'s	1 21 25	2 11 26	3 14 27	4 18 34	5 12 35	6 15 36	7 19 31	8 13 32	9 16 33	20 22 28	10 23 29	17 24 30

Clue # 1 A bonus of $5 will be paid for every white chip a team has at the end of the second quarter.	Clue # 2 A bonus of $5 will be paid for every blue chip a team has at the end of the third quarter.
Clue # 3 A bonus of $5 will be paid for every red chip a team has at the end of the first quarter.	Clue # 4 Blue chips represent power.
Clue # 5 Onyx is not equal to blue chips.	Clue # 6 Red chips represent power.

Clue # 7 Pearls are different than blue chips.	Clue # 8 White chips represent power.
Clue # 9 Pearls represent prestige.	Clue # 10 At the end of the game, Team 1 will receive an extra $5 for every red chip they have.
Clue # 11 At the end of the game, Team 4 will receive an extra $5 for every red chip they have.	Clue # 12 At the end of the game, Team 7 will receive an extra $5 for every red chip they have.

Clue # 13 **At the end of the game,** **Team 10 will receive an extra** **$5 for every red chip they** **have.**	**Clue # 14** **At the end of the game,** **Team 2 will receive an extra** **$5 for every white chip they** **have.**
Clue # 15 **At the end of the game,** **Team 5 will receive an extra** **$10 for every white chip they** **have.**	**Clue # 16** **At the end of the game,** **Team 8 will receive an extra** **$10 for every white chip they** **have.**
Clue # 17 **At the end of the game,** **Team 11 will receive an extra** **$10 for every white chip they** **have.**	**Clue # 18** **At the end of the game,** **Team 3 will receive an extra** **$10 for every blue chip they** **have.**

Clue # 19 At the end of the game, Team 6 will receive an extra \$10 for every blue chip they have.	Clue # 20 At the end of the game, Team 9 will receive an extra \$10 for every blue chip they have.
Clue # 21 At the end of the game, Team 12 will receive \$10 for every blue chip they have.	Clue # 22 If a team has no gems at the end of the game, they will receive a \$200 bonus.
Clue # 23 If a team has over \$200 cash at the end of the game, they will receive a \$100 bonus.	Clue #24 If a team does not have at least one poker chip of each color at the end of the game, they will be penalized \$200.

Clue # 25 **Red chips are worth $1 when the game begins.**	**Clue # 26** **White chips are worth $2 when the game begins.**
Clue #27 **Blue chips are worth $5 when the game begins.**	**Clue #28** **Onyx are worth $5 when the game begins.**
Clue # 29 **Pearls are worth $10 when the game begins.**	**Clue # 30** **Emeralds are worth $25 when the game begins.**

Clue # 31 **Red chips are worth $10 when the game ends.**	**Clue # 32** **White chips are worth $5 more when the game ends.**
Clue # 33 **Blue chips are worth $1 when the game ends.**	**Clue # 34** **Onyx is worth $15 when the game ends.**
Clue # 35 **Pearls are worth $5 when the game ends.**	**Clue # 36** **Emeralds are worth $10 when the game ends.**

Instructions

Facilitator Script

In this activity you will be working with a team (unless you have only one participant per bag). As a team, your objective is to have the most worth at the end of the game. All items will be converted to cash and thus a score will be determined.

The rules

- There will be four rounds of trading. The rounds will be of an equal, undisclosed length. There will be a two-minute warning prior to the end of each round. When the round ends, all trading and conversation must stop and players must return to their seats.
- There are four items in each bag: money, gems (black beads for Onyx, white beads for Pearls and Toobeez spheres for Emerald), colored chips, and information cards. All are valuable and can be traded to increase a team's final value at the end of the game.
- Anything can be traded or negotiated.
- All information that you need has been provided.
- No questions will be answered during the game.

Any questions on the material covered? (Answer any questions and get teams situated). Begin.

Observations and Modifications

Once the activity begins, your role as facilitator is to 1) observe, 2) time the trading rounds, and 3) provide payouts after each round.

1) Observations

This activity is an opportunity for people to look at their own and others' behavior in business interactions. By putting the mirror up, you provide the opportunity for participants to see the choices that they're currently making – allowing each person to determine what behaviors he/she defines as ethical. During the activity, observe:

- Do people lie, cheat or steal?
- Does anyone trade something not from the bag?
- How do people react to "unethical" behavior?
- Do people retaliate?

