

UNIVERSITY ENGAGEMENT: GOOD NEIGHBORS BUDGET ALLOCATION EXERCISE

Beth Haley
University of Southern California
ehaley@marshall.usc.edu

ABSTRACT

Description of an exercise that showcases neighborhood programs supported through a university's not-for-profit organization. The use of familiar programs increases participant engagement with the role-play exercise. Participants become champions for the programs they select which heighten their involvement in the group negotiation.

INTRODUCTION

In 1992, Los Angeles, California spontaneously erupted in response to the not guilty jury verdict for the police officers involved in the Rodney King beating. The University of Southern California (USC) was surrounded by the escalating violence and became a fortress in protection of its inhabitants.

The aftermath of the LA Riots encouraged USC to examine its relationship to and with its South LA Neighbors. The USC Neighborhood Outreach (UNO) was born of that reflection in 1993. UNO is a nonprofit organization supported through USC faculty, staff, and student donations. Funds are raised through an annual Good Neighbors campaign. In 2011, \$1.5 million dollars were raised in support of 54 neighborhood programs.

The Good Neighbors Campaign served as the catalyst and namesake for an experiential simulation designed for undergraduates in the USC Marshall School of Business. Six programs, which received funding through UNO, were selected for the simulation. Information about each of the six programs was gathered from previous news reports or the USC web site. As a condition for use of the budget data, aliases for the programs were created. All supporting documentation was modified to reflect the aliases.

In collaboration with the executive director of Development for USC Civic Engagement, summary budget data for the six programs were provided for the exercise. This data served as the focus of the budget cutting negotiation activity. (Please see Appendix A for the Facilitator's Guide to Good Neighbors Budget Allocation.)

EXERCISE PURPOSE/OBJECTIVES

The Good Neighbors Budget Allocation exercise was created to increase engagement for USC undergraduate business students. In the standard budget cutting exercise, participants negotiate budget cuts for generic plants 1 through 6, cutting \$1 million. (This exercise is a

modification of the 1982 University Associates exercise – “Budget Cutting: Conflict and Consensus Seeking”.) Participants frequently would quickly sacrifice budget items because they were not invested in the exercise. They did not identify with Plant 3 and the forklifts in their budget.

PROCEDURES

With Good Neighbors, participants examine programs that they potentially may have volunteered with while at USC. The USC connection is emphasized with a YouTube video explaining the Good Neighbors campaign and showcasing some of the many programs.

After watching the introductory video, participants work with others representing the same program to develop a strategy in support of their program. They are told there was a shortfall in the donations to Good Neighbors and they will be meeting with representatives from five other UNO programs to decide on budget cuts. Their job in the meeting was to be the champion for the program they were representing.

While participants negotiate budget cuts, the facilitator observes the group processes:

- Pre-Meeting Strategies
- Consensus Decision Making
- Impact of Values
- Conflict Resolution
- Influence

The Marshall School of Business at USC provides the unique Experiential Learning Center (ELC) in which the simulations are facilitated. The ELC is equipped with breakout rooms that allow recording of the activities and playback for the debriefs. Facilitators work with Technicians to unobtrusively observe the interactions and select clips that demonstrate concepts to reinforce.

A secondary exercise was devised in anticipation of some groups quickly agreeing to an across the board cut to meet the budget shortfall. Early finishing groups would be tasked with brainstorming ways to increase donations to the Good Neighbors Campaign to prevent future shortfalls. A spokesperson or group was to present their ideas, with the presentation recorded and sent to the UNO office. A release form was to be signed and the DVD of the presentation sent to the UNO Director. Happily, of the 50 groups that have participated in the Good Neighbors

exercise, only one group moved onto the supplemental activity.

STUDENT RESPONSES

Response to the Good Neighbors Budget Allocation exercise has been positive. The exercise has been run with 10 different Business Communications undergraduate classes. Within each of the classes, there were 5 different teams negotiating the budget cuts. In every class, participants have recognized some of the disguised USC programs and shared their insights during the debrief. Very few of the teams have completed the negotiation in the allotted time frame and resist stopping to join the debrief. In other words, the participants were fully engaged in the exercise. The activity has also provided an opportunity to examine the impact of values in decision making. As an example, a participant arguing that their science-based program should not receive any cuts while the music program was expendable stated, "We are preparing students for a college education. What can they do with your program? Play on a street corner?" Watching clips of those interactions during the debrief opened the discussion in new directions.

