The Problem: Where does the money go?

International aid money mostly ends up back in the organisations and countries that deliver the aid. Initiatives to change this situation include the Grand Bargain which aims to have at least 25% of world humanitarian aid going to locals by 2020. This movement for change has been called localisation. Signatories include major donor countries like Germany, the United Kingdom as well as UNHCR and the World Bank. See the following reports on what localisation means and donor commitments to this.

The common narrative points are that local organisations/people
1. Have lack of control and ownership when it comes to donors/money
2. Reporting and restricted funding structures undermine local people’s ability to compete for contracts
3. Donor organisations need a mindset change and to take risks

Common Knowledge

As long as it’s easier to give 100,000,000 to one large organisation than 10,000 to 10,000 local grassroots organisations keep struggling day by day to survive. At the same time these small organisations are on the ground and also stay when everyone else leaves for the next crises. But they have to compete with larger organisations for proposals, visibility, employer’s salaries etc.

Scenario

The International NGO ‘Homo Sapiens Without Boarders’ (HB) receives substantial funding from the Wakanda Government (WG). Arrangements that guarantee HB chapters an annual dollar amount have been in place for years.

The Grand Bargain initiative is now pressuring WG and HB to find a solution on how the currently 0.4% towards local giving can be turned into 25%. Representatives from HB chapters, WG, and a local non-profit organization ‘Tiny Projects’ (TP) are now meeting to discuss the future of their relationships regarding charitable funding.

Major Lessons:

● This simulation provides an opportunity to discuss the difficulties facing charitable concerns in their fundraising efforts.
● The dichotomy between personal morals and professional concerns is especially clear in a negotiation about charitable giving.
● While most of these people involved in the negotiations have the same long-term goals (a better world), they have very different short-term goals.
● Learning how to work together despite previous disagreements is a major factor in this game.
Overview

The participants will be divided in three different groups, each group will get their own confidential information.

Profiles:

1. Information about local organisation ‘Tiny Projects’ (TP)
2. Information about ‘Homo Sapiens Without Boarders’ (HB)
3. Information about the ‘Wakanda Government’ (WG)

This negotiation role-play challenges to:

- Figure out your best alternative to a negotiated agreement
- Explore the essential differences between principled negotiation and positional bargaining
- What actions could you take if you do not reach an agreement at the bargaining table?
- What is the value of your negotiation in terms of the "currencies" that will be on the table in the negotiation (e.g., dollars, marketing, time pressure 2020, risk on reporting / threats, given capacity to manage and what is the definition of local (INGO who are locally registered?) Are there third parties who can help? How can you make the pie bigger?
- When do you walk away from a negotiation?
- Is “winning” doing it better than the other side? Or is it achieving an objectively good outcome?

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<tr>
<th>Tradable</th>
<th>Assumed Value to HB (low, medium, high)</th>
<th>Assumed value to Wik (low, medium, high)</th>
<th>Assumed Value to TP (low, medium, high)</th>
<th>MDO (Most Desirable Option)</th>
<th>LDO (Least Desirable Option)</th>
<th>BATNA (Best Alternative to a Negotiated Agreement)</th>
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As you’ll read, the negotiation role-play sparks important questions such as:

The Obvious:
- Goal is to create value and do well for your organisation
- TO reach an agreement

Involves?
- Improve your BATNA (Best Alternative to Negotiated Agreement)
- Trying to find ways to creating joint (solo) value
- Not doing deals that does not make sense