Learning Intention: Negotiation and Influence

Influencing and negotiating with people can be about just getting what you want or creating the win/win so all parties get what they want. No one strategy will work in every situation or with every person. To be most effective, you must choose the negotiating tactic considering the person, your relationship with him/her, and the values at play in the situation. This exercise is designed to raise awareness of the strategies people tend to rely on and expand participants' toolbox of tactics and understanding of how to select the appropriate approach. The shaded box on the following pages contains ten influencing strategies. Listen and notice:

- Which strategies are people using?
- Are they working?
- How are people reacting to different strategies?

Influencing Strategies

Relationship-Focused Strategies

Empower

Asking for input and ideas to make someone feel included and valued. This is a collaborative approach which credits a person's contribution and incorporates his/her ideas into the solution to create buy-in. This strategy is particularly useful with someone who values recognition.

Build Relationships

Taking time to be friendly, build rapport, learn about someone's interests or preferences and identify commonalities.

People are more inclined to do things for people they like. For social people, this tactic will be easier to employ.

Interpersonal Awareness

Tuning in to others' concerns by observing non-verbal behavior such as facial expression, body stance, and eye contact, and using that awareness to identify and address those concerns.

Trade

Seeking to understand what is preventing someone from the "yes" and suggesting a solution to both problems. "I'll scratch your back if you scratch mine," is the foundation for this strategy.

Organization-Awareness Strategies

Common Vision

Establishing a common vision by first determining the motivators of the target audience. Using that information, this approach shows how the plan or idea supports the broader goals or encompasses the stated values.

Center of Influence

Building support for ideas by first getting the support of those people that influence others. A person’s influence can be based on social status, level in the company, or other criteria.

Power by Proxy

Power by proxy is a strategy of enrolling assistance by leveraging someone else’s belief in the goal. This is sometimes also referred to as legitimizing when an established procedure or legal authority is the reference. This method is useful when addressing someone with higher authority.

Information-Based Strategies

Logical Persuasion

This tactic relies on knowledge, expertise and a logical presentation of the information to persuade. It is most productive when there is sound reasoning, statistics, and other irrefutable information, and it is most effective when dealing with left-brain thinkers who appreciate organization, information, and logic.

Dramatic Impact

This strategy plays to emotions by presenting information in a dramatic way. A bold statistic, an unexpected question, a shocking revelation or a personal story are methods of grabbing attention and creating an impact.

Power-Based Strategy

Coercion

This tactic uses threats or pressures to “force” the desired behavior. It is effective from a position of power and only when all else fails. It should be considered a last resort.

2) Trading Round Payouts

Be precise when timing the activity. Each round will last ten minutes. Give a two-minute warning after eight minutes. You will have five minutes to payout before beginning the next round. The payout after each round is noted below.

Round	Payout	
1	$5 for every red chip	
2	$5 for every white chip	
3	$5 for every blue chip	
4 Game End	**Chips:** Red $10 White $ 5 Blue $ 1	**Gems:** Onyx $15 Emeralds $10 Pearls $ 5
Bonuses and Penalties	Teams: 1, 4, 7, 10	$5 per red
	Teams: 2, 5, 8, 11	$10 per white
(post all game end information on boards)	Teams: 3, 6, 9, 12	$10 per blue
	No gems	Add $200
	More than $200 cash	Add $100
	If you do **NOT** have at least one chip of each color	Subtract $200

Concluding the Activity

The activity will end after the fourth round of trading and objects are converted to cash and bonuses are paid out. Post the results by team on a flip chart.

The Debrief

The debrief should be an interactive discussion. Lead it by offering a series of questions and soliciting responses from the participants. To begin, ask questions about the activity itself and continue with specifics related to the skills you want to address or highlight. You may stick to one area of focus or choose to cover many topics. Suggested questions are offered below to guide you as you facilitate this debrief.

The debrief is organized with an Opening and Closing and then by Learning Intention, and it may be used in a variety of ways. You may use just the Opening and Closing for a basic debrief or add the Learning Intention-specific debriefs in between. To include the Learning Intention specifics in your debrief, either pick one or two questions from each area in order to touch on many topics or work in depth on one or more areas of learning and go through all of the questions for that topic(s). Look through the questions, TIPs, FCs, and Transitions prior to the training session in order to choos e which ones you will cover (see "How to Use this Book").

Opening

The intention of this activity is to develop project management skills and enhance communication among participants. However, this activity offers many lessons, so let the participants share with you what they learned and their comments as to the purpose of the activity.

- What was the point of this exercise?
- Who knows what the instructions were?
- What rules did you create for your team that were not stated?
- How did you play the game?
- How did you feel about how others played the game?

Closing

In business we can win by having the largest paycheck, getting what we want, standing in integrity, or creating alliances. In cases, we define what winning is.