SUMMARY

While the programs showcased in the Good Neighbors exercise are unique to USC, the structure of the exercise could be replicated by any university or college. Rather

than an affiliated nonprofit, various university programs could generate the same type of engagement. For instance, public institutions offer more transparency in their finances so programs/departments such as athletics, student clubs, engineering/science, music, fine arts, or the social sciences could be selected for the exercise. General budget categories rather than detailed financial statements should be used since more program discussions are generated. Precise and detailed budget numbers move the activity towards an accounting problem set rather than an examination of the goals for the programs involved.

2013 will mark the 20th anniversary of USC's Neighborhood Outreach (UNO) creation. Donations for 2012 are projected to exceed \$1.6 million. The Good Neighbors Budget Allocation exercise exposes students to the many good works of UNO – providing yet another point of USC Trojan Pride.

REFERENCES

- Maris, T.L. (1982). Budget Cutting: Conflict and Consensus Seeking. In J.W. Pfeiffer & L.D. Goodstein (Eds.), *The 1982 Annual for Facilitators, Trainers, and Consultants*, 11, 35-45. San Diego: University Associates, Inc.

APPENDIX A

Good Neighbors' Budget Allocation Facilitator's Guide

GOALS

- To provide experience in organizational planning and the establishment of priorities.
- To explore conflict resolution methods in group problem solving and decision-making.
- To practice the negotiation of budget items and the use of influence within an organization.
- To work together on a creative planning activity [optional activity]

MEDIA

- Clips from the negotiation looking for examples of: strategy, consensus, conflict.
- Video of fundraising proposals for groups having completed their negotiation early enough. 2 DVD copies of the presentation should be made and held for the Training Manager. Participants in the presentation should sign a release form so that their video can be sent to the Good Neighbors office.

TIME, SPACE, PARTICIPANTS REQUIREMENTS

- Time: 1 hour and 40 minutes
- Space: 3-5 rooms for groups of 6; initially, participants are divided into 6 Rooms, including the staff room in Bridge.
- Six members per group (If group needs to be at seven members, have 2 people assigned to USC Champions Mentor Program. There are enough materials for 8 in each program if you want to mix up the double ups.)

SETUP

- Conference tables.
- youtube video http://www.youtube.com/watch?v=sizKVfX8_Gk cued to play on the computers in each room.
- Scrap paper in each room.
- Setup Staff Room for Helping Hands group.
- Post Bridge room maps outside the ELC entrance. [Students will self-select into program of interest as they arrive.]
- Post program tag outside rooms.
- Place program folders in message boxes, including the Staff Room.
- Name Tents and Budget Allocation Worksheets next to Message Boxes.

ACTIVITY

- Discuss with Professor their preference for student distribution. Some professors may have pre-assigned teams and they want to use this exercise to reinforce teamwork. Others may be agreeable to self-selection. Here are the methods for either option.
 - **Option 1 – Intact teams**

First determine the number of students on each team. If there are 5 on each team, you may want to eliminate the Helping Hands group in the Staff room, which works well if there are less than 30 students. If you do eliminate Helping Hands, reduce the amount needed to be cut from the budgets by \$4,000 to \$13,525. You then have the students gather by groups in the outside hallway. If some of the groups are short members, the smallest group will need to be divided up to even out the groups to at least 5, if not a full 6 (which would allow for Helping Hands). Distribute the group members across all 5/6 rooms. They will then meet up with their group when the negotiations begin.
Make sure you have the Team Names before dividing them up. If they do not have Team Names, assign them A through E.
 - **Option 2 – Random Distribution**

As students enter the ELC, allow them to select the program they are interested in by looking at the ELC room map and descriptor phrase. Advise them that if the room already has 4 (or 5) people, they need to select another room. [Depending on the number of students in the class, the number may be adjusted to insure equal distribution across the programs.]
- Make sure the participants are evenly divided into one of the 6 ELC rooms (each room represents a different Good Neighbors Project). [Note – will need to assign a group to the staff room if in Bridge.]
- Announce, “Welcome to the ELC for today’s budget allocation exercise. Just a reminder, the ELC is a non-electrical device locale. Please turn off and stow away all cell phones, laptops, etc., and join us in “being in the moment”. Today’s exercise is a role play, in which you are acting as a champion for a USC Good Neighbors program. As you may know, USC sponsors an annual Good Neighbors campaign to raise funds for the USC Neighborhood Outreach. The Neighborhood Outreach was one of USC’s responses to the LA riots of 1992. “[C]reated in 1993, it is a nonprofit organization that provides financial support to university-community partnerships involving collaboration between USC faculty[, students,] and staff and local nonprofit organizations that have a visible, positive impact on the neighborhoods surrounding the University Park and Health Sciences campuses.” (<http://communities.usc.edu/gnc/faq.html>) Please start up the youtube video that is ready to launch on your room’s computer, making sure to select the full screen option. This should give you a feel for the types of programs sponsored by the USC Neighborhood Outreach nonprofit.”
- Have students play youtube video http://www.youtube.com/watch?v=sizKVfX8_Gk in all rooms, including the staff room in Bridge.
- Distribute through the message boxes a Project Folder for each participant. The folders include: the USC Partner Program Grant Application Proposed Budget and Program specific news articles, for the project assigned to that room. [**USC STEMS; USC Musical Notes; USC Helping Hands; USC Upward Academy; USC Champions Mentor Program; USC Village Watch**]
- Announce: "Today’s activity has multiple phases. In the first phase, you will be become the expert/champion of one of the Good Neighbor programs. All of the information you will be reading is about a real Good Neighbor programs, but an alias has been used. The room you are in now has all members learning about the same program. After you work together on a strategy to insure your program survives a budget cut, you will be assigned to a new room with members representing one of 5 other Good Neighbor programs. Each person in that room will be defending their program against debilitating cuts. This group, representing all 6 (or 5 if Helping Hands is not used) Good Neighbor programs will work together to cut the overall budget.
At this time, please retrieve your program’s information folder from the message box.

Please read the materials and become familiar with your program. We will be reusing these folders with

other classes so please do not write on the pages of the folder. Scrap paper is on your table if you need to jot down notes.

At present, everyone in the room you are in all represent the same Good Neighbors program. Once you read through your information, you can work with your room mates to devise a strategy for the upcoming budget allocation meeting. There has been a shortfall in this year's fundraising campaign so the overall Good Neighbors' budget is \$200,000 for these 6 programs, down from the original \$217,525. [Note – if some rooms are missing some programs, reduce the amount needed to be reduced from \$17,525. 5 programs - \$13,525; 4 programs - \$10,000.]

One everyone has their folder, please turn to the last page (second to the last page for USC Champions Mentor Program). This is your program's full budget, however, you will only use the numbers in the first column "UNO Funding Request". This is the amount that is listed for each program on the page 2 program descriptions and it is where cuts must be made. While most of the work of these programs is done by volunteers, salaries are paid to individuals that coordinate the activities of the program, often work-study students.

Remember, this is a role play. You have incomplete information and you will need to improvise. Remember also that each program is relying on their champion to convey the importance of their programs since everyone in the meeting will only have information about their own program.

You will have **15 minutes** read and work on a strategy."

- At about 10 minutes, visit each room to answer questions and assign them to a room (A, B, C, D, or E). [If intact teams are used, assign the teams to a room.]
- At the 15 minute mark, announce that they should move into their assigned rooms. Have them retrieve Name Tents and the Budget Worksheets (one per team) from the message boxes and place the tents on the table in front of them (e.g. USC Champions Mentor Program).
- Announce highlights of Decision-making by Consensus and advise them to use the consensus technique in their meeting that is about to begin.
 - recognize an obligation to express your opinion and explain it fully, so that the rest of the group has the benefit of your thinking,
 - recognize an obligation to listen to the opinions, arguments, and points of view of all group members, and be ready to modify your position based on the course of the discussion, and
 - avoid conflict-reducing techniques such as voting, compromising, or "giving-in" to keep the peace, since the expression of different opinions and thoughts is important to the process of determining the best course of action.
- Place Influence Rating forms in the message box.
- Announce: "Please begin your budget allocation meeting. Please try to reach consensus for the Good Neighbors budget in the next **30 minutes**. Once you reach consensus, please complete the Target Expenditures/Final Decision sheet and place it in the message box along with the program information and name tents. You will then retrieve from the message box, a rating form to complete.

If time permits, you will be assigned a new task at that time."

- If a team finishes in 20 minutes or less, see optional activity below.
- CLIPS – Seek clips of groups sharing information; conflict; posing alternative approaches.
- Announce: "Each team needs to identify the most and second most influential members in allocating the budget. Be ready to explain why they were influential during the debrief.
- Announce "All teams should now report to the large discussion room to debrief the exercise."
- Reassemble for debrief.

Optional Activity for teams finishing in 20 minutes or less.

- If the team finished in **20 minutes or less**, explain, “We are now entering into a different phase of the exercise. In an effort to raise more funds in the future, the Good Neighbors’ Campaign has asked for our help in designing future fund raising efforts.”
- “In your present group, develop a Good Neighbors’ fundraising campaign directed at USC faculty and staff. You have X minutes to brainstorm [time depends on how quickly they completed the first task]. Then, either a representative or multiple members of the team will present the idea. The presentation will be taped and all DVDs will be sent to representatives of the Good Neighbors campaign for consideration in future campaigns. Make sure that each member of you team is included on the release form that I am handing out to you. Make sure that you have also listed an email address so the campaign can notify you if they implement your ideas.”