Concluding Questions

- What did you learn about influence and negotiations?
- What did you learn from your teammates about effective influence?
- What is the role of ethics in business?
- What impact does your interpretation of ethics have in your organization?

Action Plans

- How many ways can you apply what you've learned in this activity to:
  - Sales process
  - Strategic partnerships
  - Promotions and compensation
- Based on your new experiences and insights, what could be different in going forward?
- What three action steps (with specific, measurable results) will you take this month to begin incorporating what you've learned into your daily routine?

LI: Negotiation and Influence

It is useful to examine what influencing tactics you're currently using, understand what tactics you respond to in others, and expand the options of influencing strategies you can utilize. Use the following questions to generate a discussion about the strategies available and how to select a strategy based on situation, person, and personal strengths.

- Do you ever think about how you get your way?
- Are you aware of how you influence, how you are influenced by others, and how this varies?
- How did you influence others in this activity?
- Who did you respond to and why?
- How does this impact your organization?
- What is the long-term impact of the strategies you use?

Summary Script

When you negotiate or attempt to influence others, you must select your approach considering not only the current situations and needs, but also the long-term impact on the relationship. Influence and negotiations can just be about getting your way. Alternatively, it can be about getting your way by serving the needs of the other people involved – by creating the win/win.

LI: Ethics

While everyone has a different interpretation of ethics, there are some ethical norms that we agree to adopt in organizations and business dealings. Using the following questions, generate a discussion about how people view ethics in this activity and how that applies to business.

- How do you define ethical?
- How did you define unethical behavior in this activity?
- What behaviors did you witness?
- How did you feel about/react to unethical behavior?
- How did this change your transactions /interactions with the people involved thereafter?
- Did anyone trade something you didn't have in the bag?
- Was there lying, cheating, stealing, or bribery?
- Did anyone inflate his/her holdings?

Summary Script

Ethics and integrity are key components to building relationships and are critical to success in business . With every decision, one must evaluate the business results as well as the consequences to relationships. By staying in integrity, one can build professional success while also creating respect.

LI: Teamwork and Cooperation (S)

Teamwork and cooperation includes how people interact with each other, the roles people take in group settings , and how people perceive situations – as competitive or collaborative.

Teamwork

- How did your team work together?
- How did you form roles in your group?
- If you didn't get your way, how did you participate?
- How did you handle conflict or disagreement?
- Where in your job and career do you limit your definition of "your team"? How else could it look?

Cooperation

- Did anyone consider forming strategic alliances with other teams?
- What would it have taken to work together, and what's the possible impact?
- What is preventing or blocking you from expanding your idea of team, and how could you overcome it?

Summary Script

When people work together in an empowering way – one in which everyone is listened to and respected as a contributing member of the team – results are impacted. We often interpret situations as "us versus them," when all parties would benefit by working together. As we expand our interpretation of "our team", we also expand the possibilities for success and achievement.

LI: Strategic and Creative Think (S)

Developing a strategic plan is a critical element to success, and fostering creativity is necessary to develop an optimal plan. Use the following questions to generate a discussion about planning, strategic thinking, and creativity.

Strategic Thinking

- Did you develop a strategy? How?
- Ask the highest scoring group, did you follow a plan? How did it work?
- Ask the lowest scoring group, what sort of plan did you follow? How did that work?
- Did your plan or strategy change with each round of trading?
- How did interactions with other teams impact your strategy?
- Did everyone stick to the strategy and follow the plan?

Creative Thinking

- How were ideas solicited and received?
- Did you share all of your ideas? Why or why not?
- What behaviors contributed to/hindered creativity?
- How did you react to a "different" idea?

Key Take-Aways

- Success in business is self-defined.
- One must consider ethical implications when making decisions.
- In negotiations, look for the win/win – not just getting your way.
- Influence strategies have a long-term impact on relationships.

About Author

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Abigail R. Kies, MBA is the founder of Play To Win Coaching, a leadership development company. Combining her business background and powerful coaching skills, Abigail works closely with individuals, teams, and organizations from diverse backgrounds in varied situations... entrepreneurs, managers, Fortune 500 executives, artists, teachers, lawyers... to enhance communication, enrich relationships, develop leadership, and realize visions.

Michelle Tillis Lederman, CPA, MBA, CEC is the founder of Executive Essentials, a training company. She has delivered seminars internationally for corporations, universities, high schools, and non-profit organizations including: JPMorgan Chase, Deutsche Bank, Columbia Business School, and The Museum of Modern Art. Michelle is an Adjunct Professor at NYU's Stern School of Business in the Management Communications department and serves on the faculty of the American Management Association.

All Activities of Abigail R. Kies, MBA and Michelle Tillis Lederman, CPA, MBA, CEC