DEBRIEF

Publishing

- Post Results of the 2 most influential individuals and the programs they represented.
- How did you prepare for the meeting? In hindsight, prepare differently?
- What was your strategy going into the meeting?

PROCESSING

- What did the individuals listed on the whiteboard do that made them influential?
- How did the group make its decisions? What helped this process? What hindered this process?
- On what basis did the group make its decision? Why did that framework get chosen?
- What values were examined? What values were not examined?
- How did you arrive at consensus?
- How did you deal with conflict?
- [Optional Activity - How did the Budget Allocation exercise impact your team’s performance on the fundraising campaign creation (if you had time to participate)?]

Generalizing

- How was this exercise similar to other group decisions? Are there non-business situations where similar issues are prevalent?
- How might organizations handle conflicting priorities?

Application

- What can you take from this exercise and apply in other group decision-making situations?
- If you were the President of the USC Neighborhood Outreach nonprofit, how might you have handled the dilemma?
- What can you take from this exercise and apply to other negotiation situations?

USC Good Neighbors Programs

You are a member of USC Neighborhood Outreach (UNO), assigned to represent one of the many programs funded by UNO. When funds were allocated from the recent Good Neighbors Campaign, there was a shortfall between projected (\$217,525) and actual funds (\$200,000) received impacting the following 6 programs:

USC Champions Mentor Program: \$36,030

Description: USC students work with local students on a year-round basis through regular interactions. That experience culminates with a week-long camp which further bonds the students with their USC mentors. The fun reinforces academics, leadership, and personal skill development for the youngsters.

USC STEMs: \$29,160

Description: USC STEMs [Science Technology Engineering Math] brings high school students to a USC laboratory for hands-on work. By exposing students to the excitement of scientific discovery, we hope to encourage a career in science.

USC Musical Notes: \$38,878

Description: The USC Musical Notes Program provides a connection between USC students majoring in music and the community. Through classes, trips, school performances and musical instructions, students and community members are able to develop an appreciation of music. The continued exposure and guidance can unleash the hidden musician in participants.

USC Helping Hands: \$29,060

Description: USC Helping Hands focus on the families in the University Park Area. We partner with all educational initiatives from early education to college entrance. Not only do we help families through educational hurdles, we also work with them during times of distress, providing counseling and intervention.

USC Upward Academy: \$30,800

Description: The USC Upward Academy prepares high school students for entrance into college and ideally, USC. High School students spend weekends with USC students to best prepare for the SAT and receive guidance on the steps needed for college admission. From application deadlines, to personal essays, to test-taking skills, students work together to offer schools their best snapshot of their abilities.

USC Village Watch: \$53,597

Description: Using the motto of “it takes a village to raise a child”, USC Village Watch creates a web of neighborhood residents watching over the children going to and from school. The volunteers undergo specific training and the program is coordinated through USC Village Watch.

[Please note – program aliases have been used for all of the Good Neighbors programs presented here.]

The information about the program you represent is presented in this folder. Various sources of information about your program have been provided so you can familiarize yourself with it and then represent its best interests in budget discussions.

The original budget worksheets for your program are also included. Please note that the USC Neighborhood Outreach (UNO) funds appear in the first column. The total amount initially allocated to the program is recorded in the top numeric cell of the spreadsheet. Remember, there was a shortfall in the donations received and this number may need to be reduced.

Each of these 6 programs will have a champion at the upcoming budget meeting, including you. Agreement must be reached on reducing the UNO grants by \$17,525 across the 6 programs. While the group must reach consensus, you are also tasked with being the program’s champion and protecting it from damage to its mission.

TARGET EXPENDITURES

<u>Program & Line Item Cut</u>	<u>Justification</u>	<u>Savings</u>
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FINAL DECISION

<u>Program & Line Item Cut</u>	<u>Justification</u>	<u>Savings</u>
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minimum
\$17,525

List the members of your Good Neighbors budget allocation meeting:

Next to each name, place a number representing who was more influential in reaching the budget decision – i.e., “1” would be the most influential person in your group, and “2” the second most influential, etc. Rank as many of your group in order as you can, but you must rank the most influential and the second most influential member. You can include yourself in your ranking.

List the reason(s) why you selected the person in the number “1” spot.

Tally the rankings and identify the 2 most influential person in your group, and be prepared to discuss the reasons these two were seen as the most influential. Be prepared to report your rankings to the Facilitator.

Marshall School of Business Experiential Learning Center

Hoffman Hall 102
Los Angeles, CA 90089-0801
213-740-0634
elcteam@marshall.usc.edu

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DATE:

Signature

Printed Name

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